Chapter 1 - Nature of the Study

Introduction

This study set out to examine how global leaders operate in multinational companies (MNCs). Of particular interest were what special leadership competencies they need for exercising their roles, how they acquire these competencies and what strategies of training and recruitment would provide the most appropriate means of assuring their leadership is effective. Much research on this emerging field of interest indicates what a complex task it is to lead a multinational company but no studies were found that recorded from first-hand observation, what global leaders *actually do*, as opposed to what they *say* they do, in their work roles. Given the possibility allowed, this gap in knowledge motivated the researcher to study global leaders *in situ,* that is, to identify what their global leadership involved and how they exercised their working lives on a day-to-day basis in a multinational company.

Managed from headquarters in the host country, MNCs are complex international businesses that produce and deliver goods and/or services to different countries, have investment abroad and work to adapt their products or services to customer preferences in their member countries. Global leaders of these companies exercise many different roles in diverse cultural environments and have the responsibilities of playing catalyst and managing cultural diversity if they are to function effectively (Kets de Vries & Mead 1993:187).

This first chapter begins by outlining the research problem posed and its context, what the research aimed to achieve and the research questions which provided a tighter focus for the study. Following is a brief review of the research design adopted where the researcher is identified as a major research instrument in the study. The field setting is then described, in this case the structural and cultural characteristics of the MNC under investigation. The section that follows identifies the background and role of the researcher and defines the key concepts that the study draws upon. Finally, the significance of the study is discussed along with how the chapters of the thesis are structured.

The problem and its setting

Globalisation has brought about the internationalisation of business and consequently an urgent need for a new type of business leader of MNCs – the global leader. A significant shortage of such leaders has been identified by MNCs which now have a high demand for leaders who can operate across national boundaries. However, it has not yet been fully determined what competencies are needed for such leaders. What these competencies are, how they might be acquired and developed and how to train and recruit global leaders, are now of the utmost importance for MNCs (Mendenhall, 2013). These problems form the key foci of this study.

Ever since the 1960s, when human capital theory moved from the economic periphery to the very core of nation-statehood, MNCs have had to rely heavily on a higher form of human capital, global competency, in order to carry out production and operations, provide professional development and recruitment of skilled staff, and deliver services in a multitude of countries simultaneously. It was then that researchers began to study international human resource management in MNCs. For most international business leaders, global competency is somewhat of a misnomer in that it is a necessary criterion for job placement, yet it is still ubiquitous in definition and role (Mendenhall, 2013).

MNCs are now increasingly operating in global environments, which require skills of their CEOs to lead across national and cultural borders (Friedman & Antal, 2005). Therefore, leaders in international business must acquire skills to fulfil "the social, relational, and communication needs thrown up by globalization" (Earley, Ang, & Tan, 2006:1).

MNCs having identified a significant shortage of such global leaders, are now searching for globally competent leaders in order to position themselves better in a rapidly changing business environment (Hunter, White, & Godbey, 2006:273; Javidan, 2012). In information and knowledge societies of the industrialised countries, growth no longer depends merely on production but on innovation. Thus, new skills and competencies are required from employees, mostly in the areas of research and development (R&D) (Wibbeke, 2009:12-14).

This study will use a German case study, and therefore a deeper understanding of the German context is provided in the following in order to explain the settings of the research. In Germany demographic changes and an ageing population have resulted in a shortfall of organisational leaders and specialists (Handelsblatt, 2013:1). In 2012, more than a million workers from different countries immigrated to Germany (Frankfurter Allgemeine Zeitung, 2013:1). Half a million skilled migrants will be needed per year, especially "from the fields of natural and engineering sciences" (Kuebler, 2010:1). Therefore, the workforce in Germany has become much more multicultural while not necessarily more highly skilled, a factor which led the German Chancellor, Angela Merkel, to claim in 2010 that multiculturalism had failed in Germany (Connolly, 2010:1). Even with the improved system of immigration, obstacles exist such as bureaucratic processes for the acquisition of skilled migrants, and the German culture seems not to be welcoming to foreigners (von Borstel, 2013:1). Different forms of discrimination seem to be another hindrance (Sonnberger, 2012:1). Thus, immigration in Germany is representing a challenge. Because Australia's system of immigration is seen by Germans as successful, a similar approach is likely to be chosen by the German government (Astheimer, 2010:1). In 2013, a new law was introduced which facilitates the immigration of skilled migrants or specialists from many different cultural backgrounds (Frankfurter Allgemeine Zeitung, 2013:1).

Attempts to create a common culture in a country supporting many different nationalities is no easy task. Culture can create a shared way of thinking and a common understanding within one group of people. Common values, beliefs or assumptions determine the perception of reality and are reflected in individualised actions and practices (Hofstede, 1997). Furthermore, a common culture can create shared understanding, behaviour and identity between group members and determine what is considered appropriate (Wood, Wallace, & Zeffane, 2000:55-56). However, the possibility of potentially damaging culture conflict should never be downplayed. As the interpretation of situations and behaviour is different between cultural groups, such differences can lead to misunderstandings which often result in conflict (Wibbeke, 2009:4).

Pertinent to this study, a higher degree of complexity brought about by these cultural differences which are likely to hinder organisational performance (Wibbeke, 2009:1), can be found in the operations of MNCs. Consequently, conflict and culture inherent in MNCs need to be managed competently (Ayoko & Haertel, 2006:345-348). As Konopaske & Ivancevich (2004:51) point out, "The glue that keeps employees working productively together will be the managerial behaviour, tone, and competence applied to an organization's culture".

Related to managing organisational culture, the literature focusing on global leadership has defined the following attributes as important for executives in international business – global leaders have to know how to motivate international teams and need to have excellent people and networking skills as well as specific knowledge in their area (Konopaske & Ivancevich, 2004). They require communication skills as well as experience with foreign cultures, an interest in such cultures and new experiences, tolerance of ambiguity and a good sense of humour (Schneider & Barsoux, 2003:191-194). For dealing with high levels of complexity they must have the ability to cope with stress and not only do they have to be adaptable but so does their home life (GMAC Global Relocation Services, 2008; Kets de Vries & Mead, 1993:191, 202). It is crucial that global leaders are proficient in English, and it helps to speak other languages in global assignments in order to communicate effectively (OECD, 2008).

A leader who is inter-culturally competent is said to possess intercultural acumen, balances profit and stakeholder needs, is highly self-aware in regard to his or her own cultural background, is effective in managing and interacting with highly diverse stakeholders, has a non-judgemental attitude and is flexible (Sheridan, 2005). However, intercultural competency is only a part of global leadership which also comprises a desire to create things, to change and improve organisations (Johansen, 2009). Global leaders must clarify values and set an example, express a vision, empower others and continuously develop their competence (Kouzes & Posner, 2007; Sinclair, 2007). In addition, they must think in a systemic, non-linear manner recognising interrelationships and consequences. Global leaders have to possess empathy, experiment with innovation, implement methods of trial and error and utilise reflective practice. Media can be used to foster the intelligence of networks and dialogue, respect and understanding (Johansen, 2009) between diverse individuals (Ayoko & Haertel, 2006:353-355).

Leaders need to engage in vision building, motivating, innovating, encouraging teamwork, building trust, risk-taking, providing support, rewarding merit, managing conflict, providing role models, communicating effectively, building and sustaining relationships, managing knowledge workers and facilitating learning. Augmenting what was found in the literature, three orders of priority of global leadership competencies were identified in this study as critical for success in carrying out these activities and behaviours.

It seems that global competency in leadership can best be developed by experiential forms of learning and most effectively by early exposure and direct experience with other cultures. Experience with cultural diversity in the workplace or in the family seems to be highly effective (Sinclair, 2007). In addition, education systems can provide students with learning about foreign cultures, world geography and languages, for example, through study abroad or the International Baccalaureate Diploma (IB) (Kanter, 1995). Adults learn through reflection-on-action (Argyris, 1991), so receiving feedback on management experience and coaching is effective (Griffin, 2003).

Learning global competencies is seen to pass through three stages – awareness, knowledge and finally skill acquisition, all of which can only be acquired through experience (Hofstede, 2001). Hofstede (1997:239) argues that the acquisition of language is most effective if the mode of learning is "full immersion, whereby using the language becomes indispensable for practical purposes".

With all of this knowledge, the researcher was particularly keen to embark on a study that allowed her to examine first-hand what global leadership actually involved in a MNC by observing the working world of global leaders and conversing with them about the nature of their work.

Aims of this study and the research questions

The chief aim of this study was to identify the activities, core competencies and skills needed by leaders of MNCs, how they acquire these and what strategies might ensure that their training and development as global leaders are effective. A secondary aim was to explore what means of recruitment would assist MNCs in selecting those with potential for developing the global competencies they and their company require for success.

The study focused on the following four research questions:

1. What are the critical activities undertaken by global leaders of multinational companies?
2. What core competencies do these global leaders need to acquire in order to be effective?
3. How might these core competencies be effectively acquired and further developed?
4. What strategies are likely to assist global leaders in acquiring these competencies and MNCs in recruiting potentially effective global leaders?

The research design

In light of the nature of the research problem, the study's aims and the data needed to address the research questions, a qualitative approach applying an exploratory case study was adopted. Attributes of global competency were identified, analysed and assessed through first-hand, in-depth observations of the day-to-day operations of CEOs in a selected German MNC. Obtaining these data involved shadowing (a form of observation) and semi-structured face-to-face interviews with the participating CEOs and also other leaders in the MNC under scrutiny. The overall objective was to define global competency in leadership in this company, by identifying its distinctive characteristics in the work of its leaders – the activities, competencies and skills they actually practised.

The research involved an action-based research plan that placed the researcher as the key instrument for collecting data with her shadowing two global leaders at the hosting MNC over a duration of four weeks (two weeks with each CEO). This allowed for first-hand critical observation into the day-to-day activities and the required competencies and skills of the two hosting CEOs. The MNC had a highly complex structure. One CEO was a board member of the MNC and CEO of a division of this organisation and this CEO was also the superior of the second participating CEO, who was leading the largest business unit of the MNC which comprised many companies all around the world. The latter was chairman of the supervisory board of the participating MNC.

The first CEO was asked to become involved in this research through networks of the researcher in the first instance, and via a formal letter to participate in the second. The second CEO agreed to participate after being interviewed. During the shadowing exercise, international business activities as well as necessary competencies and skills were identified according to specific tasks, behaviours, communication and other competencies. Through first-hand observation and participation in MNC settings, it was believed that a clearer understanding of the complexity and richness of global competency could be revealed. Over the course of the four-week study, interviews with leaders were also conducted to gain further insight into global competency issues using a semi-structured questionnaire which incorporated open-ended questions. Some of the interviews were carried out by phone out after the shadowing experience.

The shadowing experience and the self-reflection of global competency by the participating global leaders offered a particularly insightful approach by revealing insights about the practical CEOs' leadership activities, skills and competencies that would otherwise not have been possible to discover. Importantly, to be granted access to carry out this approach was indeed a special privilege for the researcher.

Twenty-eight global leaders, the key informants in the study, were interviewed, including the observed CEOs. The in-depth interviews with global leaders offered a means of triangulating the data, as did the insights gleaned from the relevant literature and documentation mined.

The interviewees were a diverse group with different cultural backgrounds and included four women and eight non-German leaders.

When beginning the study, the researcher held certain underlying assumptions. She expected participating leaders to be arrogant and authoritarian, as this had been her experience with some German leaders in the past. Therefore, she was worried about the shadowing exercise. It was encouraging to see that these underlying assumptions proved to be wrong. The leaders were very welcoming, friendly, relaxed, supportive, humorous and open to learn from this research. The leaders all indicated their keenness to participate in the interviews and were also keen to read the study upon completion in order to learn from it.

A common underlying assumption, one that the researcher initially shared, is that MNCs have completely globalised. However, at this stage, it was found that they are only in the process of internationalising as could be seen in the participating MNC. This means that CEOs of German MNCs still exercise a German style of leadership in their home country as they are often dealing with German employees, colleagues or other stakeholders.

The field setting

Structures and functions

The MNC that agreed to participate in this research was a highly complex organisation which was part of a large German corporation. Its name will not be disclosed owing to protection of anonymity and confidentiality agreements. As indicated above, this company was in the process of internationalising, with its headquarters and most of the core production plants situated in the home country but with many offices and production plants located globally. The MNC aimed at deepening its international approach and efforts were made to connect with regions like South East Asia to become truly global. Further, full internationalisation was being achieved through mergers and acquisitions around the world. The MNC under investigation employed approximately 30,000 people (Brochure 1:1).

There were plants and sales offices on four continents, in over 80 locations in approximately 30 countries (Brochure 1:1-5). Most of the informants worked for one of eight business units within the participating MNC which was the field setting of the study. This business unit experienced strong growth in Asia and NAFTA and the numbers of its international locations were to increase.

Many of the leaders who participated in the interviews were not sure how many nationalities could be found in the mother company. Answers varied from 'every nationality' to 'eight nationalities'. Some informants considered the whole corporation as the 'mother company', whereas others identified the MNC to which they directly belonged, as the mother company. Clearly, the size and complexity of the MNC made understanding its structure difficult.

Confusion existed about the terms 'department' and 'subsidiaries' as the MNC was significantly decentralised and in the process of becoming a matrix organisation. This MNC was not only structured by supporting functions and by products and their respective markets but most of the informants worked for a business unit which was a conglomeration of more than 50 independent medium-sized companies. Informants pointed out that the matrix structure made leadership more difficult as complexity had increased. Hierarchical structures had become flatter and the MNC had turned into a network- and team-based organisation with remote workgroups and virtual lines of control. Complexity kept increasing as the MNC was growing.

The MNC adapted to changes in society and to strong worldwide competition. Furthermore, the topic of 'work/life balance' had become important and the MNC adapted to employees' needs, becoming a 'family-friendly company' (Brochure 3:39). Being attentive to employees' needs made the MNC attractive as an employer and therefore more successful in attaining best-performing human resources.

Some of the informants had leadership responsibility not only for a company but simultaneously for a specific market. Their double-functions meant they were in contact with all people who worked in one function worldwide; for example, all IT or all human resources teams. Participants in this study came from three different management levels of the participating MNC. One shadowee was the CEO of the whole MNC and also on the board of the overarching corporation. Two informants were each leading one of the eight business units. One of these was a shadowee and led the most international of all the business units. The other informants were subordinates of this CEO. The representation of different management levels guaranteed that a diverse range of views and observations resulted.

In the participating MNC the sought after levels of gender and nationality equity had not been fully reached as reflected in interviews and observations. In the meetings, women were heavily outnumbered by men (Field notes/CEO1&2), although informants reported that the MNC was more progressive in regard to equity than other German corporations, and recently efforts had been made to increase diversity (Field notes/CEO1:12). However, one leader explained that in the past it was impossible to send women abroad because in the other countries women were not accepted; male behaviour excluded women from working in these cultures. This was changing with women being educated and entering what was once "a man's world". The informant mentioned that there were still countries where women were unable to work because when men do business in these countries they engage in drinking and participate in "special evening activities" (Interview 27:3-4). This would represent significant limitations for the participation of women because global leaders have to be able to do business all around the world. It was of interest, albeit surprising, to find that nothing about this dimension of global leadership has been found in the reviewed literature.

There was one woman on the board of the overarching corporation but no woman was on the board of the participating MNC. In some functional teams like human resources or communications, more female employees could be found than in other areas of the organisation. One informant reported that the MNC reflected trends to be found in Germany with regard to equity (Interview 27:3). Perhaps the informant is right as it was found that in Germany there existed segregation between men and women in regard to 'typically female' and 'typically male' occupations and fewer women were found in decision-making positions than men. As Berger (2012:4) indicates, "The share of women on boards is 16% in Germany".

Following the process of internationalising, diversity was the most important topic in this MNC (Field notes/CEO2:45). A diversity steering committee was set up whose purpose was gender equity and internationalisation of the MNC (Field notes/CEO2:64). Their aim was to increase female participation in senior positions by 2020 by more than 15 per cent and to create awareness of diversity. They had interviewed employees of the MNC and aimed at eliminating existing barriers in a collective effort and were supported by the MNC's leaders. They were establishing local action plans. CEO 2 suggested sending out a questionnaire to executives to examine the situation (Field notes/CEO2:64). In the whole corporation, there were rules to ensure diversification, such as those for hiring women and foreigners. However, these rules were not compulsory. As yet, there was no quota, but one manager argued that equal opportunities did exist (Interview 9:2). This was not reflected in the number of women participating during observation but a few women and foreigners could be found in general management and in senior management positions (Field notes/CEO1:12).

Cultural aspects of the participating MNC

As Schneider & Barsoux (2003:24-30) point out, architecture, office space, forms of greeting and address, establishing contact, dress code and written and verbal communication reveal important insights into an organisation's culture. In the participating MNC, buildings and their interiors looked unpretentious. In the building of the first CEO shadowed, named hereafter as CEO 1, there were posters of the Americas and Asia, the two regions with substantial growth, highlighting the MNC's emphasis on internationalisation and the business unit's strong international orientation. CEO 1's office looked warm, personal and modern and there was a monitor at one end of the table on the wall which was mainly used for the display of PowerPoint presentations in telephone conferences (Field notes/CEO1:11). There were many windows and pictures on the wall in which children had painted their parents at work. Furthermore, there were photos of CEO 1's family. The door remained open most of the time so that people could easily approach CEO 1 (Field notes/CEO 1:1; 3; 4; 22). However, and understandably, it was closed when talking about sensitive topics to guarantee confidentiality (Field notes/CEO1:3; 4; 20).

The dark-looking buildings where the second shadowed CEO 2 worked, hereafter named CEO 2, were the headquarters of the corporation. They were large and some decades old. The aisles were quiet and looked alike. The former factory building was designed in cool colours such as white and grey and with modern, functional and technical structures and materials (Field notes/CEO2:35). On the floor where the board members had their offices, the values of the company were written on the wall. Some core values from the around thirty values, stood out as they were written in another colour from the other values. There was a dimmed light in an open space with leather sofas on a wooden floor for those waiting (Field notes/CEO2:1). The atmosphere in the whole building was not as friendly as in CEO1's but gave the impression of being highly professional (Field notes/CEO2:35).

Meeting rooms were well-equipped for conference calls, video conferencing and presentations. In one meeting room, a sign said: "One group – one spirit" and in another meeting room there was a sign instructing employees to be punctual, prepared and respectful. Furthermore, it reminded people to switch off mobile phones, to concentrate on the topic and not to get into other issues, to elaborate a protocol with the most important measures and appointments and to leave the room as it was found (Field notes/CEO2:13). Leaders attending these meetings adhered to these rules. However, not all of them switched off their phones so that in meetings mobile phones rang or vibrated occasionally (Field notes/CEO2:33; 62).

In CEO 2's office there was a round, rather small meeting table, there was one wall made up of storage cupboards and his desk was located at the other end of the room. The room had a cool and neutral atmosphere. There were many objects from other cultures such as small American and German flags or the calendar stone of Mexico, reminding one of the global presence manifested in the MNC. On the wall there were some pictures of Paul Klee, the Swiss German artist, and some photos with employees. Behind the CEO's desk were many books and there was a picture of a bird relaxing in a hammock which said "everybody has his task" (Field notes/CEO2:1-2). The picture made one think. It represented a stark contrast with CEO 2's immense responsibility and busy work days, in which he hurried from meeting to meeting. It emphasised what CEO 2 mentioned at times: to relax, to keep calm when handling complexity and change as explained in interviews.

As in most German organisations, the employees had their own offices and kept their doors closed. Schneider and Barsoux (2003) claim that Germans do not like to work in open space because communications should not be listened to by others. A sense of privacy and quietness characterised the offices in the MNC studied.

When walking through the building, both CEOs greeted people in a friendly and polite manner. All visitors and participants in meetings were greeted with a handshake, some small talk and eye-contact (Field notes/CEO1:6; 25; 45). When addressing people, normally the formal type of greeting was used as is usual in German culture (Field notes/CEO1:2; 5). The formal code of address is the title, Herr or Frau (Mr or Mrs) and the last name. However, there were some people who were addressed by their first names and using the informal German form of 'you' which is 'du' instead of the formal 'Sie' which indicates seniority (Schneider & Barsoux, 2003:27; Field notes/CEO1:23; Field notes/CEO2:5; 34; 41). One participant explained that if they went to a country where people address others by their first names they did the same but as soon as they got back to Germany they again used the formal form of address. Thus, it can be seen that participants in this study practised behavioural flexibility and adapted temporarily to the visited countries' cultures. Unfortunately, owing to time and other constraints, the researcher was not able to travel with the shadowed CEOs internationally and therefore this study provides insights only into the time CEOs spend in the home country.

As is the German way, a social distance was kept when employees stood in a queue in the cafeteria or café but also when sitting on meeting tables or standing next to each other. But, contrary to the German stereotype of people being rather reserved and cool, the researcher experienced instead a culture of friendliness coupled with a welcoming spirit; informants communicated openly and were easy to approach (Field notes/CEO1:12). Thus, the MNC's culture was found to be more open than might be expected.

Dress code in the participating MNC was formal, with most leaders wearing suits. Some took off their jackets, wore pullovers or corduroy trousers (Field notes/CEO1:6; 19; 29; Field notes/CEO2:18; 40). Both CEOs used Blackberry smartphones. Status was reflected in the cars they drove and the watches they wore (Field notes/CEO2:31).

Role and background of the researcher

Especially in qualitative studies, as in this one, the researcher is typically a major instrument of the research and therefore has a significant influence on the interpretation and representation of the data. Thus, it is important to understand the researcher's profile, motivations and previous experience.

The researcher herself had become interested in global leadership and its development at a young age when she studied in schools with the ideal of internationalism which aimed to provide students with leadership skills and competencies (RoundSquare, 2012). Learning these skill enabled her to understand the context and culture of the participating MNC and its leaders at a deeper level, especially as she is of German nationality and has had experience working with several expatriate and global leaders, gaining insights into their work and family life.

Furthermore, she is fluent in four languages and has studied, lived and worked in eight different countries. Through this exposure, she is experienced with intercultural interaction, communication and conflict in intercultural settings in general and in MNCs' settings in particular. She worked several years with global leaders in two German MNCs and by experiencing different cultural, social, economic and political systems, became highly conscious of her own background and cultural 'baggage'. In so doing, she developed a deep sensitivity to diversity and cross-cultural issues. This sensitivity helped make her particularly receptive to the themes of global leadership, global competency and its development in a MNC setting.

Having such a background with experience in intercultural environments, not only provided the motivation to carry out this research, but enabled her to understand at a deeper level the subtleties of the cross-cultural organisational environment she studied.

Key concepts applied

In what follows, working definitions are provided for the number of concepts that are used throughout the thesis.

Globalisation refers to the increasing integration of the global economy, the opening and interdependence of markets which bring about changes in economic, political and social conditions all around the world (Kantzenbach, 1998; Radermacher, 2001).

Internationalisation in this study refers to the "growth of transactions and interdependence between countries" (Scholte, 2008:1473) which leads, for example, to increased interaction between people from different parts of the world.

Multinational companies (MNCs) are defined as global, international businesses which both produce and deliver goods and/or services to more than one country and have investment abroad. Multinational refers to the degree to which these organisations' affiliates are located in other countries. MNCs coordinate and control operations in and between multiple countries even if the respective organisations are not owned by them. MNCs do not only export or import goods from or to other countries but offer their services or hold productive activities in more than one country. They are managed from the host country's headquarters and adapt their products or services to their overseas local customer preferences. As MNCs' affiliates operate under the foreign countries' legal conditions they are more affected by international matters than single-nation companies. They establish strategic alliances and, for instance, transnational production networks for the exploitation of worldwide geographical advantages and are flexibly shifting resources between their locations on an international scale.

Culture is used in its broadest sense to mean, as defined by Hofstede (2001:9), "the collective programming of the mind that distinguishes the members of one group or category of people from another". The term, *organisational culture* is taken to mean,

> …the shared values, beliefs and norms which influence the way employees think, feel and act towards others inside and outside the organization. (Buchanan & Huczynski, 2010:100)

Ethnocentrism is interpreted as the tendency to perceive otherness through one's own cultural lens. This means that individuals see their own culture as superior over differing values, beliefs or attitudes and do not notice the uniqueness of other perspectives (Moran, Harris, & Moran, 2011).

Related to ethnocentrism is the concept of *prejudice* which is the fixed assumption of incorrect or unsubstantiated information about an individual or group. Prejudices involve generalisations "resistant to change or evidence to the contrary" (Northouse, 2013:386).

Stereotypes are beliefs about characteristics of particular groups which are then related to all individuals belonging to this group (Moran, Harris, & Moran, 2011).

Stereotypes can hinder effective communication as they have an impact on the interpretation of meaning. Experts in intercultural behaviour do not compare and generalise the host culture with their own culture (Thomas & Osland, 2006).

The term *cultural diversity* refers to the multitude of cultures which include differences in "gender, ethnicity, class, language, work-life balance, economic disparities, and physical disabilities" (McNamara, Chappell, & Browning, 2006:63). In industrialised countries like Europe or the United States, diversity is increasing in the workforce (Yukl, 2013).

In the context of this study the concept of *leadership* broadly refers to,

> …the ability [of leaders] to successfully integrate and maximise available resources within the internal and external environment for the attainment of organizational or societal goals. (Ogbonnia 2007:27)

Also the concept is taken to mean what Crosby (in Bryson, 2004:298) defines as "the inspiration and mobilization of others to undertake collective action in pursuit of the common good".

Culturally appropriate leadership is that which is required to fit specific cultures (Alon & Higgins, 2005). Leaders in this research study need this attribute as they operate globally and have to adapt their leadership style and behaviour to different countries' environments, to cultural differences and a very culturally diverse workforce.

Transformational leadership is identified as the most effective approach to leadership in situations where accelerated change occurs and where adaptability is called for in today's turbulent global environments (Díaz-Sáenz, 2011; Rubin, Munz, & Bommer, 2005). Ideally, those being led must trust and respect transformational leaders and internalise the values and vision communicated by the leader. The transformational leader inspires and motivates followers to make remarkable efforts for the organisation's benefits (Carmichael, Collins, Emsell, & Haydon, 2011). An atmosphere of support and professional growth is developed and the leader becomes a coach or mentor (Yukl, 2013). Unobtrusive monitoring and active listening are used by transformational leaders (Dionne & Yammarino, 2004) who become role models. They are admired by those they lead for their extraordinary capabilities which enhance their charisma (Díaz-Sáenz, 2011).

Baseline leadership is taken to mean that practised by leaders who only interact with employees and other stakeholders from the same culture.

Expatriate leadership relates to leadership where nationals of one country have been sent to another for a certain assignment (Wild, Wild, Han, & Rammal, 2007).

Multicultural leadership refers to the leadership of multicultural teams which often are often in remote, overseas locations.

Global leadership is interpreted in this study as a more complex concept of leadership which involves leaders operating with several cultures at the same time, and which is responsible for leading different parts of international organisations dispersed the world over.

Competencies can be seen as, "a set of underlying characteristics that an individual or a team possess that have been demonstrated to predict superior or effective performance in a job" (Bird & Stevens, 2013:113).

Global competencies are taken to mean, "qualities that enable individuals to perform their job outside their own national as well as organizational culture" (Jokinen, 2004:201). These competencies require "having an open mind while actively seeking to understand cultural norms and expectations of others, leveraging this gained knowledge to interact, communicate and work effectively outside one's environment" (Hunter, White, & Godbey, 2006:17).

The attribute *global* refers to "complex multinational contexts" (Lang, 2010:90).

A *global leader* is viewed simply as, “a person who can play the role of catalyst, who is managing cultural diversity, and who functions effectively in different cultural environments” (Kets de Vries & Mead, 1993:187).

Global competency leadership is defined as, “leadership that can determine the future of a business organization during its process of internationalization and globalization” (Zhao, 2008:36).

Single-loop learning implies understanding how to improve performance. “Single-loop learning occurs ‘whenever an error is detected and corrected without questioning or altering the underlying values of the system’” (Tosey, Visser, & Saunders, 2012:292).

Double-loop learning implies reflection-on-action by inquiring into the governing variables, values and norms which are the basis for organisational actions. Double-loop learning happens “when mismatches are corrected by first examining and altering the governing variables and then the actions” (Tosey, Visser, & Saunders, 2012:292).

Snell’s and Chak’s (1998:340) definition of *triple-loop learning* is adopted here as meaning, “Co-inventing-collective mindfulness. Members discover how they and their predecessors have facilitated or inhibited learning, and produce new structures and strategies for learning”. Triple-loop learning is also seen by Yuthas, Dillard, & Rogers (2004: 239) as “continual reflection on the learning process, the contexts within which learning occurs, and the assumptions and values motivating the learning and influencing its outcomes”.

The *learning organisation* is another concept used. Five characteristics are seen to distinguish learning organisations from other organisations – systems thinking, personal mastery, building shared vision, mental models and team learning (Tait & Blinco, 2014). According to Senge (1990:3) who coined the term, in learning organisations,

> …people continually expand their capacity to create the results they truly desire, where new and expansive patterns of thinking are nurtured, where collective aspiration is set free, and where people are continually learning to see the whole together.

For implementing more effective ways of learning, the behaviours and capabilities of individuals have to be reached through a strong culture of learning. Such organisational learning is said to enhance the organisation’s capacity to create, acquire and transfer knowledge. Through sharing of visions and permitting employees to discover and challenge mental models, organisations can bring about positive change and better respond or adapt to their environments.

Social corporate responsibility is taken to mean, the “Practice of companies going beyond legal obligations to actively balance commitments to investors, customers, other companies, and communities” (Wild, Wild, Han, & Rammal, 2007:116).

Ethical governance can be defined as the “Commitment to ensuring ethical principles in governing and the processes and procedures, cultures and values which ensure their attainment”(Cini & Perez Solorzano Borragan, 2011:5).

Formative assessment, put simply, refers to the kind of evaluation which brings about learning (Taras, 2008). As Robinson, Myran, Strauss, & Reed, (2014:141) explain further, “Formative assessment ideas and practices are based on multiple theories of learning incorporating behavioral, cognitive, and constructivist approaches, especially the effective use of feedback”.

Summative assessment is interpreted as that which is carried out for verification and accreditation (Taras, 2008).

Systems thinking is another concept used which can help to lift the performance of organisations operating in complex, uncertain and turbulent contexts. It can assist in conceptual problem solving, effective decision-making and learning in and about such conditions. Systems thinking offers several benefits for MNCs in the following: scanning the global environment and managing alliances; positioning the organisation; organising and designing to create better strategies; strategic planning; leading change; integrating business processes; networking and managing people processes; and building effective teams (Skarzauskiene, 2010). Appendix R compares attributes of systems thinking with traditional kinds of organisational thinking.

The *executive board* of directors in this study is the executing organ which is required by law for a legal entity of commercial law (public limited company, cooperative). The executive board represents the organisation legally and out of court and is appointed or elected for a limited period of time (Duden Wirtschaft von A-Z, 2013).

In Germany, *supervisory boards* are bodies of control which are required by law for the following forms of companies: Genossenschaft (cooperative), KGaA (commercial partnership limited by shares), an AG (public limited company) and a GmbH (limited liability company) if this company employs more than 500 individuals.

The principal responsibility of a supervisory board is to call, recall, consult and control the executive board. It also monitors the company's annual accounts but is not allowed to interfere in the direct leadership of the company. Members of the supervisory board are representatives of the shareholders and according to the co-determination representatives of the personnel and workforce (Duden Wirtschaft von A-Z, 2013).

The significance of the study

In addition to what is found in the research literature, this study provides invaluable insights into the activities, competencies and skills demonstrated by leaders in a German multinational company. Because it is very difficult to gain access to such a setting and, as observation in general and shadowing in particular have not been carried out with leaders of MNCs before, this study is a trail blazer in its attempt to reveal conditions which might have been hidden or taken for granted by the company's two CEOs and other researchers who relied on other means of collecting data. Such insights gleaned proved significant and should benefit leaders of MNCs, other researchers, consultants, and scholars of leadership and contribute substantially to the emerging research-based literature in the field.

Of great benefit to MNCs could be the implications of the findings which point to ways of overcoming the predicted shortage of global leaders as witnessed by Osland (2013b). As it is apparent that not enough leaders are currently being developed for future needs, identifying what core competencies are needed and how to recruit and train suitable employees and develop their global competencies should be of inestimable benefit in overcoming the existing skills shortages in the workforce, as well as helping to produce highly skilled leaders capable of exercising their very complex roles.

Also, as there is no agreement on the concept of global competency found in the literature, and global leadership is still an emerging field (Osland, 2013b), this study contributes new definitions of this concept based on successfully identifying the concept with deeper insights than hitherto carried out.

Findings should also help to address a noticeable gap in the literature pertaining to the different developmental stages, forms and contexts of global leadership which were discovered in the study. This research used these to construct a conceptual framework that highlights the different competencies, skills and activities at the levels of baseline, expatriate, multicultural and global leadership.

Another gap in the literature which was identified and which this research addressed concerned a lack of comment on the financial, statistical or mathematical competencies which are required by leaders in all four levels of leadership identified. Moreover, this research, in contrast to other studies, highlights the importance for leaders to present a calm and composed persona, to act with speed and efficiency and for leaders to cease working with expatriate leaders and instead, empower their overseas, local employees.

Regarding the shadowing instrument adopted in this study for data collection, this study has much to offer. Although high levels of trust, sensitivity and confidentiality are involved in shadowing, the technique allowed the researcher to observe first-hand and in-depth the multi-faceted nature of the work carried out by global leaders. Shadowing every move of the CEOs over two weeks for each, proved a significant and valuable tool that is recommended for future researchers.

Finally, the models developed for the professional training and development, the acquisition and advancement of global competency and for the recruitment of global leaders should be of great value to MNCs, especially their human resource divisions and their leaders.

Structure of the thesis

Chapter 2 provides greater detail on the global context in which MNCs operate and differentiates between characteristics of MNCs and other forms of companies. Focus is particularly on MNCs in the German context. The chapter concludes by presenting the conceptual framework which guides this research, introducing four developmental stages of leadership which build upon each other.

The first part of the literature review, the focus of Chapter 3, concentrates on baseline leadership activities and traits as these are seen as the foundation of the more complex forms or stages of expatriate, multicultural and global leadership which are discussed in the chapter following.

Chapter 4, the second part of the literature review, builds on the contents of Chapter 3 by explaining and elaborating expatriate, multicultural and global leadership. Described here are the underlying concepts of cultural understanding, German culture and leadership, and intercultural leadership.

In Chapter 5 the choice of research methodology is justified, the underlying philosophical assumptions are explained and the chosen research tools described. Given the qualitative method adopted, this chapter also highlights how the credibility of findings was enhanced and illustrates how key informants for shadowing and interviewing were chosen. It further specifies how data were presented and analysed and outlines an interchange that took place between the two CEOs shadowed and the researcher during her writing up period. The chapter concludes with an explanation of ethical considerations for this study.

Findings of the study are presented in Chapter 6. Out of a myriad of competencies identified, six core competencies of global leadership are highlighted. The six competencies are ranked in order of perceived importance as first, second and third order, with the top core competency identified as clear and concise communication skills.

Chapter 7 builds on the findings of Chapter 6, pointing out some significant implications of the findings for the training and development and recruiting of global leadership candidates. Consequently, a learning development framework for global leadership is proposed as is a model for selecting and recruiting global leadership talent.

The final chapter, Chapter 8, draws together the threads of the study and highlights the key conclusions drawn in relation to each of the research questions. Some practical implications of the study are also highlighted, and some potential areas for research in the field of global leadership are identified that future researchers may wish to pursue.

Chapter 2 - Context of the Study and the Conceptual Framework

Introduction

This chapter explains the global context in which this study is set. Consequently, discussion focuses on the impact of globalisation on multinational companies and their operations in this context. MNCs are now dominant businesses in the global economy but do not share all the same characteristics. Their differences are presented in a following section as a five form typology and are further differentiated between themselves and other types of companies. The focus then narrows to the German context where MNCs are situated. On a final note, a conceptual model based on the forms of leadership needed for the five different types of companies depicted within their respective contexts, is presented.

The impact of globalisation on multinational companies

The forces of globalisation which have broken through the barriers of world trade, have had a marked impact on how MNCs have developed and how they operate in the global marketplace. Globalisation refers to the increasing integration of the global economy, the opening and interdependence of markets, which brings about changes in economic, political and social conditions all around the world (Wild & Wild, 2014). According to Prange (2003:23) it "has been argued that globalisation has undermined national policies because world market forces are stronger than even the most powerful states". Over the past decades, commercial activity has grown worldwide as a result of the reduced cost of transport and communication. In ongoing negotiations, nation states have agreed to abolish major barriers to world trade. Industrial goods still account for the largest part of international trade; nonetheless, international trade with services and financial products is increasing. It is assumed by many economic observers that economic well-being and growth are associated with the openness of world markets. Besides openness of markets, privatisation and deregulation are also important elements of globalisation (Langhans & Prochnow, 2010).

From a macro-economic viewpoint, globalisation forces refer to the reduced determination of prices by demand and supply in national or regional markets. Prices are now adapting to supranational or global markets. In capital markets, this refers to the prices of goods and services, whereas it is not clear yet to what extent this process might affect prices on labour markets (Pfaller, 2001). Employment related to international trade is increasing. However, there are immense differences in salary levels on the worldwide labour market. In the industrialised countries, highly-skilled employees benefit from new employment opportunities and higher salaries are created by globalisation, whereas unskilled labourers can be seen as the losers of globalisation because they are affected by competition from the low-cost countries (Kantzenbach, 1998).

Globalisation is claimed to represent a challenge to the welfare state and society, creating winners and losers through the outsourcing of large parts of the value chain of production which in turn creates greater competition in the global market. Consequently, there is an impact on employment (Radermacher, 2001).

Whereas in the 1990s Western organisations operated still in homogeneous markets with employees from the same culture, the process of globalisation became more evident in the mid-1990s with the rapidly growing economies of countries like Mexico, Brazil or Russia which benefited from the investment of MNCs. This trend was ongoing but affected by the global financial crisis (GFC) in 2008 causing a decline in investment and trade (Canals, 2012).

Nature of multinational companies

MNCs are increasingly dominating international trade with their investment, product and production strategies (Langhans & Prochnow, 2010). They grow strongly in their overseas markets (Canals, 2012) and subsequently "generate significant jobs, investment, and tax revenue for the regions and nations they enter" (Wild & Wild, 2014:30). As Bruner, Conroy, & Snell (2012) point out, business leaders need to understand and take into account local circumstances as well as global forces. However, business is seen to be only "semi-globalised" at this stage; it does not remain local but is not yet entirely globalised. The common assumption that MNCs are fully globalised is seen to be incorrect as the largest MNCs seem to have reached only intermediate stages of globalisation and doubt has even been expressed if there is any globalised MNC at all as some say a global MNC's activities should be found all over the world (Fisch & Oesterle, 2003). At this stage, MNCs are generally managed from headquarters in their home country, although they operate in various countries (Sutherland & Canwell, 2004).

There is an increasing demand to develop leaders for overseas operations. In general, activities and ways of working are changing as organisations become internationalised and new competencies are needed by their leaders. Canals (2012:31) argues that "increasing globalization, the economic shift to Asia, and the demographic, cultural and social changes that globalization brings about, require a different type of leadership".

It is a truism that the more an organisation internationalises, the greater the complexity associated with its activities (Warf, 2010). This complexity requires the adaptation of structures, systems and processes, which takes time as such learning and adaptation can only be brought about by experience. Changed settings will be found in other countries or regions in terms of economic, political, institutional and cultural conditions. When going abroad, interpreting the signals from the new context in which companies operate is difficult as in the beginning there exists a lack of knowledge about the environment which can lead to mistakes and negatively influence the performance of the company (Hutzschenreuter & Voll, 2008).

Enterprises with operations overseas have existed for centuries, such as the East India Company, which was founded in 1600, or the Hudson's Bay Company which was founded in Canada in 1602. These companies established worldwide networks of trade. Nevertheless, MNCs, as they are known today, did not emerge until after World War II. Then, internationalisation was accelerated by the development of technologies and enabled by flexible modes of production and organisation of companies (Warf, 2010). Since the 1970s, companies have increasingly sought to exploit global opportunities and foreign direct investment (FDI) has steadily increased. FDI can be defined as "a purchase of physical assets or a significant amount of the ownership (stock) of a company in another country to gain a measure of management control" (Wild & Wild, 2014:202). Consumers and companies now can invest wherever it brings in the highest revenue (Langhans & Prochnow, 2010). Many of them pursue strategies of global integration (Edwards, 2000).

When becoming multinational, a company can achieve cost advantages by placing operations in countries where the organisation can benefit from low labour costs and economies of scale. Another reason to invest abroad could be the proximity to clients, supply to large overseas markets such as China or the United States (Wild & Wild, 2014).

The value chain of producing goods is not limited by national borders but products are sent around the globe before they reach the consumer as a final product. MNCs "integrate their value activities more and more into a world-wide corporate strategy" (Holtbruegge, 2005:564). About one-third of the international exchange of products takes place within MNCs and up to 80 per cent of world trade is carried out by MNCs. Rapid growth of MNCs results from the progress of technology, the development of communication, transport and information networks, the liberalisation of global trade and the movement of capital among the industrialised states (Langhans & Prochnow, 2010). It has been estimated that by 2007 there were approximately 77,000 MNCs, originating from developed countries and increasingly from developing countries, with more than 770,000 affiliates globally. The United Kingdom, the Netherlands, Brazil and Mexico are most frequently chosen as host nations for establishing foreign affiliates by MNCs, and 60 per cent of the activities of these MNCs can be ascribed to six industries: "motor vehicles, pharmaceuticals, telecommunications, utilities, petroleum and electrical/electronic equipment" (United Nations, 2007:4).

However, working in cross-cultural contexts with foreign affiliates carries potential dangers for MNCs. It is predicted that future leaders of these companies will hold global mindsets and mentalities so that global strategies, standardised structures and practices will be adopted by MNCs and national identities will be lost (Geppert & Williams, 2006). Currently too, MNCs have to decide whether to implement a more centralised versus a more decentralised strategy of management, the latter of which would empower the regional partners to customise products, market offerings and make decisions on their own. Deciding on strategy would, however, depend on how the MNCs entered their new markets – whether by mergers and acquisitions, joint ventures or sequential access to the market (Eldrige & Wilburn, 2006).

A typology of internationalised companies

For analytical purposes, these companies can be classified into three major categories:

1) *Single-nation or domestic companies* are those which operate, produce and sell in their home country. Leaders interact with people from one culture only. Revenue from foreign countries is less than or equal to five per cent.

2) *Import-export companies* can be organisations with no investment in foreign countries or affiliates of companies. Thus, leaders of these companies are located in the home-country context and deal with clients and stakeholders from abroad. However, the degree of such interaction varies. As this study is about leaders in MNCs, import-export leadership is not relevant.

3) *Multinational companies* are organisations that have investment abroad. Multinational refers to the degree to which these organisations' affiliates are located in other countries. MNCs coordinate and control operations in and between multiple countries

even if the organisations are not owned by them. MNCs export or import goods from or to other countries as well as offering or holding productive activities in more than one country. They are managed from headquarters and adapt their products or services to local customer preferences. MNCs' affiliates operate under the foreign countries' legal conditions. Therefore, these organisations are more affected by international matters than single-nation or import-export companies. MNCs establish strategic alliances and, for instance, transnational production networks that exploit worldwide geographical advantages and flexibly shift resources between their locations on an international scale. Two sub categories of MNCs are described below.

3a) *Global enterprises* as a type of MNCs have investment in many countries all over the world. They use a coordinated branding and image strategy globally and can be characterised by their organisational structure which combines a structure of the different locations worldwide with a structure by all of its products. Leaders in such organisations manage a flexible network of units facilitating the information flow between these units and forge strategic alliances with international partners. The trend of mergers between firms from different countries might lead to the future establishment of multiple headquarters. Global enterprises can be geographically flexible and are able to transfer knowledge over international networks. The focus is on profit, efficiency, cost and volume. Through global research and development, such companies can establish mass-customisation synergies, operate logistics, sourcing, customer service and intelligence and information resources on a global scale. Leaders deal with people from many countries. Global enterprises make use of expatriate managers to run their foreign operations.

3b) *Transnational companies*, which are also MNCs, are highly complex and have invested in many foreign countries and empowered their affiliates to make decisions and manage their own R&D as well as marketing activity. Leaders deal with people from many countries. In contrast to global enterprises, transnational companies employ local plant managers.

These company types are depicted in Table 2 (a).

Table 2 (a): Characteristics of internationalised companies: a typology

Operations	Single-nation company	Import-export company	Multinational company	Transnational company	Global company
Operates, produces and sells in home country	x				
Volume of revenue from foreign countries which are ≤ 5%	x				
Imports and exports with no foreign direct investment abroad		x			
Imports and exports with foreign direct investment abroad			x	x	x
Operates under foreign legal, political, social and cultural conditions			x	x	x
Operates in a highly complex network of alliances between international affiliates for marketing, research & development				x	
No expatriates but local plant managers				x	
Employs expatriates as plant managers					x
Operates in a flexible network of companies and between and among many countries					x
Network is beyond region					
Outreach is global					x
Focuses on efficiency, cost and volume					x

The German context

As environments of national businesses have a strong impact on capabilities and assets of MNCs, the context of Germany regarding globalisation is important to consider. Economic observers claim that changes are taking place in Germany and its "social-market economy". The country is increasingly integrated in the world economy because of its international orientation and its leading performance with exports of 1.1 billion Euros in 2012 (Spiegel:online, 2013). Germany outperforms countries such as the United Kingdom, the United States, France or Italy (Busch, 2006). Because of its strong performance, Germany's economy could withstand global competition (Scheide, 2009).

German companies seem to be particularly well-organised and production-oriented, are relatively R&D intensive and make use of a collective approach to solving problems. In the German system, skill development is given priority. The quality seal "made in Germany" can provide German companies with a competitive advantage (Mayer-Bonde, 2009). Germany is famous and highly regarded for its engineering and technical know-how and training, manufacturing and reliability of products. The focus on traditional engineering might be responsible for Germany not entering the high-tech sector, focusing its major activity on the automobile industry and its late entry into mergers, acquisitions and foreign direct investment (FDI) (Schneider & Barsoux, 2003:8,31).

Furthermore, an emphasis on consensus and coordination can be found in German operations (Busch, 2006). To stay competitive, to keep pace with rapid change and to develop innovative products and processes, many German companies have pursued a strategy of cooperation with other companies sharing cost and risk (Lane, 1998). Moreover, German companies have managed to add value and internally increase growth and employment in spite of shifting production overseas. Thus, the German economy benefits from globalisation (Scheide, 2009).

Germany's business system can be characterised by its cohesiveness and stability. It has been argued that there exist strong relationships between MNCs and other organisations which results in a deep embeddedness in their home site. German companies rely on connections with state agencies, associations or banks and developed customer and supplier networks which all offer mutual support (Busch, 2006; Lane, 1998). Geppert and Williams (2006) note that local business practices and a certain resistance to globalising can be reinforced by such an embeddedness. Because of this embeddedness, German companies seem to lag behind in their degree of globalisation. Globalisation causes organisations to disembed from their base with a consequent “loosening of ties with domestic institutions and actors relevant to factor creation and reproduction” (Lane, 2000:207).

Executive boards in Germany are appointed by their supervisory boards in public companies with more than 2000 employees. In every executive board, a labour director can be found who is responsible for industrial relations (Ferner & Varul, 2000). After World War II, strong German unions had a substantial impact on establishing democracy and economic stability. Institutional embeddedness is also characteristic of German unions that develop successful cooperation with employers. The 1990s reunification and global challenges have transformed conditions in Germany and unions are faced with an international competitive context, deregulation and flexibility in employment conditions (Behrens, Fichter, & Frege, 2003). However, unions still have a strong impact on employment contracts as demonstrated by Schneider and Barsoux (2003:150):

> Employee rights are not only safeguarded by legislation, but are also vigorously protected by strong unions … employment is seen more as a ‘social contract’ based on moral commitment: long-term employment promised by the company in exchange for loyalty or social welfare provided by the state.

Despite a decreasing trend in union membership over the past decade, workers in Germany under the law of ‘codetermination’, have a direct influence on employers’ decisions. Labour representatives can attend high-level company meetings and vote on proposed policies and strategies (Wild & Wild, 2014).

In 2011, Germany was, after China and the United States, the largest exporter of merchandise and, after the United States, the largest service exporter in the world (Wild & Wild, 2014). In 2008, more than one-third of German employees worked for exportation (Langhans & Prochnow, 2010). In addition to growing exports, there is an increase in the internationalisation and location of production. In the past, FDI could be allocated for the expansion to new markets and for supporting sales abroad and now the purpose is often to bring about reduced cost in production. Since 1989, German FDI has increased (Becker, Jaeckle, & Muendler, 2005). The United States is the preferred location for German FDI followed by Switzerland, other European countries and Middle- and Eastern European countries (Scheide, 2009). German FDI seems to target large countries with a relatively high per capita income and a skilled workforce (Becker, Ekholm, Jaeckle, & Muendler, 2004).

Foreign companies which invested in Germany have created approximately three million jobs (Scheide, 2009). Germany is the preferred location for R&D activities of companies from other countries after the United States and United Kingdom. These activities are equally divided between various industries but most R&D of foreign companies in Germany relate to the automotive sector (Belitz, 2011).

Technological development is an important factor for growth not only of per capita income but of economies in general. New channels for the transfer of knowledge have been created through the internationalisation of R&D activities in MNCs. The main transfer of knowledge takes place between industrialised countries (Belitz, 2013). Such activities of German companies are predominantly carried out at home and the investment for R&D overseas has slowed down in the beginning of the new millennium (Belitz, 2011). Most R&D activities of German companies abroad can be located in the Middle- and Eastern European countries, China and Southeast Asia.

As a consequence of globalisation, the effects of the 2008 GFC have had a strong impact. As a result, international mergers and acquisitions have decreased (Belitz, 2011), but to keep pace with global developments it is necessary for Germany to enter international networks and cooperation (Bogdanovic & Wimmer, 2007).

Germany can benefit from globalisation because of its companies' specialisation in knowledge and technology-intensive goods. German consumers benefit from globalisation through reduced prices and an increased diversity of goods and services. Snower, Brown and Merkl (2009) acknowledge that highly skilled employees and capital are abundant in Germany and the country is exporting specialised or high tech goods but importing goods that are intensive in unskilled labour. Labour-intensive activities seem to be outsourced to other countries whereas capital-intensive activities are kept in Germany (Becker, Ekholm, Jaeckle, & Muendler, 2004).

The recent trend in internationalisation of German companies has significant consequences for human resources departments and leadership (Oliver et al., 2009). In addition to the creation and shifting of jobs overseas, immigration could pose a threat to the German labour market. However, immigration also represents an opportunity as immigrants contribute to the growth of the German economy. Like other mature industrialised countries, Germany might adapt a system for selecting qualified migrants and create incentives to attract specialists from other countries (Scheide, 2009). In Germany, there exists a legally-determined retirement age and the fertility rate in Germany is decreasing so that pension liabilities are endangered. Immigration may slightly help to overcome the pension crisis (Snower, Brown, & Merkl, 2009).

Globalisation is often associated with fierce competition, unemployment, a growing divide between the rich and the poor, the collapse of social security systems and an increase in working hours. These risks have led to a growing scepticism in the German population toward globalisation (Snower, Brown, & Merkl, 2009). However, globalisation brings with it advantages for German business as long as companies adapt to changes in the globalised environment and enhance their competitive edge (Scheide, 2009). These changes can be found, for example, in the restructuring process of work and production. Work is becoming more versatile, flexible and heterogeneous and tasks depending on relationships are becoming more prominent. Teams are replacing hierarchical structures of companies and for these teams job rotation, multitasking and each team member taking on various responsibilities are paramount. It is also important that team members take customers' needs into account, that they have social competence, possess excellent communication skills and know about the other team members' work. Creativity, imagination and life-long learning are increasingly required (Snower, Brown, & Merkl, 2009).

According to recent studies and a German government report, these changes in the workplace have brought about a substantial increase in the number of employees on sick leave and with psychological illnesses (Bruckner, 2013). As Lohmann-Haislah (2012) writes, such illnesses are a result of the shift to a service economy, the use of communication and information technology in the workplace, the enhanced transfer of responsibility to employees, a dramatic acceleration of processes, an increase in the complexity of tasks, a high demand of continuous learning and the predominance of non-permanent contracts. The characteristics of work which affect employees' health are pressure from deadlines and higher expectations of performance, routine tasks, interruptions and disturbances as well as multitasking. Interestingly, employees receiving support from their superiors seem to become sick less often. Unfortunately, most leaders are confronted with stress themselves and therefore do not spend time with subordinates (Bruckner, 2013).

Employers are worried about the demographic development in Germany, the increase of the age to enter a pension scheme and the expected skilled worker shortage (Lohmann-Haislah, 2012). It has been found that German companies' personnel departments prioritise the technical expertise of leaders and not social or global competencies when employing for positions (Lang, 2010). Currently, industry is concerned about the shortage of 210,000 specialists in the labour market and it has been claimed that this lack of personnel is increasing and affecting economic growth (Handelsblatt, 2012). Especially high seems to be the shortage of technicians and engineers (Pinzler, 2013). Scientific, engineering, mathematical and technical competencies are at the heart of the German industry and are needed for innovation. It seems that not enough students are enrolled in the necessary subjects while qualified workers are retiring (Handelsblatt, 2012).

Studies have shown that skill shortages exist in industrialised countries around the globe, but it seems from 2030 Germany will be affected more than other nations. Therefore, it is seen as necessary for the government to actively manage the dilemma, diminishing barriers to migration and modernising the immigration law because migration is seen as an effective strategy for overcoming skills shortages. In 2012, over one million migrants entered Germany (Pinzler, 2013).

Many work subcultures can be found within Germany. Interestingly, former Eastern German people who experienced living under communism, value teamwork more than their Western German compatriots and are, for instance, happy to spend time with colleagues after work. Thus, Japanese approaches to management which are adapted to more collective cultures can be effective in Eastern Germany (Schneider & Barsoux, 2003:77).

German multinational companies

German companies have started to globalise relatively late – in the late 1990s. Studies have shown that larger German companies tend to expand the volume of their FDI, to increase their worldwide presence, and to modify their finance activity as well as their production in other countries. Lane (2001:76), for example, observed that,

> They [the companies] have also acquired more complex organisational forms, financial orientations, and, in some cases reduced their product diversity. Affiliates are given more autonomy in research and development (R&D), design and production concepts, and greater implementation into host institutional and social networks is being sought … such globalization tendencies coexist in a complex way with persistent national and/or international ways of organising business activity.

German MNCs seem to carry out less R&D than MNCs from other countries as they seem to be working in sectors which are less research- and knowledge-intensive. In industrialised countries like Germany, industry spending focuses on few MNCs. The German government has not yet reached its target for spending three per cent of GDP on R&D. It is planned that the government would finance one-third of R&D cost whereas industry would fund two-thirds of it (Belitz & Zambre, 2011).

Fierce competition, regional integration and the opportunities to invest in foreign markets have made German companies abandon their classical export strategy, which in turn caused the increased multinationalisation of German companies. This has an impact on the German "functional specialist model" [1] which was appropriate for an "export-based international strategy" but not for international production. German companies which are now producing abroad have been found to be implementing Anglo-Saxon practices. For example, German human resources departments classically foresaw a functional career development for employees and competition for positions and promotion was expertise-based. Multifunctional career-paths did not exist or were reserved for a small elite. There was almost no communication between an executive committee and managers below the division heads. Typical was recruitment of specialists by the company after an apprenticeship or after graduation from university. Recruits were a few PhD elitist candidates and apprentices who were then trained during two years through job rotation and special courses so that talents and potentials could be discovered (Schneider & Barsoux, 2003:171-173).

Most German MNCs are not large corporations but medium-sized and frequently family-owned companies (Ferner & Varul, 2000). Thus, it seems that Germans are highly entrepreneurial. A supportive institutional structure in which companies are bound in Germany and trust in the "market economy tempered by social-security systems" might have fostered entrepreneurialism (Aguilera & Jackson, 2010:506; Kenney & Goe, 2004). Engineering is seen to be the most entrepreneurial sector. Moreover, high status is attached to the engineering profession in Germany (Schneider & Barsoux, 2003).

In large German MNCs, hierarchical structures are still the norm and at least a medium level of functional specialisation can be found in them. Furthermore, in Germany there exists a law

[1] In contrast to the Anglo-Saxon generalist management career paths, German managers are often specialists in a management function and acquire over time even more expertise. This model is seen to be more suitable for an export-based strategy of internationalisation and not so much for a strategy based on international production (Ferner & Quintanilla, 1998)

which requires top managers of MNCs to monitor their activities in other countries and control operations abroad. Balance sheet information with details about, for example, employment and sales, have to be provided (Becker, Ekholm, Jaeckle, & Muendler, 2004). Therefore, leaders of these MNCs need to travel and frequently are trapped between providing local independence and following centralised approaches in terms of managing foreign subsidiaries. In decision-making, local conditions referring to law or political issues have to be considered. Simultaneously, standardisation is needed for efficiency. It has been claimed that more global managers are needed to coordinate resource flows between the globally-dispersed organisational units. Such global leaders have to develop effective communication skills and cultural sensitivity for effectively managing worldwide activities (Holtbruegge, 2005).

Conceptual framework

Arising from the nature of the five different company types discussed, it is argued that their distinctive characteristics require special leadership qualities. A model that depicts the competencies and leadership types required by each of the five companies discussed has been developed using a layered 'onion' image. The model, as indicated in Figure 2 (a), shows the contextual dimensions of each layer as part of the competency scaffolding. Each of the components of the model will be explained in more detail in what follows.

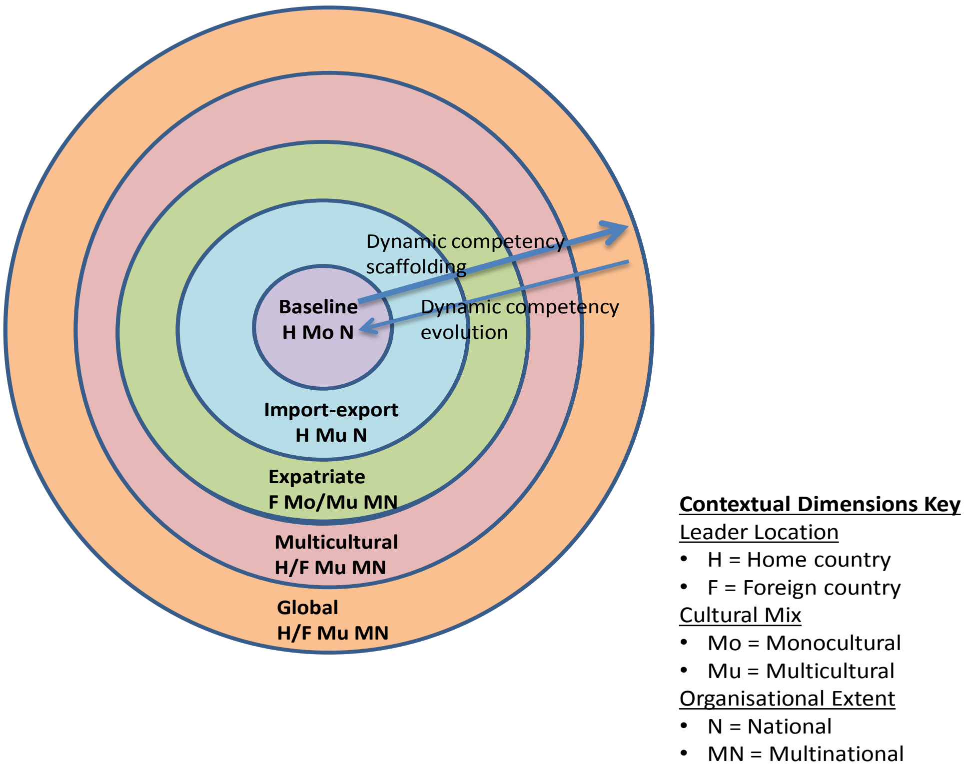

Figure 2 (a): Contextual dimensions showing the competencies scaffolding for five organisational types

The layered or 'onion metaphor' model displays an idealised form of different business contexts in which company leaders operate and the leadership types required for each context. The *first layer* of the 'onion model' is called baseline and describes the home country environment in which the leader deals with people from one culture only. The organisational extent is national. This layer would correspond to the single-nation or domestic company. Such a company operates, produces and sells almost solely in the home country with only a minor percentage of revenue originating from foreign countries which is equal or lower than five per cent. Leaders operating in these contexts can be called baseline leaders. This type of leadership is called baseline leadership in this study. An example of a single-nation or domestic company is the financial institution Credit Union Australia which is operating in the Australian states of New South Wales, Queensland, Western Australia, Victoria and the Australian Capital Territory.

The *second layer* of the 'onion model' refers to import-export companies without FDI which are located in the home country. The degree of intercultural interaction might vary from communication with clients or other stakeholders in one or more foreign countries, regularly visiting clients in one or more foreign countries or operating through a multicultural team which is located in the home country. Therefore, leaders might be exposed to a lesser or higher degree to other cultures. However, this study examines MNCs and thus import-export companies without FDI are not relevant to this research. An example for an import-export company is Boden Clothing, a company from the United Kingdom importing clothes to other countries, for instance, to Australia.

The *third layer* of the 'onion model' represents the expatriate leader's context and refers to MNCs working in a foreign country. The employees are mainly from the host country's culture or the parent company's culture. The organisation operates in a foreign context and thus must abide by the laws of their host country. This layer corresponds with MNCs that import and export and have FDI abroad but with the caveat they operate under foreign legal, political, social and cultural conditions. This third layer of the model corresponds with some characteristics of the transnational company. Leaders working in such contexts can be called expatriate leaders. An example of this company type is the engineering company ABB (Asea Brown Bovery) with its headquarters in Switzerland.

The *fourth layer* of the 'onion model', which is labelled 'multicultural', refers to leaders in a multicultural company which operates in a home-country context and abroad. The multicultural leader deals with multicultural employees or teams which could be located in the home country or in remote areas. Possibly the multicultural leader also interacts with multicultural partners and customers. Business is conducted within a national context and abroad. Leaders operating in such environments can be called multicultural leaders. Examples of companies include L. J. Hooker, the largest Australian real estate agent, or Qantas Flight Catering in Sydney with their multicultural workforces.

The *last layer* of the model is labelled 'global' and refers to an environment consisting of a multitude of foreign countries. The workforce is multinational and the organisational extent as well. Such a MNC imports and exports with FDI abroad and operates under foreign legal, political, social and cultural conditions. It can be related to the global company. Leaders working in these global environments can be located either in their home country or in a foreign country and can be called global leaders. An example of a global company would be

NEC (Nippon Electronic Company, Limited), the Japanese-based provider of information technology services and products.

The thicker outwards-pointing arrow in the 'onion model' illustrates the leader's development and adaptation to respectively more demanding and diverse work contexts. The different leadership contexts can also be seen as scaffolding stages of development. The leadership competencies needed for success at lower levels are still required for success at the current level but in a stronger, more intense and more complex form, coupled with incorporation of new and/or additional competencies (such as enhanced cultural awareness and sensitivity). Development to move from one stage to the next seems to require an open mind, willingness to risk using a trial-and-error method and, most importantly, experience. Each layer represents a more complex environment so that the leader needs to continually refine and enhance their required leadership competencies in the face of increasingly diverse demands.

The thinner inward-pointing arrow represents the leader's potential for more localised adaptation when placed in a less multicultural environment than previously experienced. It has been claimed that readaptation to the home (baseline) context is more difficult for the leader than going abroad. When leaving for another country, the leader is prepared to experience new and challenging situations and a foreign environment. However, when going back to their countries after having been abroad, leaders often expect it to be easy as they are just resettling in the places where they have grown up and which they understand. Nevertheless, they have changed while they lived abroad and now see their well-known environments from different perspectives. They often feel like foreigners in their own countries (Nery-Kjerfve & McLean, 2012).

Summary

Over the past decades, increasing commercial activities all over the world have been noted as a consequence of the abolition of trade barriers and the reduced cost of transport and communication technology. This integration of the global economy and the opening and interdependence of markets are referred to as globalisation and have brought about major economic, political and social changes worldwide which have impacted on the way MNCs operate. It has been argued that globalisation represents a challenge to the welfare state and society. It is often thought that globalisation is creating winners and losers through the outsourcing of large parts of the value chain abroad reacting to global competition which has an impact on employment.

Since the mid-1990s, MNCs have invested in developing countries and consequently these countries' economies have grown rapidly. Markets are frequently entered through mergers and acquisitions, joint ventures or sequential access to the market. However, investment and trade were significantly affected by the GFC and declined.

MNCs now carry out about 80 per cent of global trade. Low labour costs, economies of scale and improved access to new markets, supply or clients are often reasons for MNCs to invest abroad and value chains of productions are no longer limited by national borders. MNCs continue to grow strongly in their foreign locations but business is not yet completely globalised.

When companies start operating in overseas markets, frequently there exists a lack of knowledge about the environment which can hinder organisational effectiveness. In their process of internationalisation, operations become more complex and new competencies are needed by their leaders for dealing successfully with changed business conditions. Not only does leadership have to adapt to the new realities but these have an impact on the nature of work which is becoming more flexible and diverse. Hierarchical structures increasingly give way to teams and higher levels of creativity, imagination and life-long learning are required.

Business now takes place in turbulent environments which require rapid change and adaptation. It has been predicted that, in the future, the national identities of MNCs will vanish and leaders will need global mindsets which will have an impact on strategies, structures and business practices. However, MNCs are still deciding on whether more centralised or localised approaches are appropriate.

A company model was introduced in this chapter categorising companies into single-nation or domestic firms, import-export companies and MNCs. There are, however, two distinct types of MNCs: global enterprises and transnational companies. The participating MNC is in transition to a transnational company.

Germany is increasingly integrated into the global economy because of its strong export performance and its international orientation. German companies have managed to add value, internally increase growth and employment in spite of shifting production overseas withstanding competition and benefiting from globalisation. One reason for this is that

German companies are specialised in knowledge and technology-intensive goods and have reduced prices and a wider variety of goods and services available to consumers. Highly skilled employees and capital are abundant in Germany.

The German business system can be characterised as stable and cohesive. MNCs are deeply embedded into their home site and they are connected to a support network consisting of banks, state agencies, associations, customers and suppliers. Unions have a strong impact on employment contracts in German companies and labour representatives have a say on proposed policies and strategies.

As in other industrialised nations, demographic changes are taking place in Germany. There is a pension crisis which might be modestly overcome by immigration. Therefore, Germany might adapt a system for selecting qualified migrants and attract specialists from other countries. A lack of specialists and leaders has been identified which affects Germany's economic growth.

Despite the changed global conditions, it has been found that German companies keep employing technical experts and do not prioritise global and social competencies. Multifunctional career paths are scarce in Germany. Furthermore, German companies have been found to fall behind in multinationalisation, which began only in the late 1990s. Hierarchical structures still prevail and functional specialisation is common. A law exists in Germany which requires leaders in MNCs to monitor and control activities and operation abroad in detail and report this temporarily in balance sheets.

Finally, the 'onion model' depicts five idealised leadership dimensions or business contexts in which operations take place and which leaders must display and an increasingly diverse array of competencies. The first layer of this model is labelled 'baseline', relating to the home country environment in which leaders deal with only one culture. The second-layer of the model is labelled 'import-export' and refers to leaders in companies without FDI operating from the home country. They might visit clients in one or more foreign countries or lead multicultural employees or teams. The third level of this model is labelled 'expatriate' and describes the leadership context where the leader is placed in a foreign country. The fourth dimension of the model is named 'multicultural' and refers to those leaders who work in the home-country environment but work with employees and other stakeholders from different cultures. The last and outer layer of the 'onion model' refers to an environment where multiple cultures mix and mingle and leaders have to take many cultures into their consideration. What is demonstrated in this model is the pattern or scaffolding that a global leader's development needs to take from the lower, baseline dimension to the higher, global dimension if full global competency is to be attained. The competencies needed for each level vary, with global competencies demanding a higher, more complex order.

The following chapter reviews relevant literature on the first level of leadership identified – baseline leadership, which is considered a necessary starting point for global leadership but not a sufficient end point. Also in this chapter different leadership styles and global competencies are compared and contrasted.

Chapter 3 - Baseline Leadership in Organisations

Introduction

As a driver of competitive advantage, globalisation is having a strong impact on many countries and organisations world-wide. Even local environments are becoming more competitive. For this reason alone, the performance and innovative capacities of organisations need to be enhanced and led effectively. Effective organisational leadership is thus becoming an even more important topic because it is widely acknowledged that good leadership can enhance an organisation's effectiveness and efficiency.

The literature reviewed in this and the following chapter draws on the five levels of leadership depicted in the conceptual model produced in the previous chapter. Each level of this model is comprised of contextualised competencies that are required for effective leadership of MNCs. The first level of leadership, baseline leadership, the focus of this chapter, is seen to be the common foundation upon which all of the other forms of leadership for MNCs are based. Other forms of leadership also pertinent to what is required for leading MNCs, are illustrated in the chapter following this one.

Baseline leadership competencies are displayed in a single national context where linkages and relationships within a single dominant culture must be managed. What follows reviews select theories of baseline leadership and their respective qualities, behaviours and activities. In order to understand what is specifically expected of successful leaders of MNCs, it is important to understand what elements of leadership are required in organisations at the most basic level.

Baseline leadership

While many definitions of the complex and multi-faceted concept of organisational leadership exist, only a select number of key baseline leadership theories are discussed in this chapter. At this point, it is important to keep in mind that many leadership theories reflect biases as they have been based on western ideas and influenced by current situational world conditions (Weir, 2010).

At a broader and more simplistic level, leadership can be seen as a process where those being led are influenced by leaders towards achieving a shared objective (Yukl, 2013). As Kindler (2006:5) observed, "Ultimate leadership mastery is its capacity to transform followers into leaders". Leaders need to work out where the organisation is now and where it is going in order to devise a strategy for reaching pre-determined goals. Leadership is also about leading implementation of change through motivating people to work hard to achieve these goals (Paglis & Green, 2002).

In more recently developed leadership theory, known as 'dispersed leadership theory', leadership skills and responsibilities are decentralised in organisations (Gordon, 2011); a similar dimension of baseline leadership is that leadership is shared between levels of an organisation. Here, leaders build up confidence in their followers and support them to achieve their organisation's goals.

At this point it is helpful to differentiate between the terms 'leadership' and 'management'. It has been said that "things are managed but people are led" (Gundling, Hogan, & Cvitkovic, 2011). Management deals with administrative functions like planning or controlling (DuBrin & Dalglish, 2003b), effectiveness and efficiency, whereas leadership is concerned with constructive development, change and movement. Furthermore, a distinction can also be made between different kinds of leaders. There are those who are seen to exercise leadership because of their position, a form defined as 'assigned leadership', whereas there are leaders who are followed, respected and accepted because of the way they do things, a form defined as 'emergent leadership' (Northouse, 2013). Alvesson & Sveningsson (2003) claim that whereas leadership is often associated with the creation of novel believes and change, management seems to be more stable and related to bureaucracy. Effective organisations seem to be those where different kinds of leadership are applied at every level of the organisation (Gundling, Hogan, & Cvitkovic, 2011).

Theories of baseline leadership

The trait perspective

Until the 1940s it was believed that leaders possessed superior qualities, traits or characteristics as distinct from non-leaders (Jackson & Parry, 2008). Researchers at this time studied leaders to identify their traits, generating what became known as "Great Man" theories. This perspective implied "that leaders are born rather than made" (Jackson & Parry, 2008:23). However, after the Second World War, Stogdill found that traits and characteristics were no guarantee of success for leadership (Bratton, Grint, & Nelson, 2005). Although the trait approach has been abandoned, Zaccaro (2007:6) pointed out that it was revived in the

1980s and further research has identified the traits which seem to be central to effective leadership. However, the trait perspective can be criticised as it does not take into account context, which is an important determinant for leadership (Northouse, 2013).

The behavioural perspective

When researchers became discouraged with the trait perspective in the 1950s they focused on managerial activities and on behaviours which they saw as contributing to the success of leaders. Patterns of behaviour, responsibilities and functions as well as demands, constraints and role conflicts were researched (Yukl, 2013). Mostly, the research analysed what leaders do and how they deal with employees.

Two clusters of leader behaviour were identified by scholars: task-oriented behaviours and people-oriented behaviours. For example, studies by Mintzberg (1973, 1975) showed that a manager's work can be divided into different roles and sets of tasks. Luthans, Rosenkrantz et al. (1985) found that politicking and socialising were important behaviours of managers. Later studies by Kotter identified networking as another significant managerial people-oriented activity (Bratton, Grint, & Nelson, 2005).

The contingency perspective

Since the 1950s it was believed that the most appropriate style for organisational leadership was dependent or contingent upon an organisation's environment. This perspective augmented the trait perspective by highlighting the crucial role contextual factors play in how leadership is exercised in organisations. This view held that leaders needed to be flexible and adapt their styles in order to be effective in different situations (Carmichael, Collins, Emsell, & Haydon, 2011). Given this knowledge, Fiedler developed a model to match leadership style and context, differentiating between task-oriented and relationship-oriented leaders (Northouse, 2013).

The power-influence perspective

This perspective focuses on key political factors associated with leadership, especially those of power and conflict. "Power is viewed as important for influencing subordinates, peers, superiors, and people outside the organisation…" (Yukl, 2013:29). Social relations involve power, conflict, cooperation and constraints. Now scholars are investigating how power is gained and lost in organisations, team work and participative leadership. Especially influential in this aspect is Foucault's work on power (Bratton, Grint, & Nelson, 2005) which stresses the importance of control through a knowledgeable society and its organisations (Ball, 1990).

The integrative-transformational perspective

This theory integrates elements of various perspectives for analysing leadership. It tries to explain why some followers make remarkable efforts to achieve the organisation's objectives (Rubin, Munz, & Bommer, 2005:845; Yukl, 2013). Currently, transformational leadership, a form of the integrative approach, has become popular, having been initiated by MacGregor Burns and Bass in the 1980s (Stone, Russel, & Patterson, 2003). It is suggested that its success derives from its focus on intrinsic motivation and the development of followers which fulfills the needs of today's knowledge workers. Transformational leadership enhances leaders' and followers' encouragement and morality (Northouse, 2013).

In contrast to laissez-faire leadership, where the leader ignores supervisory functions and provides only minimum guidance to subordinates, transformational leadership involves mutual sharing of inspiration between leader and follower.

As transformational leadership fosters empowerment, discussion and the trying out of new ideas, it can lead directly to innovation (Northouse, 2013). It has been claimed that transformational leadership is well-suited for "times of environmental turbulence" (Díaz-Sáenz, 2011:299). This type of leadership seems to produce more satisfied followers and better performance (Conger, Kanungo, & Menon, 2000).

Transformational leaders are seen by some scholars to engage in four primary behaviours:

1) Idealized influence.
2) Inspirational motivation.
3) Intellectual stimulation.
4) Individualized consideration (Stone, Russel, & Patterson, 2003:350)

Leaders of idealised influence become role models and possess extraordinary abilities for which they are admired. They are perceived to have charisma (Díaz-Sáenz, 2011). Followers trust and respect their transformational leader and internalise their values. Inspirational motivation refers to the leader's ability to communicate a shared vision for the future. The leader motivates the followers to go beyond their own interests for the benefit of the group by providing deeper meaning and passion to their work (Carmichael, Collins, Emsell, & Haydon, 2011). Optimism, team spirit, enthusiasm and organisational change are promoted. Intellectual stimulation refers to the leader's ability to encourage creative problem solving, questioning the status quo, rationality and intelligence (Dionne & Yammarino, 2004), whereas individualised consideration is where the leader promotes growth and the need for achievement in followers by disbursing personal attention. These leaders act as mentors or coaches who develop an atmosphere of support (Yukl, 2013). Communication is fostered by active listening and monitoring task completion in an unobtrusive way (Dionne & Yammarino, 2004).

Common positive qualities of leadership at the baseline level

It has been argued that effective leaders possess certain characteristics and competencies in common which have a positive impact on their performance. It is recognised that these attributes, while expressed as traits, motives and cognitive factors, could be otherwise expressed as competencies in terms of their leaders' capacities to change behaviours in others.

Traits

As mentioned above, the trait approach is still in use although studies failed to find consistency between sets of leaders' personality traits (Bratton, Grint, & Nelson, 2005). It seems to be more favourable if traits are 'authentic', meaning that there is a high correlation "between actual feelings and emotional expressions" (Trichas & Schynes, 2012:555). In a similar vein, O'Brien & Robertson (2009:376) see that, "Authentic leaders are truthful and honest to themselves and to others, they demonstrate high levels of humility and consistently stay true to their intentions and commitments".

The following traits are seen to have a positive impact on leadership effectiveness:

- Extroversion, conscientiousness, openness, low neuroticism, and agreeableness (from the five-factor personality model)
- Intellectual ability
- Business intelligence
- Emotional intelligence
- Charisma
- Integrity
- Determination

- Humour
- Tolerance of frustration
- Warmth
- Enthusiasm
- Optimism
- Courage
- Passion
- Assertiveness
- Flexibility
- Internal locus of control
- Self-confidence

(Appendix K provides more detail on each of these of baseline leadership traits)

Motives of leaders

It is well-acknowledged that a leader's motives have a strong impact on their effectiveness (Locke, 1999). Defining a motive as an "internal drive state of the individual that reflects the extent to which success is … valued" (Tosi, Mero, & Rizzo, 2000:137), the following portion of this section explores the benefits to leadership qualities that derive from motives of power, a strong work ethic, tenacity, and drive and achievement.

Part of the process used by leaders to influence others is power (Northouse, 2013). As Braynion (2004) claims, "Leadership is a power relationship that exists between leaders or followers and a process which involves utilising power to influence others' behaviours to meet the organizational goals". In this situation, leaders are able to convince people to change their viewpoint (Higgs, 2002). Three characteristics can be found in leaders with a high motivation for power: they disclose determination to exert power; they are constantly thinking about how to change the behaviour of people; and their personal standing with others matters to them (DuBrin & Dalglish, 2003b).

In order to perform well, leaders must continuously work towards improvement. Ambition or drive is another important motive. Leaders must feel the desire to make their organisational units grow and reach challenging objectives (Locke, 1999). For instance, "the gritty individual approaches achievement as a long-term goal that requires consistency of interest and perseverance of effort" (Berard, 2013:43). However, the effectiveness of leadership can only be enhanced if achievement orientation goes together with a strong effort to build effective teams (Yukl, 2013). Moreover, people with a strong work ethic value hard work and believe in the worthwhileness of their tasks (DuBrin & Dalglish, 2003b). Leaders must be persistent over extended periods of time, which implies their needing high levels of energy and stamina to work long hours and achieve their goals (Locke, 1999).

Cognitive factors

Creative problem-solving skills and intellectual abilities are known in the literature as cognitive factors. A leader needs specific knowledge in his or her area, especially when leading a group of experts. It is increasingly recognised that leaders specifically need to have expert technical knowledge. They also need to foster creativity in their followers (Robinson, 2011). This is an essential dimension of leadership, especially when bringing about change (Puccio, Mance, & Murdock, 2011).

Furthermore, leaders require insight into people and situations which is based on intuition and commonsense. For example, this is important when selecting people or adapting their leadership style to a specific situation. Leaders further need to understand the implications of their actions, decisions or policies; they need the ability to think conceptually, to 'see the big picture' or see through complexity and recognise connections within systems. These abilities assist in understanding how parts of the organisation influence each other or how the environment impacts on an organisation (DuBrin & Dalglish, 2003b).

Leadership behaviours and activities characteristic of baseline leadership

As mentioned in two earlier sections, successful organisational leadership depends on how well activities and behaviours are carried out by leaders. It was noted that some leaders are more task-oriented whereas others demonstrate a higher orientation for people-oriented relationship-building.

Effective baseline leaders build up values and vision in their organisations; they motivate followers and bring about change. Furthermore, they foster innovation, collaboration and trust and deal effectively with risk (Carmichael, Collins, Emsell, & Haydon, 2011). They give support to followers and provide recognition and celebratory events where values and vision are reinforced (Kouzes & Posner, 2002). Much of their time is spent on conflict resolution and communication (Bratton, Grint, & Nelson, 2005).

Multiple behaviours and activities characteristic of successful baseline leadership are rife in the literature. While it is not within the scope of this study to examine these in detail, a number of select characteristics will be dealt with here. These focus on the importance of leaders engaging in vision building, motivating, innovating, encouraging teamwork, building trust, risk taking, providing support, rewarding merit, managing conflict, providing role models, communicating effectively, building and sustaining relationships, managing their knowledge workers and facilitating learning.

Vision building

One of the main tasks of leadership is vision building: "Visions are about hopes, dreams, and aspirations. They're about our strong desire to achieve something great" (Kouzes & Posner, 2002:125). Visions are significant for strategy implementation and for bringing about change (Li, 2010). Visions are not about short-term goals but long-term sense of purpose (Pedler, Burgoyne, & Boydell, 2004). Visions motivate people and it is important that all organisational members understand the vision so that all of them can work towards the same objectives (Schmidt & Akdere, 2007).

An organisation's vision involves what people in an organisation think is right to achieve and is based on shared corporate values (Pedler, Burgoyne, & Boydell, 2004). These enduring values which serve as guides are reflected in behaviour (Tourish, 2011). It is important to clarify and to daily reconfirm values. Pointing out qualities that are desired in people helps in creating positive cultures (Bennis, 2003). Especially in situations of crisis and in decision-making, carefully crafted, agreed-on values help to give direction (Kouzes & Posner, 2002). A strong vision sustains an organisation's spirit of performance and needs to be communicated by leaders with integrity of character (Hesselbein & Goldsmith, 2006). In today's world of volatility, uncertainty, complexity and ambiguity, clear direction is needed (Johansen, 2009).

Bennis (2003:181) argued that,

> …vision operates at three levels: strategic, which is the organization's overriding philosophy; tactical, which is that philosophy in action; and personal, which is that philosophy made manifest in the behavior of each employee.

So that the vision is grasped by all of the organisation's stakeholders, the leader needs to present a vision statement in written and oral form. To confirm the vision, the words have to be translated into actions and specific goals (Smith, 1997). If a leader articulates a vision effectively, this has positive effects on "job satisfaction, motivation, commitment, loyalty, esprit de corps, clarity about the organization's values, pride in the organization and organizational productivity" (Kouzes & Posner, 2002:143). However, leaders need to be aware that it is impossible to impose a vision on others because it must be shared and 'owned' by members of the organisation. It also must have meaning to subordinates, not just to the leader (Dourado & Blackburn, 2005).

Motivating employees

Employee motivation is known to have a high impact on organizational productivity, so the leader needs to channel his or her subordinates' motivations towards the achievement of the organisation's vision and objectives (Daft & Lane, 2007). Motivation "can be defined as an individual's inner forces of energy, that initiate, shape, sustain, and direct his or her behaviors" (Bratton, Grint, & Nelson, 2005:231). Research in human motivation differentiates between extrinsic and intrinsic motivations. Extrinsic motivations are triggered by external controls - for example, rewards or punishments - and tend to create conditions of compliance or defiance, whereas intrinsic motivation comes from internal desires and is claimed to produce superior outcomes. These kinds of motivators reflect more the aims of transactional leadership strategies. Research has shown clearly that people perform best if they are intrinsically motivated, meaning that their motivation depends on the engagement and identification they feel for the project on which they are working (Franken, 2010). Providing intrinsic motivators is the focus of transformational leadership strategies. Leaders thus need to create motivating conditions so that people are enabled to bring their talents to bear on productivity and problem solving for the organisation.

Challenge is seen to be a principal motivator, together with inclinations and skills. Thus, in order to raise people's motivation, a leader must provide exciting and creative tasks (Yukl, 2013). The potential for achievement is strongly influenced by challenges presented for progression towards objectives (Kouzes & Posner, 2002).

Often, people in organisations feel frustrated about their work because they believe it is not meaningful (Nurmi & Darling, 1997). Employees tend to be more motivated if they feel a sense of belonging, engagement and ownership. They need to know the company cares about them as individuals and listens to their needs and concerns (Daft & Lane, 2007). Leaders should be aware of these needs.

Content theories of motivation suggest that all members of an organisation have similar basic needs, whereas process theories of motivation analyse cognitive factors in their behaviour. Two of the best known content theories about follower needs are Herzberg's two-factor theory of work motivation and Maslow's theory of needs. Both theories assume that when a person's needs are not satisfied the person will experience a state of deficiency and alter his or her behaviour to satisfy personal needs (Bratton, Grint, & Nelson, 2005). From the lowest to the highest needs, Maslow's hierarchy consists of physiological, security, social, prestige and self-sufficiency needs (Nurmi & Darling, 1997). Lower-order needs have to be satisfied before higher-order needs (Franken, 2010). Knowledge of these theories would help leaders to act in ways that ensure personal and professional needs are met in their organisation.

Herzberg's two-factor theory of work motivation claims that there are certain factors which make people happy about their work. These are labelled 'motivators' which are said to be intrinsic factors related to a person's job content (Nurmi & Darling, 1997). On the other hand, there are factors which cause dissatisfaction with work. Herzberg terms these 'hygienes'. These are extrinsic factors that connect to a work environment which is acceptable. Herzberg's theory can be used by leaders for redesigning jobs to increase motivation (Franken, 2010).

Two process theories relating to motivation which good leaders would do well to put into practice are equity theory and expectancy theory. Equity theory suggests that individuals compare the efforts their colleagues make at work and their compensations with their own experiences. When individuals feel that their own efforts and rewards are similar to those of co-workers, they experience 'equity'. However, if they notice a significant difference, then inequity is experienced and this, as an unpleasant experience, leads to demotivation and thus weakened commitment and possibly changes in behaviour (Bratton, Grint, & Nelson, 2005).

Expectancy theory refers to how probable an individual assumes it is to succeed in a given task and consequently to specific desirable reward. Well-trained and self-confident people have higher expectations than less trained or less confident people. This relates to the concept of self-efficacy, the confidence someone has to complete a task. People who score high on self-efficacy tend to have higher intrinsic motivation levels than people who do not believe in their abilities. Therefore, it is important that leaders develop people's skills and confidence (DuBrin & Dalglish, 2003b).

Encouraging innovation

Organisations need to innovate to keep pace with rapid change, performance and competitive advantage (Nurmi & Darling, 1997). Because innovation is typified as “developing novel solutions that create value” (Maznevski & Chui, 2013:147), creativity and a complete understanding of the field where the innovation is to be applied are essential qualities for leaders. Cultures of innovation with freedom to speak up and taking of initiatives for change have to be created (Pedler, Burgoyne, & Boydell, 2004). The generation of ideas requires trust of and respect for employees by the leader (Maznevski & Chui, 2013). Over-emphasis by the leader on bureaucracy is likely to hinder creativity and innovation (Schneider & Barsoux, 2003). Leaders have a role to play in helping to create such a culture – as role models for example. How a leader responds to risk-taking and failure speaks volumes about the culture of innovation in an organisation (Goldstein, Hazy, & Lichtenstein, 2010).

Johansen (2009) recommends following a trial-and-error method for innovation. By this method, ideas are tried out quickly and can bring about a ‘can-do’ attitude in their followers. Leaders need to provide learning opportunities for people to try out things (Dourado & Blackburn, 2005). Mostly, it is not the leader but his or her subordinates who have ideas for improvement. Thus, everybody in the organisation is responsible for innovation and leaders must walk around their organisations to collect people’s innovative ideas.

Closeness to the customer is also important to foster innovation, to receive signals for trends or change (Sharkey, Razi, & Cooke, 2012). Organisations can gather ideas by listening to and watching what people do with their products and services (Johansen, 2009). In order to gain fresh ideas, leaders have to filter the environment. For example, they can do this by reading current publications, books and articles of best practices, being advised by consultants, hiring experts from the outside, enhancing opportunities for learning or entering alliances with other organisations (Yukl, 2013). Change involves high levels of uncertainty which disturb people’s balance. However, these disturbances can be a basic source of creativity (Kouzes & Posner, 2002) if led and managed effectivley.

Fostering teamwork

It is argued by a number of organisational analysts that in order to respond appropriately to today’s complexity, leadership needs to become shared. Over the past decades, economies in industrialised countries have moved away from manufacturing to become service or knowledge economies. Now most work gets done in teams as it has been found that teamwork is the best strategy to produce goods and services. Teams can now be found at all levels of organisations with a common trend toward self-managing teams (Dalglish & Miller, 2010). A team can be defined as a group of people with a common purpose who have complementary skills while there is individual and mutual accountability (DuBrin & Dalglish, 2003b). Leaders thus need to establish an environment of employee involvement, collegiality and trust where team members become committed. They also need to model collaboration and helpfulness to build up team spirit (Goleman, 2002).

Decision-making and finding solutions can become more creative when more people participate (Brown, 2007). To generate ideas, team members can be rotated and new members can be added to teams. The leader's role in team leadership is that of monitoring and taking adequate action (Northouse, 2013). Leaders have an influence on team processes such as the searching and structuring of information, the use of data for problem solving, managing human resources and material resources (Burke, DiazGranados, & Salas, 2011). Moreover, leaders need to create conditions where employees are accountable and trust each other, design cooperative objectives and roles, support reciprocity and reward group work (Kouzes & Posner, 2002). They also give feedback and provide help when personality or differences in work style create problems (DuBrin & Dalglish, 2003b). Team leaders are expected to take on risk, persuade upper levels of management to support their work and provide resources (Gundling, Hogan, & Cvitkovic, 2011).

A clearly communicated vision by the team leader is what keeps the team working towards common goals (Dalglish & Miller, 2010). Processes relating to communication or conflict resolution also need to be clear. Moreover, the composition of the team membership is important to establish as knowledge and skills of team members have to be complementary (Maznevski & Chui, 2013). Unless all members contribute, the team is going to fail. It is the leader's responsibility to make people understand each party's interests and how everyone benefits from collaboration (Kouzes & Posner, 2002).

If joint efforts are rewarded, employees are more motivated to cooperate. Mutual reliance and helping others need to be promoted. Leaders should create an understanding among the team members that they will gain from collaboration if they share information, exchange resources and ideas, "and respond to each other's requests through positive interdependence" (Kouzes & Posner, 2002:262).

It has been claimed by researchers that teams go through a three-phase cycle. They start off with preparation where the leader should emphasise developmental objectives to build up task and social capabilities. In the second phase, the leader gives priority to the monitoring and development of the team's coherence. In the last phase, the leader facilitates reflection and fosters learning (Burke, DiazGranados, & Salas, 2011).

Sometimes the leadership role is rotated or leadership is shared (De Rosa, 2004), depending on the team members' expertise. Team members need excellent interpersonal skills to facilitate the leadership process and group meetings. Frequently, there exists an external leadership function to self-managed teams. This leader's role is that of a coach or consultant who does not interfere in the team's tasks and decisions. The external leader often looks after several self-managed teams and functions as a link between the teams and top management. Self-managed teams have to decide internally how to manage leadership (Dalglish & Miller, 2010).

Establishing and sustaining trust, relationships and strategic alliances

Maznevski and Chui (2013:146) stress that "Respect is a prerequisite for building trust, but trust goes further". Studies have shown that trust not only has a positive impact on performance but also on problem solving, communicating, commitment, relationships and the organisation's management of change and complexity (Whitener & Stahl, 2006). Trust can be defined as "the level of confidence that one individual has in another's competence and his or her willingness to act in a fair, ethical, and predictable manner" (Joseph & Winston, 2005:6-7). Trust is paramount in collaboration and learning. It is trust which motivates employees to perform above expectations as well as to take risks (Sharkie, 2009).

People who do not trust others are unlikely to become effective leaders as they cannot depend on the work of others. They end up doing the work themselves or supervising others too closely (Kouzes & Posner, 2002). Their lack of trust results in others not trusting them, creating situations that result in discord and disharmony (Fairholm & Fairholm, 2000). The quality of some client and stakeholder relationships is dependent on trust which, as Sharkey, Razi (2012) et al. explain, is established by four dimensions: reliability, openness, acceptance and congruence. Reliability means keeping one's promises, while openness refers to not being prejudiced or biased against others and their ideas. Acceptance implies being tolerant and demonstrating congruence in matching what one has said by actions.

Trust is earned by one's actions and attitudes. When leaders take the risk of being open to influence first, others follow and take similar risks. If there is no trust, relationships are inhibited by suspicion and caution. Leaders need to model trust first, as "trust begets trust" (Kouzes & Posner, 2002). They must find opportunities to demonstrate their trustworthiness (Sharkie, 2009). Trustworthiness seems to depend on three characteristics: competence, integrity and benevolence or the showing of concern (Whitener & Stahl, 2006). Integrity is often seen as the most important leadership trait, one that underpins ethical leadership which "is an effective way to achieve positive and lasting outcomes" (Berard, 2013:33). People who are trusting have been found to be more psychologically well-adapted and happy. Because leadership becomes more effective with higher levels of trust, leaders have to foster trust in their organisation (Kouzes & Posner, 2002:247).

Higher levels of trust can be reached in applying modes of transformational leadership. It has been found that trust can be facilitated by communicating a shared purpose and values, implementing a compelling vision and objectives, caring about followers and supporting their personal growth, as well as challenging the status quo and encouraging different ways of thinking (Gillespie & Mann, 2004). Thus, trust is mainly generated through the communicative and supportive behaviours of a leader (Joseph & Winston, 2005). Being sensitive to others' interests and needs as well as listening and appreciating their opinions, shows respect. Leaders can show trust by using people's expertise and letting others have an influence on decision-making (Kouzes & Posner, 2002). Informing followers of decisions and events in the workplace also fosters trust. If lines of communication are kept open, this is likely to lead to an exchange about innovative ways of working and a sharing of skills and knowledge (Sharkie, 2009). Face-to-face meetings are seen by many to be paramount for the development of trust (De Rosa, 2004) and leaders build trust when they make their positions clear (Joseph & Winston, 2005:7). However, recent research indicates that leadership can also be effective with virtual teams in global settings (Kayworth & Leidner, 2002).

The foundations of business are relationships which can only be effective if they are based on trust (Reina & Reina, 2006). Mutually beneficial relationships assist in carrying out the complex tasks of today's knowledge work. Leadership is not only about the relationship between leaders and subordinates but reciprocal relationships have to be established, managed and sustained with customers, suppliers, partners, governments and various other stakeholders. Therefore, the building of human relationships and personal networks can be seen as a key to success in leadership and business in general (Kouzes & Posner, 2002).

Such formal and informal linkages are increasingly recognised and promoted as more effective forms of organisations which are more adaptable to complex and rapidly changing global conditions because they can react better and faster to fierce competition, enhance innovation, solve complex problems and provide knowledge required in operations exceeding the capacity of individuals. As mentioned above, trust is essential for the managing of such networks. Only collaboration makes it possible to find new products, ways of working and technologies which are appropriate in dealing with the ambiguity and uncertainty inherent in today's turbulent environments (Newell & Swan, 2000).

The building of strategic alliances for corporate development is a popular form of cooperation. Thirty thousand mergers and acquisitions had been formed in 2004 despite their high risk of failure (Cartwright & Schoenberg, 2006). According to Stahl and Mendenhall (2005), it is paramount in mergers of companies with very different cultures to foster relationship-building between employees and to establish mutual trust. They further recommend creating a leading team which communicates the new vision. They emphasise that any merger or acquisition should be about partnership and trust and not about domination of one company over the other, claiming that trust is the crucial factor in the integration phase of mergers and acquisitions. Cultural integration is one of the most significant factors in mergers and acquisitions as about 31 per cent of the financial success of organisations depends on cultural aspects (Grosse-Hornke & Gurk, 2010). Thus, leaders have to foster cultural change and the building of relationships and trust through enhanced communication.

In any merger and acquisition, different business cultures meet, which bears risk. Moreover, if one of the companies involved in the merger is not trustworthy, the other company might suffer negative consequences. Thus, trustees take the risk of vulnerability. Risk and vulnerability are therefore central to trust. If there is insufficient trust, then negative expectations of intentions or behaviours of the partners or alliances will most probably result, a situation that is likely to have a negative impact on performance (Stahl & Mendenhall, 2005).

Risk-taking

An ideal characteristic of successful leaders is said to be their willingness to take risks and encouraging others to take risks. Risk can be seen as a threat or as an opportunity. It is top management's task to discover, identify and assess risk-taking and tolerate failure. The culture of an organisation plays a significant role regarding the strategic orientation, the attitude and the procedures towards risk. Training and experience have an impact on the perception of risk (Kronenberg, Ortner, Peters, & Zampol, 2010).

Risk-taking is central to effective leadership as leaders often have to make decisions with a lack of information. People expect top management to make difficult decisions and solve intractable problems. Leaders are often faced with dilemmas which put a lot of pressure on them because consequences of decisions are unforeseen (Pedler, Burgoyne, & Boydell, 2004).

Today's competitive work environment demands an increased willingness to experiment with innovative ways of doing things. "Taking risks does not mean being foolhardy – but leadership is often about moving into the unknown" (Dalglish & Miller, 2010:44). Leaders lead employees towards higher objectives, increasing their capacity, but not so high as to create frustration. It is crucial to take risks even if this leads to failure because people should learn from mistakes (Kouzes & Posner, 2002).

Leaders often need to take a stance against the popular point of view but they risk becoming unpopular by doing so. What justifies a risk depends on the situation and the person. Safety measures have to be put in place, lines of accountability have to be clear and people have to be appropriately trained. According to some analysts, managing risk and its trade-off "requires the balancing of both courage and caution" (Pedler, Burgoyne, & Boydell, 2004:78).

Providing support

Over the past decades work has intensified and employees have had to keep up with rapid change (Lohmann-Haislah, 2012). It has been claimed by researchers that people need support from and encouragement by their leaders (Kouzes & Posner, 2002). In this sense, employees need to be coached and empowered to build up their confidence. However, to provide support leaders need to be accessible to employees (Gundling, Hogan, & Cvitkovic, 2011).

Leaders who offer support assist people to get their work done collaboratively and they also help people learn (Pedler, Burgoyne, & Boydell, 2004) (and to take ownership of their self-learning (Cooksey, 2003); this can be established by showing concern, consideration and acceptance for the emotions and needs of others. Such behaviour fosters loyalty and collaboration, has an impact on people's satisfaction and can result in less absenteeism and turnover (Yukl, 2013).

Moreover, it has been argued that leaders who provide support can boost "creativity because this influences an employee's sense of ownership and competence in the work, which leads to deeper, more motivated involvement in the work" (Sharkie, 2009:495). It is also argued that, "The more supportive leaders are perceived to be, the deeper and more enduring their followers' trust in them" (Gillespie & Mann, 2004:591). Leaders can make people feel strong by taking their ideas into account when making decisions and by valuing contributions (Kouzes & Posner, 2002).

Recognising merit

Bernard (2013) suggests that leaders need to be generous in rewarding merit and paying recognition to team members and not taking the credit for themselves. By giving approval, leaders stimulate and motivate a fundamental human drive to positive reinforcement. Acknowledging merit by giving praise and thanking followers are seen to be essential forms of recognition (Kouzes & Posner, 2002). Furthermore, celebrations can acknowledge good outcomes and motivate and reinforce high performance (DuBrin & Dalglish, 2003b). Celebrations provide opportunities to show respect and gratitude for the hard work of employees, build a sense of community and reinforce values and principles that can bind people together and foster good and healthy relationships among employees. If people feel a strong attachment and affiliation to their colleagues their performance tends to be higher (Kouzes & Posner, 2002).

Managing conflict

About twenty per cent of leaders' time is said to be devoted to dealing with conflict and negotiating results (DuBrin & Dalglish, 2003b). Therefore, it is of critical importance that leaders possess skills in managing conflict and initiating resolution of conflict (Dalglish & Miller, 2010).

Canney Davison and Ekelund (2006:237) pointed out that

> Sometimes conflict is not even recognized by team members, and it is important to remember that over-generalizing, losing one's cool, gossiping, back-stabbing, over-adherence to rituals, not responding to emails, and spreading one's own version of events are all signs that conflict may be latent.

Conflict should be seen as an opportunity for learning (Carmichael, Collins, Emsell, & Haydon, 2011). Creative solutions result from the coming together of different opinions, tensions need to be used efficiently and conflict has to be dealt with proactively (Franken, 2010). The best way for leaders to manage conflict is to listen to all parties, understand their perspectives, and help them meet on a common ground (Goleman, 2002). Effective leaders are more likely to draw upon a collaborative style of conflict resolution and search for win-win solutions (DuBrin & Dalglish, 2003b). The perspectives of all sides are acknowledged and then the energy is channeled towards achieving a shared objective (Goleman, 2002). If appropriately treated, conflicts can trigger innovation (Nurmi & Darling, 1997).

Leaders as role models

Yukl (2013) argues that stress can be caused by leaders' outbursts of anger, rejection or criticism and thus should be avoided. He also claims that behaviour demonstrating politeness, consideration of others, low or no levels of neuroticism, extroversion and agreeableness provides a good role model for those being led. Further, he says it is also seen as important for leaders to be perceived as discreet and sensitive with confidential information. Needless to say, "leaders need to maintain a positive and calm attitude" (Berard, 2013:65).

Leaders create a climate in the organisation which is influenced by their tone, their transparency when making decisions and the frequency they are seen and with which they address organisational members. Leaders act as role models with communication because what they do has a large impact as the staff observe and adopt the leaders' behaviour and articulations into their own actions (DuBrin & Dalglish, 2003b).

According to Voegtlin, Patzer, & Scherer et al. (2012:4) responsible leaders are seen to take into account the consequences of their behaviour and decisions for all affected constituencies. They should engage in dialogue with stakeholders to reach balanced and fair solutions, and consensus should be reached through the process of discursive decision-making. By discursive decision-making, leaders can make sure that stakeholders are taken into account and the best decision or solution can be found as leaders have an important impact on consensus formation. Discursive decision-making can bring about a shared understanding and a common commitment. The team is given autonomy. When facilitating communication, it is the leader's task to "(a) open and close meetings, (b) enable participants to take turns; and (c) ensure progression of the topic" (Wodak, Kwon, & Clarke, 2011:595)

Engaging in these kinds of responsible role model behaviours where integrity is demonstrated, indicates ethical leadership. According to Brown and Trevino (2006:597) such

> …ethical leaders are characterized as honest, caring, and principled individuals who make fair and balanced decisions. Ethical leaders also frequently communicate with their followers about ethics, set clear ethical standards and use rewards and punishments to see that those standards are followed…they practice what they preach and are proactive role models for ethical conduct.

Effective communication

Leaders are said to spend about eighty per cent of their time talking, although it is argued that "listening is probably more critical" (Bratton, Grint, & Nelson, 2005:286). As language is such a powerful medium, effective communication by leaders is critical. Without effective communication, an organisation's vision and values cannot be articulated and leaders constantly have to solicit information, ideas and feedback from others (DuBrin & Dalglish, 2003b). As it will be noted from the findings of this research study, the critical importance of leaders of MNCs possessing and exercising high level communication comes through powerfully.

Information technology can be used to speed up communication; it can help leaders to keep contact with stakeholders without their physical presence. When organisational members are in different locations, information technology facilitates work, but not seeing each other face-to-face can create problems. Technology enables the leader to be in contact locally, regionally and internationally even when he or she is away from the office (DuBrin & Dalglish, 2003b).

When people believe that a speaker is trustworthy, knowledgeable and intelligent, this has an impact on the communication's effectiveness. When communicating, leaders use metaphors, other figures of speech and colourful language and they tell anecdotes, use slogans and offer quotations (DuBrin & Dalglish, 2003b). Leaders have to speak with conviction to influential people and the media. Thus, it is important that they are excellent speakers and have public relations skills (Gundling, Hogan, & Cvitkovic, 2011). Leaders have to be skillful at storytelling because this way they can "mobilize followers and provide them with a purpose" (Bratton, Grint, & Nelson, 2005:309).

Effective leaders know how to choose the right linguistic style, to adapt messages to their audience, and the choice of words is important for the message to be effective. The image of a leader can be enhanced by using strong and emotion-provoking words. Moreover, the use of data to support speech can contribute to its effectiveness whereas using 'junk words' and vocalised pauses makes the speaker appear to have low self-confidence (DuBrin & Dalglish, 2003b). Excellent communicators articulate their messages clearly, convincingly and to the point. Leaders also need good listening skills so that they are approachable to followers who can share important information with them (Brown, 2007).

Up to 80 per cent of communication seems to be nonverbal, so leaders need to project confidence and appropriate emotions through body language, tone of voice, eye contact, gestures, facial expressions, proxemics and posture, which can reveal much about a person's state (Franken, 2010; Thomas & Osland, 2006).

For effective negotiation it is important to be familiarised with the other party or parties, to set upper and lower levels for outcomes and to prepare answers to anticipated questions (Dalglish & Miller, 2010). Negotiations should start with a plausible offer, not focus on position but on interests, and negotiators should remain sensitive to differences in styles of negotiation (DuBrin & Dalglish, 2003b). Negotiations should be entered into positively and they should centre on problems, never on personalities. They should allow the other party to make the first offer, to seek win-win solutions and to stay open during the negotiation (Dalglish & Miller, 2010).

For any leader, it is important to build and sustain relationships and networks among cultures, functions, headquarters and subsidiaries or other organisations (Brown, 2007; Dunn, Lafferty, & Alford, 2012; Gundling, Hogan, & Cvitkovic, 2011). Great leaders are customer-oriented and take clients into account (Sharkey, Razi, & Cooke et al., 2012). They are able to forge strong relationships through excellent interpersonal skills. They have an interest in the other's well-being and needs. Such leaders are friendly and approachable (Northouse, 2013).

Furthermore, tact and diplomacy is needed at any time; for example, when challenging others (Berard, 2013).

Managing knowledge

Knowledge management develops ways to foster knowledge-sharing amongst employees and leaders have to create a culture where this is facilitated (DuBrin & Dalglish, 2003b). Tacit knowledge in the heads of employees needs to be made explicit in order to learn from it (Buchanan & Huczynski, 2010). It has been argued that knowledge has become the most indispensable asset of organisations, the most significant factor in the economy and the key to sustaining competitive advantage. As knowledge workers use intellectual abilities such as problem solving and finding creative solutions (Elkjaer, 2000), it is seen that knowledge management has become the core competency that organisations need (Storey & Barnett, 2000).

It is crucial to continuously scan and interpret the environment for opportunities, threats and risks to learn from them (Wong, Gerras, Kidd, Pricone, & Swengros, 2003). Hierarchical organisational cultures are barriers to the sharing of knowledge. In today's competitive environment, knowledge cannot be controlled and hoarded by management. Every employee needs knowledge to work with. It has been suggested that teamwork is the most effective approach to knowledge acquisition and creation: "Team skills are inextricably linked to effective learning" (Wang & Ahmed, 2003:9).

The role of knowledge management is to develop systems and communication channels to make knowledge available. Two approaches to knowledge management can be identified: one relies on technology and the other on human networking which involves continual communication, discussion and solving problems. Through such networking the flow of information can be maximised. Leaders can facilitate social and electronic networking by monitoring all systems and sharing of information networking (Mark, 2002). It is a challenge for management to make employees document their knowledge, for example, in databases (DuBrin & Dalglish, 2003b). Communication has become instantaneous with technology (Sharkey, Razi, & Cooke, 2012), changing the nature of work and turning employees into knowledge workers operating through computer interfaces.

Speeding up the process of searching for information allows professionals to focus on their area of expertise. Knowledge management can enhance performance and bring about more informed decisions. Moreover, knowledge management allows the maximisation of scarce resources and makes organisations more competitive "by using knowledge to reduce costs, increase speed, and meet customer needs" (Bollinger & Smith, 2001:10).

When leading knowledge workers, it is important to define their roles and tasks. They also need some level of autonomy. Innovation needs to be ongoing and the right environment has to be created for continuous learning and teaching. Knowledge workers' performance is hard to measure because it is about quality and not quantity (DuBrin & Dalglish, 2003b).

Facilitating learning

Leaders have to have a strong desire to improve themselves and their organisations and actively strive to increase feedback. They should enjoy developing their own and others' skills. To create a sustainable competitive advantage, learning has to be facilitated at every level of an organisation (Berard, 2013; Rowley, 2000). Senge (2006) identified five disciplines which distinguish a learning organisation: personal mastery, where employees create a personal vision and focus on what they want to achieve; shared vision, where employees commit to a common purpose which gives direction; shared mental models, where employees question and reflect on their reality and exchange ideas with others to develop a common understanding; team learning, where employees align their thinking and energies through collaboration and bring about better results than individuals could; and systems thinking, where complexity and interdependency is understood (Lee-Kelley, Blackman, & Hurst, 2007).

In learning organisations, people's assumptions are challenged, infrastructure is changed and new methods to management are introduced. People change how they do their work so that a lasting capacity to deal with change is developed. It is believed that providing employees with learning opportunities triggers creativity, flexibility and commitment (Buchanan & Huczynski, 2010).

Gaps in the literature

The review of the literature on baseline leadership in organisations has revealed several areas where little or no research has been carried out so far. For a start, the critical importance of leaders needing superior level communication skills is vastly understated. More emphasis needs to concentrate on this important competency, in particular on discursive dialogue and decision-making processes, and on the importance of leaders encouraging critical questioning from those they lead so that leaders might avoid mistakes and enhance innovation and improvement in their organisations.

Additionally, there appears to be a dearth of published research focusing on important behavioural traits of organisational leaders that include: the ability of leaders to interpret their organisation’s numerical and statistical information; the significance of efficiency and speed in operations; possessing a deep interest in and ability to deal with detail of operations as well as the ability to see the ‘big picture’ scenario; and the ability for leaders to project composure and calmness and to slow down reaction times in situations that demand a ‘cool head’. These traits were found to be important characteristics of the leaders examined in this research.

Summary

Baseline leadership is increasingly affected by economic, social and technological changes world-wide. The profound impact of globalisation has not only raised levels of complexity in organisational operations, but even at local and monocultural levels, leadership styles have needed to change over the past decades as organisations have engaged in learning to cope with the new global order. It is clear that leaders need to be highly sensitive to these ever-changing conditions and the expectations they bring.

Presented in this chapter are the key baseline qualities, activities and behaviours which were seen from the literature reviewed to increase the effectiveness of organisational leaders. It would appear from the literature that today’s fiercely competitive environment in which organisations operate requires higher performing leaders who would need to know when to apply a transformational or transactional leadership approach. Their styles of leadership would need to include building and communicating vision and values; motivating employees; encouraging innovation; fostering teamwork; forging and sustaining trust, relationships and strategic alliances; risk-taking; providing support; recognising merit; managing conflict; acting as a role model; communicating effectively; managing knowledge and facilitating learning.

Increasing global competition has led to rapid change in organisational environments and in product life cycles. To differentiate their products from competitors and increase their speed to market, companies have to foster innovation and creativity. To help boost such creativity, team work is now prevalent, so leaders need to facilitate group work, organisational learning and knowledge management. They further have to enhance trust for better problem-solving, innovation, communication, learning, commitment, relationships or alliances and implement improved approaches of change and complexity management. Conflict has to be managed sensitively and constructively in order that learning and creative solutions might result. Frequently, leaders need to deal with risk from trying out new things, with the need to take risks resulting largely from increased changes in the external environment that create volatility of operations.

Projecting warmth, offering support to employees and recognising merit have a substantial impact on employees' well-being and performance. Loyalty and collaboration can be fostered by demonstrating concern, consideration and accepting feelings or needs. The intensification of work through globalisation leads to higher levels of stress which can be balanced by such an approach.

Multiple stakeholders have to be considered not only in decision-making but in every action to balance conflicting interests and maximise customer satisfaction. To withstand competition, it has become crucial to forge and sustain alliances and relationships. Politeness and consideration are paramount, as these factors are having a positive impact on socialising, networking, and politicking. About 80 per cent of a leader's time is spent communicating and therefore communication needs to be excellent because it influences every activity or behaviour presented in the chapter.

The literature reviewed indicates that effective organisational leaders, whether operating at a local or global level, need to possess the traits, behaviours and activities inherent in baseline leadership. Leaders of MNCs in particular, need these skills as their businesses are becoming increasingly internationalised and diversified, which means that their ability to manage teams successfully is vital.

The literature reviewed in the following chapter builds on that which is reviewed in this chapter by addressing the elements of expatriate, multicultural and global leadership for MNCs. Although the basis for all these forms of leadership is baseline leadership, a more diverse range and higher level of the respective traits, behaviours and activities are seen to be required for those who lead MNCs.

Chapter 4 - Global Leadership of Multinational Companies, and the Training, Development and Recruitment of Global Leaders

Introduction

This chapter builds on the concepts of organisational leadership portrayed in the previous chapter by reviewing other forms of leadership pertinent to MNCs. In addition to the baseline organisational skills needed and because they work across cultural boundaries, it is clear from the literature that leaders of MNCs need to augment baseline skills with more specialised expertise if they are to lead their companies successfully in an increasingly competitive global marketplace.

Given this situation, the chapter begins by examining what cultural understandings and skills these leaders need and what particular characteristics mark the nature of the organisational cultures in which they work. Following this, three forms of leadership which are viewed as especially pertinent to leaders of MNCs – expatriate, multicultural and global – are reviewed. Skills needed for these three forms of leadership are seen to augment the baseline skills discussed in the previous chapter.

A number of scholars have researched leadership of multicultural teams, which is the term adopted in this study for multicultural leadership. There is also valuable research focusing on expatriate leadership (Osland, 2013b). While these terms refer to the types of leadership of MNCs as global, global-competency or international leadership, this study distinguishes between the types of leadership described in the conceptual model developed in Chapter 2. It is important to note that global leadership of MNCs in this study refers only to the leading of companies which operate with foreign direct investment (FDI) in many cultures simultaneously.

Cultural understanding

If leaders of MNCs are to be successful, it is vital they understand and learn the norms, values, languages and subtleties of the cultural milieus in which they are working. There are elements of culture which can easily be observed (for example, symbols and artefacts) but underlying assumptions, norms, attitudes and values tend to be implicit (Hofstede, 1997). Indeed, unlike structures which can be concretely depicted, like the wind culture can be felt but not seen and its influence can be both forceful and subtle (Harman, 2002).

Culture determines what is considered appropriate and can separate groups with cultural differences (Wood, Wallace, & Zeffane, 2000). Within cultures there exists diversity where different subcultures frequently come into conflict. The ability to deal with cultural conflict is thus an important skill for leaders of MNCs. Also, because culture is so deeply embedded in people's psyches and cannot be easily changed or turned off at will, it can act as a formidable barrier to change. Therefore, leaders require a deep understanding of and flexible approaches to the cultural environments of which they are part (Gundling, Hogan, & Cvitkovic, 2011) as they adapt to various professional, organisational and national cultures (Wibbeke, 2009).

Guthey and Jackson (2011:168) note that Trompenaars and Hampden-Turner distinguish between cultures of 'neutral countries' where the showing of feelings is deprecated and 'affective societies' "in which people are encouraged to show their emotions", another situation which can create conflict. If people do not agree on a common way to do things in an organisation, this can hinder effectiveness. Culture clashes, misperceptions and unintended conflict can substantially harm an organisation (Wibbeke, 2009). Therefore, culture needs to be taken into account in almost every aspect of organisational life (Holden, 2002).

Hofstede (2001:440) believes that organisational managers from countries other than the MNC's home country are less successful,

> …because the former frequently do not succeed in becoming sufficiently bicultural. Obviously, a prolonged period of working in the home-culture environment is an asset in this respect.

Biculturalism which often comprises bilingualism is said to be only required for personnel interacting with staff from the home country. It seems that true biculturalism can only be acquired during childhood but what is needed in MNCs is biculturalism regarding tasks only, meaning that employees only need be bicultural in regard to their work. Although subsidiaries of MNCs might adapt various policies about biculturalism from the home country, their internal culture would be similar to that of the host country.

Because they deal with multiple nationalities, language skills, as a critical component of culture, are seen as important for leaders of MNCs (Wild & Wild, 2014). Misunderstandings in the use of language are common. Native speakers might assume that foreigners who are limited by their language skills are also limited by their ways of thinking. Even if foreigners speak a language well, they often are not proficient at using the language in workplace situations in discussions where they need to defend their point of view or use specialised vocabulary. They miss the “idiosyncrasies of local languages, which are the very essence of culture” (Hofstede, 2001:425). As behaviour and protocols are different in other cultures or in international negotiations, skills in cross-cultural communication and language are important for leaders to get the right message across (Hofstede, 2001).

Culture influences strategic planning, decision-making and the setting of objectives and needs to be considered when creating multicultural teams. Approaches that are effective in one country may produce unwanted outcomes in another cultural context. When setting up a business in another country, the whole system such as authorities, laws or structures might be completely different. In advertising, the same message may have a different meaning and can lead to misperceptions or losing market share. A high risk of failure is particularly present where mergers and acquisitions have occurred. In mergers, partners with different cultures both have to negotiate and come to some agreement when making decisions (Harman, 2002; Holden, 2002).

Konopaske and Ivancevich (2004:51) claim that,

> The glue that keeps employees working productively together will be the managerial behaviour, tone, and competence applied to an organisation’s culture, which is affected by host-country cultures and subcultures.

Foreigners exposed to a new culture often suffer from culture shock which can affect them physically and lower their performance (Wild & Wild, 2014). It is thus important that not only the foreigner but also people from the host culture make an effort to be open to cultural difference and adapt their behaviour accordingly. Hofstede (2001:424) makes a valid point in urging leaders of MNCs to be aware that, “Establishing true integration among members of culturally different groups requires creating environments in which these people can meet and mix as equals”.

Interculturally-competent leadership in MNCs

Culture influences groups not only at a national but also at an industrial, organisational and occupational level. People are socialised by their organisation or by their profession; as they enter an organisation they learn from its members through observation and interaction (Konopaske & Ivancevich, 2004).

In any organisation there is a certain structure which can be readily observed. There also exist cultural symbols, rituals and practices shared by its members which define corporate identity. It is a well-accepted axiom that a strong organisational culture ensures that a company is effective. Leaders' and founders' nationalities which determine the core values of an organisation can serve as a common basis in subsidiaries of MNCs.

Hofstede (1997) suggests that there exist five particular dimensions of national culture which can have an impact on workplace behaviour. The *first dimension* is labelled as the dichotomy of individualism versus collectivism. In collectivist cultures, people are typically committed to extended groups (Dalglish & Miller, 2010). In individualistic societies, ties tend to be less strong and people are expected to look after themselves. Autonomy, independence and hard work are appreciated in individualist societies and organisations which offer training and good salaries to their employees. People from individualist cultures prefer working alone whereas people from collectivist cultures typically prefer working in groups (Wood, Wallace, & Zeffane, 2000).

When hiring personnel, individualist human resources directors would typically choose a candidate because of skills and achievements whereas a personnel manager from a collectivist culture would typically aim for choosing an applicant who is compatible with colleagues and shows loyalty to the group. Often family members or friends are hired because these are seen as more trustworthy. Such hiring practices would be labeled as nepotism in an individualistic culture (Adler, 1986).

Hofstede's (1997) *second dimension* is power distance, which measures the inequality of distribution of power accepted by a society. In countries which score high in power distance, centralised structures seem to prevail where autocratic leadership styles are accepted by employees. The question as to whether status should be based on achievement merit or ascription granted by seniority or privilege is another issue related to power distance (Guthey & Jackson, 2011).

The *third dimension* of national culture suggested is masculinity versus femininity. Fostering well-being, quality of life and good relationships tend to be important to 'feminine' cultures, whereas 'masculine' cultures typically stress earnings, challenge, assertiveness, career advancement and "insensitivity to feelings as dominant values" (Wood, Wallace, & Zeffane, 2000:59). These attributes, while open to debate, are the typical stereotypes ascribed to gendered behaviour.

Uncertainty avoidance is the *fourth cultural dimension* which refers to the degree to which people of one culture are anxious about what might happen in the future. They need to predict the future, take control of situations, and often believe there is one right way to do things (Dalglish & Miller, 2010). In countries that score highly on this dimension, people do not tolerate ambiguity easily (Wild & Wild, 2014). In countries that score low on uncertainty avoidance, people are more likely to take risks and tolerate unusual situations. It has been claimed that this culture is more likely to foster innovation, whereas high uncertainty avoidance cultures tend to resist change and value security, clear structure, regulations and experienced expert managers (Mead, 1998). Given the diverse nature of MNCs, it is axiomatic that their leaders need to be risk takers because they deal with uncertainty and ambiguity on a daily basis.

In addition to these four dimensions, a fifth dimension, *long-term versus a short-term orientation* is identified to distinguish national cultures. Hofstede (1997:171) claims that this dimension ”relates to the teachings of practical ethics without any religious content”. It is widely believed that a long-term orientation has a positive impact on economic development or entrepreneurial activity and is needed to survive in a world with scarce resources. Lengths of assignments, meetings and contracts are seen to be influenced by this dimension (Adler, 1986).

Although Hofstede’s study of national culture dimensions is widely recognised, it has to be taken into account that he carried it out more than 40 years ago and the world has changed rapidly since then (Holden, 2002). Moreover, Hofstede has been challenged because his study considered answers of employees of the same industry and company, representing only one group. Also, Hofstede seems to assume that countries have one homogeneous culture but there are a number of countries which comprise various and oft-conflicting subcultures. It has also been suggested that some of Hofstede’s dimensions overlap as, for instance, low power distance and strong femininity (Mead, 1998). However, these criticisms do not necessarily devalue all of Hofstede’s important study.

One research project that analysed relationships between organisational processes, leadership and national cultures is, “Global Leadership and Organizational Behavior Effectiveness” or GLOBE (Hyatt, Evans, & Haque, 2009). The project was first led by House and later by Javidan (Lang, 2010). Yukl (2013) explains that the project interprets how leadership and values are influenced by various factors such as location, industry, degree of development, government, religion or climate. This situation posed the question for Yukl (2013), if and to what extent effective leadership varies between cultures. As the answer would seem obvious owing to cultural differences, a more meaningful question might have been, what factors underlying effective leadership can be found in common given cultural variance? Indeed, this question appears to have been addressed by some scholars in what follows.

Guthey and Jackson (2011:172) noted that GLOBE researchers found that, out of six styles of leadership reported from the project, the following first three leadership styles as indicated below were identified as the most effective across cultures. The last two were characterised by "self-centredness, status consciousness and narcissism", so clearly are not appropriate styles for leaders in cross-cultural contexts!

1. The charismatic leader with the ability to inspire and motivate and high expectation of performance of others on the basis of distinctive and stable values.
2. The team-oriented leader gives emphasis to effective team building and the implementation of common purposes and goals between group members.
3. The humane leader reflects a supportive and reflective behaviour which comprises care and generosity.
4. The participative leader can be characterised by the extent to which others are included in decision processes and their implementation.
5. The autonomous leader demonstrates independent and individualistic leadership behaviour.
6. The self-protecting leader stresses protection and security of individuals and groups by emphasising status and face saving (Lang, 2010:99-100).

The first three leadership styles mentioned above as most effective – charismatic, team-oriented and humane – resonate with qualities of baseline leadership. As already noted, baseline leaders need to inspire and motivate employees and adhere to a distinctive and stable set of values. Furthermore, they have to build up and lead teams towards a common goal. Supportive and reflective behaviours are also important for baseline leaders. Moreover, charisma, inspiring or motivating behaviours and offering individualised care given to followers are characteristic of transformational leadership.

Northouse (2013) similarly lists universal attributes regarding intercultural leadership effectiveness which have been defined in the GLOBE project as integrity, charisma and people skills. An ineffective leader is claimed to be asocial, malevolent, and self-focused. It is interesting, but probably not surprising, that the literature is largely quiet on the ineffective qualities of leaders. The universal attributes of effectiveness and ineffectiveness found in the literature are summarised in Tables 4 (a) and 4 (b).

Table 4 (a): Attributes of effective intercultural leadership for MNCs

Positive Leader Attributes		
Trustworthy	Just	Honest
Has foresight	Plans ahead	Encouraging
Positive persona	Dynamic	Motive arouser
Confidence builder	Motivational	Dependable
Intelligent	Decisive	Effective bargainer
Win-win problem solver	Communicative	Informed
Administratively skilled	Coordinative	Team builder
Excellence oriented	Has high standards	Analytical

Source: Northouse (2013:404)

Table 4 (b): Attributes of ineffective intercultural leadership for MNCs

Negative Leader Attributes		
Loner	Asocial	Non-cooperative
Irritable	Non-explicit	Egocentric (self-focused)
Ruthless (malevolent)	Dictatorial	

Source: Northouse (2013:404)

Dickson, Lelchook, de Luque, & Hanges (2012) add that the skill dimensions of ‘drive’ and ‘analytical skills’ are claimed to be universally effective for intercultural leadership.

Two strategies have been recommended by Lang (2010) for leaders who are confronted with diverse follower expectations. First, get to know their culture and second, transmit knowledge about their own culture to followers and discuss cultural differences.

Although the GLOBE project has much to offer, it has nevertheless been criticised for difficulties with inadequate sampling and ascribing what has been identified at one level or another. A second criticism refers to language in the questionnaire that was used in the study, which could be interpreted differently from culture to culture. Moreover, the project has been criticised for being vague and American-biased. A fourth criticism is that the project does not take subcultures of large countries into account (Dickson, Lelchook, de Luque, & Hanges, 2012).

German culture and leadership

As this research examines a German MNC, it is necessary to understand the peculiarities of this culture and how these impact on organisational life and affect the way leaders operate.

Evidence suggests that Germans do not differentiate between technical responsibilities and management. Therefore, a more ‘hands-on’ approach tends to be implemented by German leaders who like to get things done by themselves. For instance, in a company that produces technical products, the technical director would often be expected to be an engineer. Frequently, a task-orientation is prevalent, not a people-orientation which could be reflected in giving less priority to customer service. This would suggest that Germans are more geared to a transactional style of leadership. Punctuality, expertise and education are valued in Germany and it is hardly possible that a manager could become overqualified (Schneider & Barsoux, 2003:32-33).

According to their subordinates, German leaders particularly have difficulty with charismatic leadership and participative decision-making. In addition, they have been criticised for solipsism. By global comparison, German leaders are seen as self-protecting individualists who value status, are deficient in transformational and value-based leadership and do not deal sufficiently with team issues. A lack of compassion has been identified. On the other hand, German leaders score highly in risk orientation, administrative orientation and patterns of standardisation and regulation. German leaders stress performance. To sum up, the low interpersonal humane orientation of German leaders can be seen as a constraint to global leadership challenges which require a higher emotional competence (Lang, 2010).

According to Konopaske and Ivancevich (2004:133), German managers can be stereotyped in the following manner:

> They are focused on details and proceeding by the book. They usually have years of technical training. The top person is in complete control. Meetings are formal and attention is paid to every detail. Occasionally a loud voice or table-pounding are tactics used to get concessions for managers or businesses from other countries.

It is also claimed that Germans show high levels of uncertainty avoidance, future orientation, assertiveness and performance orientation. Therefore, Germans seem to focus on rules and laws, give emphasis to planning and invest in the future. The country scored low in in-group collectivism, institutional collectivism and humane orientation (Brodbeck, Frese, Javidan, & Kroll, 2002). A stronger results orientation than people orientation has been identified for people from Germanic countries, who value competition and aggressiveness. Broad societal groups are not given attention as behaviour tends to be more individualistic than group oriented. Germans seem to expect from their leaders styles that are inspirational, highly participative and independent (Northouse, 2013). As Northouse (2013:402) sums up,

> The ideal leader would be a unique, visionary person who is autonomous, charismatic/value based, participative, humane oriented, and team oriented, but not status conscious or concerned with face saving.

These leadership characteristics were taken into account when the researcher embarked on her study of global leadership in a German MNC.

Expatriate leadership

Expatriates who are company employees and sent to another country for a period of time, frequently have to make sense of things which they perceive differently from people around them. Therefore, as Schneider and Barsoux (2003) suggest, these leaders need to be sensitive to these kinds of situations as the employees might constantly feel uncomfortable and make mistakes.

It is paramount that expatriate leaders are interculturally competent as such skill assists in interacting effectively with people from the host culture (Lustig & Koester, 2003).

According to Sheridan's (2005) model of competencies needed for leaders in intercultural contexts, seven 'C' factors determine their effective behaviour – capability, care, communication, consciousness, context, contrasts and change. Figure 4 (a) depicts the specific elements of each of these factors. Given the significance of how cultural factors have been seen to impinge on leadership styles, it is good to see that cultural awareness is included in the model. However, an important 'C' omission is surely that of *conflict management* which would seem a necessary skill for leaders working across cultural boundaries.

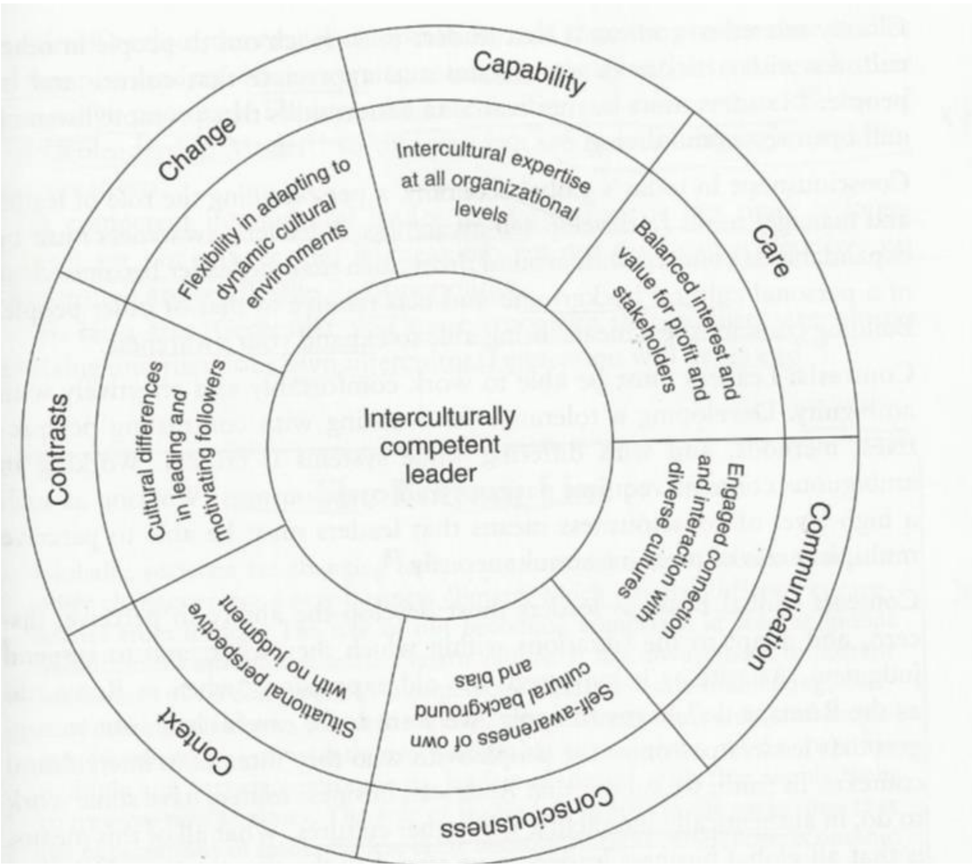

Figure 4 (a): Geoleadership Model for Intercultural Leadership in Multicultural Settings

Source: Wibbeke (2009)

According to Sheridan's model, intercultural leaders need to have a deep understanding of the context in which they operate to react appropriately (Kets de Vries & Mead, 1993). They need to adapt to different behaviours in different contexts, and practice ways of doing things with a non-judgmental attitude (Hunter, White, & Godbey, 2006).

Furthermore, this model claims it is important that intercultural leaders possess a high level of consciousness or self-awareness, for example, to understand their own culture because this helps them analyse their environment (Wibbeke, 2009:20) and makes them more self-reflective and open to feedback (DuBrin & Dalglish, 2003a). Being *conscious of* and secure with one's own values is said to foster comfortable interaction with others (Schneider & Barsoux, 2003).

According to Wibbeke (2009), an intercultural leader has to be able to effect *change* of organisational culture, challenge and assess personal and organisational capability and build it up where it is lacking. Such leaders need to have the ability to work with high levels of uncertainty, be patient and deal with different levels of meaning, contrasting and conflicting methods or views (Schneider & Barsoux, 2003). Besides, the intercultural leader needs to adapt to rapid change in today's complex environments inside and outside the organisation, learn and unlearn (Wibbeke, 2009:20).

Empathy is seen as an important characteristic of intercultural leaders (Jokinen, 2004) and interpersonal skills are crucial for coaching and negotiating (Kets de Vries & Mead, 1993). Leaders need to be concerned about and care for all stakeholders, balancing their needs in considerations and decision-making (Wibbeke, 2009:19).

Finally, it is claimed by Chang and Tharenou (2004) that it is important these leaders are good *communicators* who actively listen, and engage others in dialogue. Communicative competency here refers to an ability to interact effectively with people from different cultures. It includes an awareness of one's own cultural attitude towards cultural differences and knowledge of culturally diverse practices and worldviews, using *cross-cultural capability*. High level communication skills provide intercultural leaders with the ability to network effectively. Moreover, Schneider and Barsoux (2003:191) argue that competent intercultural leaders need to be oriented towards people and have a "low task-orientation".

Kets de Vries and Mead (1993:192) suggest that there exist six characteristics and behaviours for functioning in intercultural contexts:

> An aptitude for searching and combining things in new ways; the ability to communicate ideas and turn them into action the command of several languages, as well as knowledge of and sympathy for several cultures, in order to provide … 'a

stereo quality' to perception and interpretation; honesty and integrity; the willingness to take risks and experiment; and faith in the organization and its activities.

In addition to the traits needed for successful baseline leadership, the following attributes from the literature are seen to be crucial for effective expatriate leadership:

- Emotional stability
- Cultural awareness and knowledge of the own culture
- Cultural intelligence
- Cultural sensitivity
- A higher degree of openness to experience and foreign cultures
- Culture-specific attributes
- A higher degree of agreeableness
- A higher degree of adaptability
- Adaptable family
- A strong ego and a set of core values
- Cross-cultural skills
- A higher degree of partnership skills
- Hardiness and resilience
- Awareness of own behaviour and leadership style
- Sensitivity to the environment
- Linguistic competence
- Sensitive communications
- No ethnocentric perspectives
- Non-judgmental behaviour
- Patience
- Empathy
- Cosmopolitanism

(Appendix L provides more detailed information about these traits)

According to Osland (2013a), in international assignments expatriate leaders often have more influence in their respective organisations and more independence in decision-making than they would have in their home countries. It is seen as paramount for leaders to be able to adapt decision-making processes to other cultures by first listening to the individuals' concerns and sensitivities (Johnson & Oberwise, 2012). In addition to the organisational culture, expatriates have to take into account national cultures and conditions because, for example, cultural, political or economic factors could be hindering change (Gundling, Hogan, & Cvitkovic, 2011).

As already indicated, tolerance of change is culture-dependent. Some cultures believe that change is necessary and that individuals are in control of their future; these cultures accept change whereas other cultures feel threatened by change and fear for loss of their values. In organisations in a change-averse system, junior employees do not bring in ideas and do not undertake new ventures. Solomon and Schell (2009) explain that such organisations are characterised by decision-making of senior leaders and "structures with clearly defined approval systems". This might represent a limitation for younger expatriate leaders who need to take into account different cultural norms and values when managing change or when making decisions.

Solomon and Schell (2009) report that in egalitarian cultures all employees are empowered to participate in decision-making, whereas in hierarchical cultures leaders make a decision, taking into account formal reports. It has been recommended to slow down reaction time and take time to gather information before making decisions. Another tactic is to build trust with 'forecasters' who can then assist in understanding what is going on while expatriate leaders can learn from these consultants and refine their instincts (Johnson & Oberwise, 2012).

Expatriates are constantly confronted with contradictions. However, Osland (2013a:26) knows that dealing with paradoxes contributes to developing "cognitive complexity, the ability to manage uncertainty, and behavioral flexibility". Frequently, ambiguity is found in operations which take place in other cultures' contexts and expatriates need to know how to tolerate chaos (Gundling, Hogan, & Cvitkovic, 2011).

Expatriates need also to analyse vague situations in a non-linear way from multiple angles, to read situations figuratively and loosely and to be able to respond to various situations and people at the same time. They have to recognise patterns in chaotic situations and act, even though they do not have all the information. Expatriates should spend time with their people to understand their views and concerns and ask questions. They must involve their teams to make sense of the situation and find direction (Sharkey, Razi, & Cooke, 2012).

It has been recommended by Zhao (2012) that expatriate leaders should not violate ethics and social responsibilities as MNCs have a large influence on their surroundings and issues such as environmental and social challenges as well as social corporate responsibility and ethical governance should be addressed appropriately (James & Collins, 2010).

Because expatriates are susceptible to sexual exploitation, bribery or corruption, the policies of the organisation and legal conditions of the country they are dealing with need to be known to the leaders so that they may adapt behaviour. Frequently, expatriates experience conflict between their personal values and local conditions. It can be difficult and time-consuming to receive approval from official institutions such as government bodies without bribery. Moral and legal standards and the corresponding behaviours differ between cultures (Gundling, Hogan, & Cvitkovic, 2011; Whitener & Stahl, 2006). Johnson and Oberwise (2012) suggest that many times a middle path between both cultures' expected behaviours has to be found. However, as Sharkey, Razi, & Cooke (2012) point out, compassion, responsibility, integrity and forgiveness are critical moral principles which seem to be shared by all cultures.

It is even more significant for expatriate leaders than for baseline leaders to establish networks and trusting relationships in a foreign environment because the leader has to rely on these relations to compensate for the lack of local knowledge and skills (Gundling, Hogan, & Cvitkovic, 2011). Synergy can be established through the building of networks inside and outside the organisation (Brown, 2007). However, in some cultures networking would be handled more formally than in others and determined by age group, meaning that seniors would not network with juniors, so again this would limit younger expatriate leaders.

Multicultural leadership

As noted earlier, multicultural leadership refers to the leading of multicultural teams in organisations and takes place in a multicultural context. A further analysis would see this as a form of intercultural leading (described in the previous section). In such an IT-savvy world, multicultural teams are often virtual teams as members work at different locations worldwide. Team members have different cultural backgrounds with regard to nationality, profession or the organisation in which they work. Thus, it is a more complex operation to lead multicultural teams from abroad or from the home country than in a foreign country where the workforce is often more homogeneous. Multicultural leadership requires leading multiple cultures of team members simultaneously.

Organisational hierarchies are becoming flatter in order to adapt and respond flexibly to the complex globalised environment and dynamic competition (Maznevski & Chui, 2013). Therefore, in MNCs it is important that all employees work in networks which are interdependent and interconnected. It has been found that multicultural teams can be more successful than homogeneous teams because diversity in teams challenges conventional thinking and fosters creativity (Brown, 2007). Research by Sharkey, Razi, & Cooke (2012) has also demonstrated that gender diversity has a positive influence on results. Ultimately, it is clear that successful performance of multicultural teams depends on the team members' leadership skills.

In many countries, team work differs from practices in the West, not only in understanding modes of communication and roles but also the differences in expectations, norms of behaviour and the perception of power. Team leaders who have international experience are often more empathetic and possess cultural intelligence, awareness and sensitivity (Maznevski & Chui, 2013). Therefore, expatriate leadership, or at least international assignments, should take place before multicultural leadership.

In order to function in multicultural settings, leaders need to possess additional traits to those of expatriate or baseline leadership. Traits seen to be needed are listed as follows:

- Intercultural experience and English language competency
- Higher degree of interpersonal competency
- High level of openness
- Ability to work with high levels of uncertainty
- A higher degree of integrity and honesty
- A global mindset (see Appendix P)
- Reflexivity

(More detailed information on these traits is presented in Appendix M).

According to Sharkey, Razi, & Cooke (2012), it is the leader's task to connect team members or different teams and make them collaborate across cultural boundaries, to foster knowledge transfer and promote ideas and then implement these. They further believe that leaders need to bring team members together to facilitate the team's interaction and that there is a high level of complexity and ambiguity involved in the teams' tasks, and relationships among the team members who are typically located in different parts of the world. These team members are not only culturally different and speak various languages but direct interaction is hindered as they have to work across time zones, and across national and organisational boundaries (Gluesing & Gibson, 2006).

Maznevski and Chui (2013) note that diversity in teams is seen to have the advantage of better understanding for stakeholders, bringing in a multitude of perspectives and enhancing innovation. On the other hand, diversity can hinder effective communication and increase conflict. The disadvantages of geographical remoteness of team members are not only logistical difficulties but invisibility of relationships and limitations of communication.

Maznevski and Chui (2013) also highlight that in multicultural teams the areas of expertise and working conditions are different for particular team members so that the understanding and the resulting appreciation are more difficult to reach than in teams where working conditions and knowledge are similar. Trust and respect result from appreciating others' work and knowledge can have a strong impact on a team's efficiency or innovativeness as Maznevski and Chui (2013) claim.

Trust is crucial for the effectiveness of teams, especially in maintaining confidentiality and openness which are paramount in seeking collaboration. However, the higher level of diversity and risk and the greater geographical distance between members and lower levels of interdependence, make it difficult to establish trust between organisational teams. It has been suggested by Canney Davison and Ekelund (2006) and Whitener and Stahl (2006) that team members should openly discuss the meaning of trust, be aware that trust is perceived differently across cultures and that they should actively build and manage trust.

Gundling, Hogan, & Cvitkovic (2011) claim that in multicultural teams it is more challenging to align team members' work to a common vision. Frequently team members do not share knowledge about their skills and contributions which can result in the duplication of work and isolation. This can prevent members from reaching objectives. It is more complex to motivate diverse team members as their interests differ.

To foster stronger relationships between virtual team members, research by Kirkman, Rosen, Tesluk, & Gibson (2004) indicate that face-to-face meetings should be organised periodically. It is important to receive information from the members on a regular basis and to share decision-making between all members. Before coming up with solutions, each team member should provide feedback, the team leader should visit the team's members in their respective locations and team meetings should not only take place at headquarters but in team members' locations. Exchanges between team members to different locations, the employment of staff from subsidiaries to headquarter positions and an adequate knowledge-sharing system can be effective (Gundling, Hogan, & Cvitkovic, 2011).

Burke, DiazGranados, & Salas (2011) report that transformational leadership is even more effective in remote teams than in face-to-face teams. Motivation in virtual teams mostly derives from "cohesion, collective efficacy, and trust between team members" (Burke, DiazGranados & Salas, 2011:341). Leaders of remote teams often find it difficult to gain commitment from diverse team members, to influence team members over large distances and to establish trust. Team learning, knowledge and performance management are also more difficult to lead over a distance (Dalglish & Miller, 2010). In teams in general and virtual teams in particular, it is difficult to assess individual contribution and reward. Leaders need to decide whether to reward individually, team-based or both. Culturally diverse team members' different motivations have to be taken into account when rewarding, in appraisal and evaluating performance. It is difficult for leaders to promote affect in remote teams (Burke, DiazGranados, & Salas, 2011; Kirkman & Den Hartog, 2006).

Communication of a shared vision and deciding on common objectives are even more important in virtual teams as Gundling, Hogan, & Cvitkovic (2011) indicate. Cultural differences amongst team members create differences in value sets and understanding. Problems also might arise from the functioning of information technology and handling team members' strengths and weaknesses (Dalglish & Miller, 2010). Frequently, misunderstandings arise because of non-verbal communication (Burke, DiazGranados, & Salas, 2011). On the other hand, conference calls, email communication or web meetings can be more efficient; people prepare more thoroughly for them and they facilitate participation of introverts and non-native speakers (Maznevski & Chui, 2013).

In settling intercultural conflict, multicultural leaders need to understand that approaches to solving conflict are different between cultures. Values, norms, emphasis of objectives and conflict style have an impact on conflict resolution. Only when leaders understand this and take it into account in the intercultural conflict negotiation processes, can they be constructive (Ting-Toomey, 1999).

On-line conflict frequently escalates and it has been recommended to use active listening skills such as summarising or paraphrasing to prevent misunderstandings. It seems that online communication easily produces anxiety. Canney Davison and Ekelund (2006:238) point out that it is the leader's role to guide the team through conflict to diffuse "personality clashes, saving face, and giving people a constructive way out". Face refers to public reputation (Schneider & Barsoux, 2003:164).

Maznevski and Chui (2013) argue that much intercultural conflict is about being confronted with and articulating identity. One approach to overcome such conflict is called 'Negotiating Reality'. Its objective is to make explicit tacit and culture-derived repertoires and adapt them for the respective situations. The parties ask questions about their perception of the situation, the achievements they aim for and the strategy of action they have chosen. They inquire about underlying goals, values and intentions. This approach of inquiry for better understanding others' cultural realities and theories of action creates awareness through single- and double-loop learning. It seems that tacit knowledge is not transferable by virtual communication. Thus, it is necessary that the team establish regular meetings. The main purposes of the meetings are the fostering of relationships and the exchange of tacit knowledge in discussions and not the presenting of updates such as sales numbers. Team members could also meet important stakeholders, work on innovation or share experiences of failures and best practices (Maznevski & Chui, 2013).

Lang (2010) argues that multicultural leaders principally have to be able to manage diversity, claiming that effective management of diversity requires the establishment of relationships based on mutual obligations, trust and respect and the motivation of subordinates for high performance.

In some cultures older employees are given priority in communication which means that younger employees do not speak up when senior staff are around. Leaders should show respect by addressing the older person first but make sure that junior staff's input is not lost (Brown, 2007:203). When giving negative feedback, leaders have to be particularly careful as others should not be criticised according to a leader's ethnocentric assumptions. Furthermore, multicultural leaders have to be aware that employees' contributions can differ as a result of speaking a second language (Gundling, Hogan, & Cvitkovic, 2011:197).

In other cultures, and particularly in Asian cultures, 'yes' might not have the same meaning as in the Western world. To avoid negative consequences, individuals from other cultures often give the impression they agree when they actually do not. Therefore, it has been suggested a five-step inquiry be implemented to reveal the underlying intention. First of all, it has to be observed how the ‘yes’ is said; if it is given out of politeness, if it is unemotional or neutral, or if there is a real desire for action. The second way to analyse the ‘yes’ is to ask follow-up questions which show a person’s thinking about the relevant issue. In a third step, it needs to be identified if the individual has thought of a strategy for implementation. The more detailed the person's answers, the more likely it is that the ‘yes’ can really be taken as affirmative. Finally, leaders can ask for a worst-case scenario so that reservations become clear which might result from certain risks (Johnson & Oberwise, 2012).

In intercultural settings, special attention should be given by leaders of MNCs to saving face. While this is especially true when dealing with those from Asian cultures, Western leaders can react emotionally and lose face or individuals might lose face when criticised or they criticise others in public. Decisions against somebody can easily lead to embarrassment and should be taken on a one-to-one basis. Loss of face can not only negatively impact on productivity but also result in a lack of trust between partners and spoil efforts at negotiation (Johnson & Oberwise, 2012). As Wibbeke (2009:4) pointed out “The concept of “face” refers to a person’s self-image, that which they desire to present to others. Positive face comes from a desire for appreciation or approval from others. Negative face is the desire to not be imposed on or to impose upon others”

Global leadership

While in this study’s context the general term ‘leadership’ indicates the influencing of others to reach business objectives, the attribute ‘global’ relates to leading in complex international and multicultural contexts (Lang, 2010:90). Global leadership requires the same traits, activities and behaviours as baseline, expatriate and multicultural leadership but global leaders need a more highly specialised degree of competence (Osland, 2013a). Baseline as well as expatriate and multicultural leadership, as discussed in the previous chapter, cannot alone provide appropriate solutions for global leaders as they deal with more politics and higher levels of complexity (Gundling, Hogan, & Cvitkovic, 2011:197).

Whereas an expatriate leader mostly deals only with one or two other cultures at a time, the truly global leader has to cope with multiple cultures simultaneously. Global leadership can be seen as a process where the leader influences stakeholders whose cultural, political, and institutional backgrounds are different from the leader’s (Javidan, 2012). Global leaders constantly have to scan the environment to adapt strategies, processes and leadership styles to diverse global stakeholders’ needs (Gundling, Hogan, & Cvitkovic 2011). Kets de Vries and

Mead (1993:187) suggest that a global leader would be “a person who can play the role of catalyst, who is sensitive to adept at managing cultural diversity, and who functions effectively in different cultural environments”.

It is claimed by Bird and Osland (2006) and Sharkey, Razi, & Cooke (2012) that knowledgeable expert global leaders are extremely rare. However, MNCs have a high demand for global leaders (Zhao, 2008). Osland (2013a:37) defines six global leadership skills: “intercultural adaptability, ability to develop individuals across diverse cultures, global strategic thinking, global team building, ability to start up business in new markets, and ability to interact with local political interests”.

It has also been reported that the ability to learn, to make decisions, to negotiate and demonstrate emotional stability were particularly significant in global leadership. Surprisingly Osland (2013a) finds that international experience did not have an impact on effectiveness and according to their supervisors, cosmopolitan leaders were even regarded with suspicion by their colleagues and peers. This apparent contradiction will be revisited in the concluding chapter.

As indicated in the literature, global leaders, in addition to all the traits needed for the previously described three types of leadership, also need the traits and competencies listed below (see Appendix N):

- A wide range of knowledge
- Global strategic thinking
- Excellent learning skills that include curiosity
- A holistic perspective
- Acceptance of complexity and its contradictions
- Humility
- A higher degree of inquisitiveness
- A higher degree of flexibility

It is the global leader’s task to communicate their headquarter’s vision and objectives to the local parts of the organisation and simultaneously raise sensitivity with headquarters for the necessities and circumstances of these local environments (Sharkey, Razi, & Cooke, 2012:223). In a study of the nature of the work of global leaders, Caligiuri (2006:220) summarised the most important activities of global leaders. by indicating that they:

- work with colleagues from other countries;
- interact with external clients from other countries;
- interact with internal clients from other countries;
- may need to speak a language at work other than their mother tongue;
- supervise employees who are of different nationalities;
- develop a strategic business plan on a worldwide basis for their unit;
- manage a budget on a worldwide basis for their unit;
- negotiate in other countries or with people from other countries;
- manage foreign suppliers or vendors; and
- manage risk on a worldwide basis for their unit.

When making decisions, global leaders not only have to take into account the cultures of employees and consumers all over the world but conditions and differences of other stakeholders such as governments or legal bodies (Brown, 2007). Furthermore, they need to make sure that their assumptions about underlying conditions are correct (Mannor, 2008). They need also to give freedom for people to make decisions at the local level because they are more knowledgeable about conditions in their environment (Sharkey, Razi, & Cooke, 2012). Johnson and Oberwise (2012:220) mention that although employees in many countries are used to the leaders making decisions alone, they can become involved in the process by the leaders "listening, questioning, encouraging and then reassuring".

Making decisions in volatile and rapidly-changing environments bears risk. Mannor (2008:99) claims that a higher level of cultural intelligence of global leaders reduces risk because they have

> …greater knowledge of cultural differences, are more adept at engaging in behavioral flexibility, and have the intrinsic motivation to fully engage with culturally different partners.

Different cultural orientations have an impact on attitudes towards risk-taking (Moran, Harris, & Moran, 2011). Some are clearly risk takers while others are clearly risk averse. There are also differences in communicating and recognising risk. In some cultures, as failure is considered a learning experience, it has been suggested that leaders should initiate discussion about cultural differences in dealing with risk (Solomon & Schell, 2009).

As the global environment is not only highly dynamic but interconnected, ambiguous and uncertain, it is important that leaders in these circumstances bring out the talent and highest potential of their organisations (Dunn, Lafferty, & Alford, 2012). Global leaders get actively involved in the development of talents and do not leave topics such as succession planning to the human resources department (Sharkey, Razi, & Cooke, 2012). High potential employees at all locations have to be identified and prepared for global leadership positions (Tucker & Thomas, 2006). Candidates have to be assessed on their own cultural values and behaviour because judging them through an ethnocentric lens can lead to misinterpretations (Gundling, Hogan, & Cvitkovic 2011).

Osland (2013a:34) claims it is important to differentiate by the global leaders' role to trigger positive change and to "build a global community with a unified purpose". It has been suggested that it is difficult for global leaders to go back to a domestic leadership position.

Once global leaders feel they have developed an understanding for cultural difference, they need to start style-switching in communication and leadership (Gundling, Hogan, & Cvitkovic, 2011). As change, complexity and ambiguity are increasing in the globalised work environment, it becomes ever more important for leaders at all levels to adapt and react with enhanced flexibility (Nelson, Zaccaro, & Herman, 2010). They also need to adjust strategy to each particular context. Not adapting patterns of behaviour, mental models, pacing or issues relating to timing to the other culture is likely to result in failure (Gundling, Hogan, & Cvitkovic, 2011). Adaptability refers also to the budget which does not impose constraints but can be adjusted (Sharkey, Razi, & Cooke, 2012).

Furthermore, global leaders have to master a higher degree of responsibility and take up multifaceted roles (Gundling, Hogan, & Cvitkovic, 2011). Universal techniques of influence have been recommended for the success of global leaders: convincing with rational arguments, consulting, collaboration and convincing by indicating the usefulness for subordinates. Ineffective techniques are giving presents in advance, ensnaring and using personal means of pressure (Kennedy, Fu, & Yukl, 2003).

Effective global leaders notice when stakeholders' needs are changing and deeply respect diversity. They have the talent to understand subtle nuances in the behaviour of others, are sensitive to biases and cultural and social norms. In contrast to treating everybody the same and applying a one-size-fits-all approach and rewarding in a standardised way, global leaders, for instance, personalise rewards so that these respond to individual interests and requirements. Clients are dealt with in a customised way and negative feedback is seen as an effective tool for development and change (Sharkey, Razi, & Cooke, 2012).

In today's workplaces global leaders are not only confronted with constant change but also with totally new problems. To adapt and handle these they apply systems thinking to come up with strategies, discovering patterns out of disparate information from all over the globe. Global leaders and organisations have to be involved in constant transformation (Gundling, Hogan & Cvitkovic, 2011).

Many of the traits and skills accorded to the concept of global leadership discussed above are summarised by Bird and Osland (2004) in Figure 4 (b).

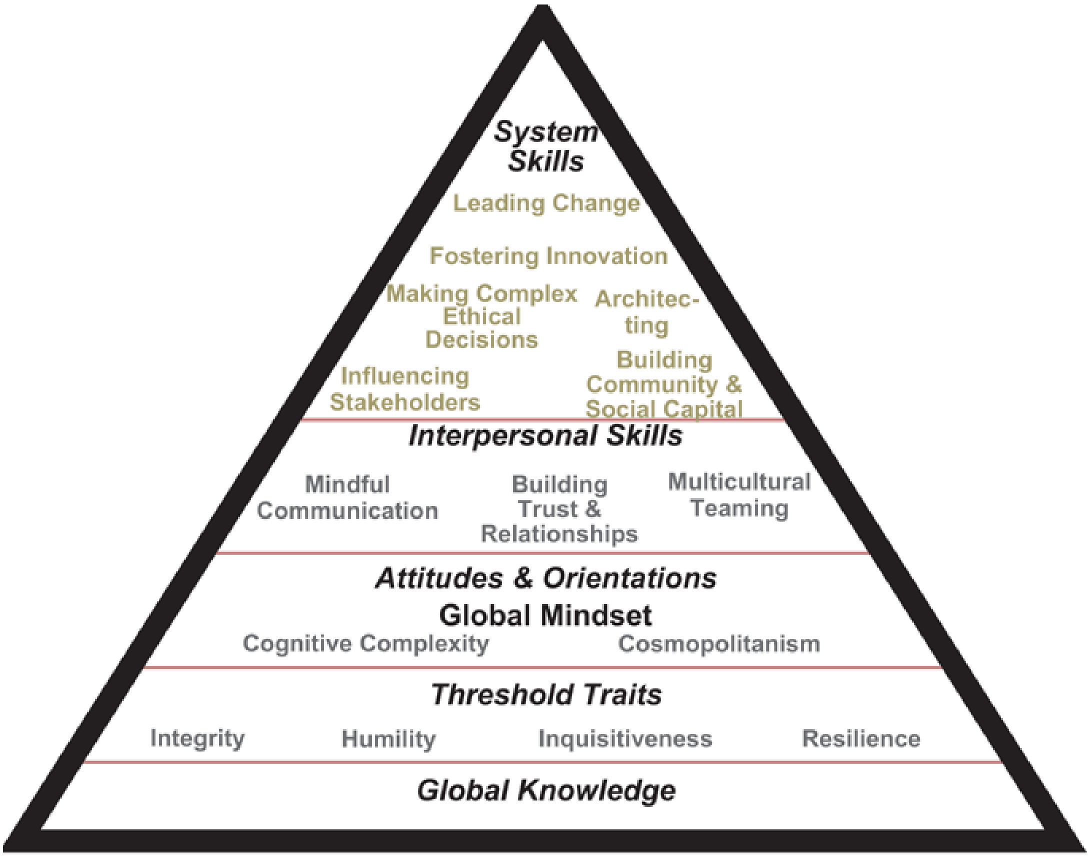

Figure 4 (b): The Pyramid Model of Global Leadership

Source: Bird and Osland (2004:68)

This hierarchical Pyramid Model of Global Leadership shows that the foundation of global leadership is global knowledge referring to, for example, knowledge about foreign cultures. All levels above global knowledge comprise higher-order competencies. The second threshold level refers to the traits of integrity, humility, inquisitiveness and resilience which

Bird and Osland (2004) see as the most important traits of global leaders. Level three describes attitudes and orientations of global leaders which are composed of cosmopolitanism, cognitive complexity and a global mindset. Level four refers to the interpersonal skills of mindful communication, building trust and relationships and multicultural teaming. Finally, level five at the apex of the pyramid is composed of system skills, meaning ethical decision-making, influencing stakeholders, architecting and building of communities, leading change and spanning boundaries.

The Pyramid Model of Global Leadership can be used in combination with Bird and Osland's Effectiveness Cycle (2004:59-61) which portrays a three-stage process. In stage one of the process, the situation is analysed and interpreted by the leader who compares experiences and future expectations, scans for information and comes up with objectives. In stage two, necessary action is defined drawing upon experience, global knowledge, imagination and other factors. The third stage refers to the necessary behaviour which has to be adapted to the situation.

These proposed global models of leadership can be criticised for suggesting the existence of lower-level leadership traits, activities and behaviours, especially as the concept of global leadership is as yet neither classified nor defined. Moreover, the hierarchical, linear ordering of traits and skills that are seen to typify global leadership in the first Bird and Osland model appears over-simplistic given the multitude and complexity of skills that are seen to be needed by many researchers on the topic. It is therefore argued that both these models are not capable of fully capturing the complexity inherent in global leadership.

Global competency in leadership

The literature on global leadership competency is as yet only in an early stage of development and lacks consensus on what the concept actually involves and what competencies are needed at this level. For a start, different scholars give priority to different traits, behaviours and competencies which tend to create confusion.

This section defines leadership competencies more broadly and goes on to present varying definitions of global competency in particular. Furthermore, multiple models for measuring global competency and other models for measuring intercultural competency are proffered.

Bird and Stevens (2013:113) see competencies as "a set of underlying characteristics that an individual or team possess that have been demonstrated to predict superior or effective performance in a job". Competencies refer to personal traits which are inherited or developed through factors in the environmental or socio-cultural background of a person: characteristics, abilities, attitudes and skills which indicate an effective professional performance (Bird & Osland, 2006). Thus, competencies can be seen "as a set of desired behaviors" (Berard, 2013:9).

Jokinen (2004:201) defines global competency as "qualities that enable individuals to perform their job outside their own national as well as organizational culture". According to Hunter, White and Godbey (2006:17) these competencies require "having an open mind while actively seeking to understand cultural norms and expectations of others, leveraging this gained knowledge to interact, communicate and work effectively outside one's environment". Zhao (2008:34) defines global competency leadership as "the leadership that can determine the future of a business organization during its process of internationalization and globalization".

Jokinen (2004:206) designed a framework for 'global leadership competencies'. She claims that self-awareness, engagement in personal transformation and inquisitiveness are the core of global leadership competencies and determines the mental characteristics of global leaders: "optimism, self-regulation, social judgment skills, empathy, motivation to work in an international environment, cognitive skills and acceptance of complexity and its contradictions". Social skills, networking skills and specific knowledge can be seen as the outcomes from these mental characteristics (Tung, 1981).

Adler and Bartholomew (1992:53) claim that apart from having cross-cultural awareness and experience, global leaders need five competencies:

> First, leaders need to understand business, political, and cultural environments worldwide. Second, they need to learn the perspectives, tastes, trends, and technologies of many other cultures. Third, they need to be able to work simultaneously with people from many cultures. Fourth, leaders must be able to living and communicating in other cultures. Fifth, they need to learn to relate to people from other cultures from a position of equality rather than cultural superiority.

Other literature sources note even more competencies required by global leaders. Ting-Toomey (1999) adds that global leaders need to be skilled in creating transcultural visions. Zhao (2008:36) has determined characteristics for leaders of global competency. These are,

> … first, to explore and innovate with internationalized vision; second, to have internationalized knowledge structure and be familiar with international conventions; third, to have international communication capability and meet the needs of international economic competition; fourth, to have strong national self-confidence and sense of social responsibility.

Research by Moore & Sonsino (2003:17) indicates that skills in the following areas are most needed by global leaders: leadership, vision, communication skills, swiftness of response to change, business acumen, entrepreneurship, creativity, financial management skills, international experience and IT skills, while Zhao (2008:36-37) has suggested a five-level model for 'global competence leadership':

> … the first level is the basic or core global competency which is shown as no bias, open-mindedness, tolerance with ambiguity, world unity, personal interaction, emotional sensitivity, behavioral agility, inquiring mind, optimism, self-confidence, self-recognition, positive emotion, pressure management, interest diversity, self-consciousness, and relation interest. The second level is inter-personal skills. In the globalization context, leaders need inter-personal skills to conduct deep-seated communication, dialogue, and negotiation. They must also know quite well about different cultures, rites, values, and ways of thinking, so as to build teams with mutual trust. The third level is the competency to break through the boundaries of enterprises and build harmonious relations among the stakeholders of enterprises. The fourth level is the ability to make decisions ethically. While considering the maximization of profit, decision makers should take it as a prerequisite not to violate social ethics and social responsibilities. The fifth level is the leaders' systematic skills. Leaders should make long-term strategies with a systematic perspective because of the complexity of the enterprise itself and the stakeholders.

Given the findings of this study, it is surprising to see what little emphasis there is on the importance of communication skills, in what has been reviewed;.

Considerations for a model of development and training for global leadership

The increase of foreign operations and growth strategies through international mergers and acquisitions enhances the need for global competency in MNCs. However, most MNCs lag behind in the implementation of internal policies for acquiring global competency (Oddou &

Mendenhall, 2013). A number of organisations have stated that global competency can overcome cultural conflict and raise performance (Earley, Ang, & Tan, 2006; Trompenaars & Hampden-Turner, 2004). Leadership development has been recognised by organisations as a source of “competitive advantage” (DeRue & Wellman, 2009:859). However, studies have shown that 60 per cent of participating executives with international responsibility seemed to feel ill-prepared for their global role (Javidan, 2012) and that on a global level, companies lack commitment to leadership practices (Wright, 2010).

Cultural sensitivity needs to be applied as global leadership programs are often biased by Western culture and reinforce behaviours and competencies which are ineffective for leading in another culture’s environment (Weir, 2010). Presentation-based programs in which participants mainly sit and listen have been criticised as ineffective. In contrast, programs should, say Gundling, Hogan, & Cvitkovic (2011), implement a practical approach. It is paramount that participants in global leadership development and training programs demonstrate a learning orientation (DeRue & Wellman, 2009).

The conceptual model introduced in this study not only structures the field but also represents scaffolding stages of development to be followed in training and development for global leadership starting with baseline leadership and then progressing to the more complex forms of expatriate, multicultural and finally global leadership.

Needs analysis

Training and development do not occur in a vacuum but are influenced by socio-cultural aspects (Donmoyer, 2000; Merriam & Caffarella, 1999). Moreover, participants in leadership training and development programs are not a homogeneous cohort but might come from diverse organisations and carry out different activities at work (Dawe, 2004; Westhead, 1998). Therefore, participants’ particular contexts and specific needs have to be taken into account to make learning most effective.

In order to investigate program participants’ unique requirements for learning, a needs analysis should be carried out by the human resources department’s training and development staff (Woolcock, 2011). Needs analysis can be defined as all these activities which are carried out to collect data on which the development of a curriculum is based. It makes learning more valid and relevant (Cowling, 2007). However, there are not only the participants’ but also organisational needs which have to be considered in program development (Grant, 2002). A needs analysis should comprise multiple sources and various methods as this can increase quality (Cowling, 2007). Questionnaires and structured interviews seem to be most common as methods for needs analysis (Grant, 2002).

Songhori (2007:3) suggests a holistic needs analysis covering complementary methods and sources which should be applied by human resources departments of MNCs when designing curricula.

Experiential learning

Kolb, D. A., Boyatzis, R. E. & Mainemelis, C. (2001) claim that in experiential learning events and actions in a real-world setting are observed and experienced actively in order to trigger reflection. This can bring about ″*abstract concepts* from which new implications for action can be drawn″.

Context-specific experiential learning methods can be seen as the most promising development measures for global leadership (Johnson, 2008). Kolb (2014:3) states that “Experience-based education has become widely accepted as a method of instruction”. However, experiential learning has to be adapted to the learner’s skill set as

> adult learning theories suggest that the uncertainties regarding performance and success that come with overly challenging experiences can be overwhelming and, as a result, can hinder key learning processes and ultimately threaten the developmental value of the experience (DeRue & Wellman, 2009:859).

Encouragement and feedback after the development experience are necessary to trigger reflection and motivation. Development experiences ideally pass through three stages as illustrated in Figure 4 (c): “(1) assessment and planning, (2) challenge and learning-by-doing, and (3) support, coaching and feedback” (Bruner, Conroy, & Snell, 2012:16).

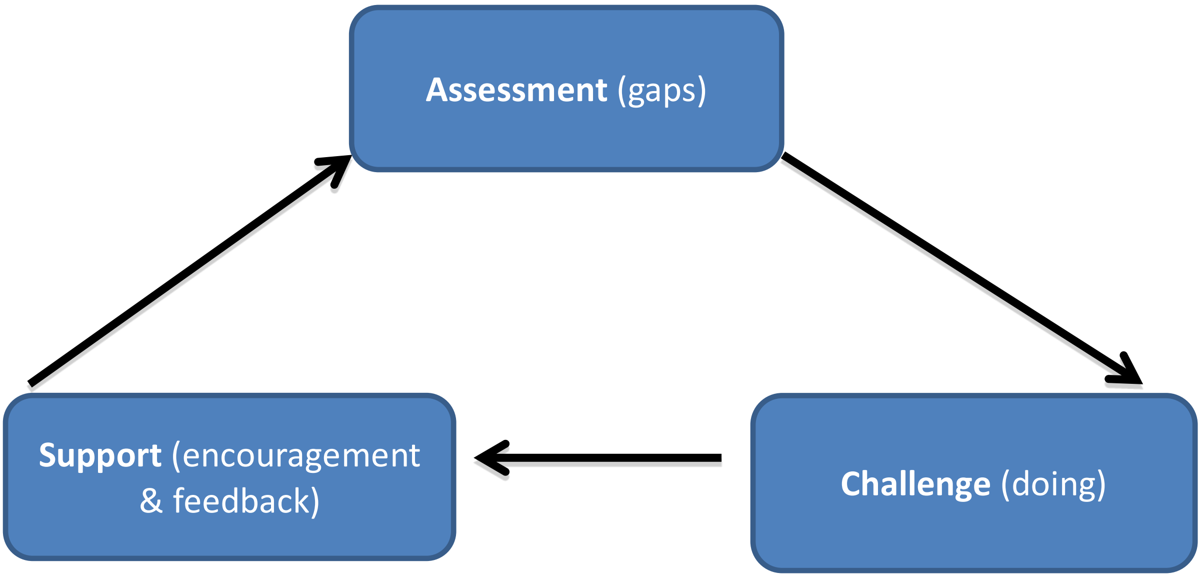

Figure 4 (c): Components of Development Experience

Source: Adapted from Bruner, Conroy, & Snell (2012:17)

Learning for global competency is seen as most effective when it is based on exposure to real-world-situations and participation in the dispersed and remote locations of the MNC involving intellectual but also emotional memory (Oddou & Mendenhall, 2013).

> The more *experiential* (or action/"outdoor" learning), or more holistic (emotional, behavioral, and intellectual) the experience or contrast, the greater the impact. In addition, the greater the number of *sources* of feedback that tells the manager that his or her behavior or decision was or was not appropriate (360 degree feedback), the more impact the contrast will also be. (Oddou & Mendenhall, 2013:229)

Black and Gregersen (2000) argue that, to be effective, learning for global competency leadership passes through three stages: "contrast, confrontation and replacement". Contrast implies here that leaders are faced with an irritating dilemma. Confrontation refers to an exploration of alternatives and trying out of approaches to deal with this dilemma and replacement or remapping is the label for a change of perspective which is triggered by the finding of ways in which to go about the confronted situation and competently handling such circumstances. The leader's beliefs and assumptions are challenged when confronted with new approaches and viewpoints which are at the roots of the experienced dilemma. Previous notions can then be replaced by changed mental maps.

The following measures are seen to trigger changes of mental maps:

- International business travel
- International business seminars with in-company personnel
- International business seminars with non-company personnel
- International project teams/task forces
- International assignments (both expatriation and inpatriation)

(Oddou & Mendenhall, 2013:225)

However, the latter is seen as particularly effective in acquiring global competency as it offers the highest degree of integration into a foreign culture. This is why expatriate leadership needs to take place before multicultural leadership which can require global competency.

Zhao (2012) states that for increasing organisational performance it is crucial to develop language ability, professional ability, culture and vision. He agrees that the required global competency can only be developed through experiential learning (Zhao, 2008).

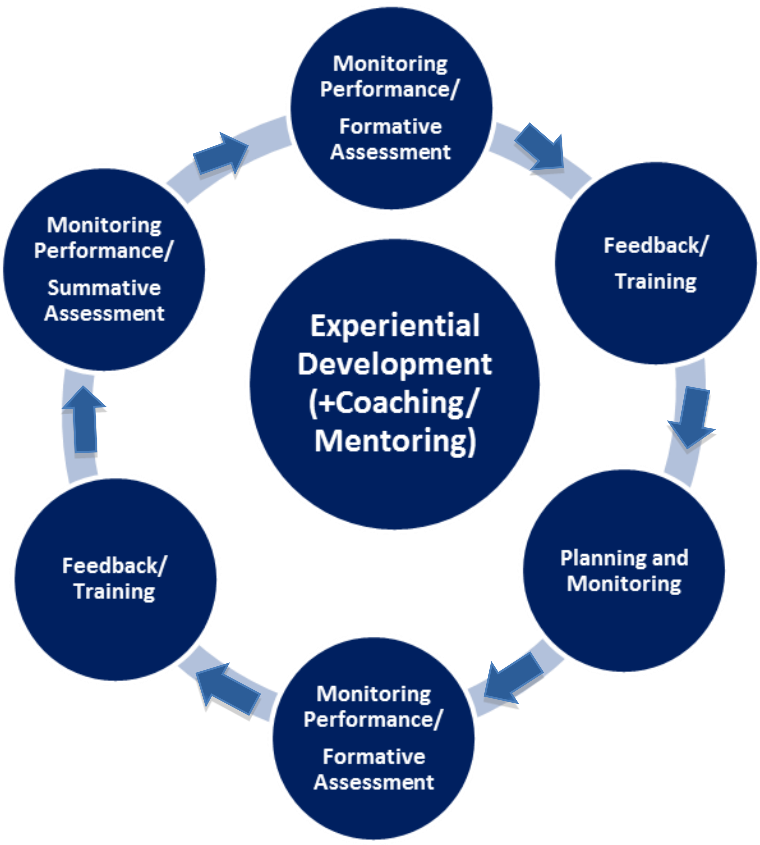

Figure 4 (d): Experiential Development Model

Source: Adapted from Bruner, Conroy, & Snell (2012)

The figure above (Figure 4 (d)) represents a cyclical model for effective experiential development. Such learning should start with a formative assessment which can provide feedback for needs analysis. Experiential development and training then can be customised to these needs. After a specific training measure, the experiential development should be planned and a mentor or coach can consult the learner who then enters the stage of experiential development which, as mentioned above, can become even more effective if combined with coaching or mentoring. After the actual experiential development, a formative assessment will be carried out which can be used as a source for feedback identifying strengths and further learning needs. Deficiencies can be overcome by another specific training and an ensuing summative assessment. Learning should be ongoing so that the cycle will start all over again (Bruner, Conroy, & Snell, 2012).

Factors of effectiveness in global leadership learning

In the past decades, companies sent managers to formal training programs to enhance their proficiency. However, it has been claimed that lectures, discussion, role plays, simulations and other instructional activities, cannot provide managers with the skills and competencies they need to adapt to rapid change. Informal learning is based on experiential learning, action and reflection and can develop proficiency. Such learning occurs in self-directed learning, mentoring, coaching, networking, performance planning or trial-and-error. Furthermore, it has been found that the more similar learning conditions were to work conditions the greater was the transfer of learning (Enos, Thamm Kehrhahn, & Bell, 2003). Especially critical inquiry and reflection can result in double-loop learning (Mannor, 2008).

Three-hundred and sixty degree feedback, coaching, foreign assignments, mentoring with experienced leaders, networking, reflection based on personalised cultural profiles, action learning and outdoor experiences in groups of international participants are common measures to develop global competency in MNCs (Oddou & Mendenhall, 2013). Moreover, it has been recommended that leaders take part in international forums for business and management (Zhao, 2008).

Hardship experiences

A current trend seems to be sending leaders on short-term hardship assignments. IBM uses project work to develop global leadership competency. In these projects, participants assist employees of non-governmental organisations, not-for-profit organisations or small businesses in other countries. Moreover, the Union Bank of Switzerland makes managers work in their home country in not-for-profit organisations dealing with social projects which change their points of view as they are exposed to individuals who are very different from them. PricewaterhouseCoopers sends teams of employees to developing countries to work on assignments for local and international organisations. Such project work offers stimulating hardship experiences to managers (Oddou & Mendenhall, 2013). Oliver, Church, Lewis, & Desrosiers (2009:206) claim that hardship experiences also comprise "learning from poor decisions, experience career ruts or missed promotions, and successfully managing difficult direct reports".

Coaching

Short- to medium-term coaching has been identified as particularly effective in developing global leadership skills and knowledge. Mainly through listening, coachees are said to reach their own conclusions about global competency by guidance, advice, suggestions or feedback from their coach (Gundling, Hogan, & Cvitkovic, 2011). Coaching permits evaluation, assessment and the improvement of strategies and coachees can try out what they learn at their workplace (Hyatt et al., 2009; Oliver, Church, Lewis, & Desrosiers et al., 2009).

Diverse course participants

Participants in global leadership programs ideally come from different parts of the world so that they can learn from each other's cultural differences (Oliver et al., 2009). Diverse participants also differ in learning styles which need to be taken into account by the trainer or coach (B. L. Kirkman & Den Hartog, 2006). Ming (2009) argues that a divergent style is most effective for the learning of global leadership whereas a convergent style is least effective.

Global Talent Pool

The most effective strategy seems to be that of companies developing a global talent pool which provides executives with experiential learning as early as possible in their careers through leading in international assignments, multicultural teams and cross-cultural exchange opportunities (Oliver, Church, Lewis, & Desrosiers, 2009).

Organisational Learning

Continual learning and the development of a learning organisation has become of utmost importance to MNCs as they must keep up with rapid change being globally responsive and innovating constantly. Thus, it is now necessary to develop agility and a creative capacity for learning. Learning needs are brought about by restructuring and reengineering, fierce global competition, skills shortages, innovative and advanced technology and the multiplying development of knowledge. Therefore, learning has to become faster, cheaper and more effective (Schwandt & Marquardt, 2000).

Adult Learning

Leaders are adults, so adult learning (andragogical) principles need to be followed in leadership programs. Jarvis advocates that in response to the increased need for learning there are now university programs targeted to adult learning and corporations have established their own training schools or corporate universities which seem to better meet their needs. Shorter courses and awards have been developed. Many of these courses are distance learning courses because adults frequently work and need flexibility regarding study time (Roper, 2007). Competency-based training has been introduced, for instance, involving work-based learning and mentoring. Modelling, coaching, and practical activities are seen as meaningful for adult learning (Reio & Wiswell, 2000).

Self-directed learning

Learning can become more effective for adult learners if they make use of their knowledge about their strengths and weaknesses and self-direct their learning. A self-directed learner engages in effective discussion and discovery learning or works on independent projects, whereas dependent learners need more guidance and appreciate drills and lectures which are less effective. Self-directed learners should be involved in setting priorities, controlling and planning their learning. It also is effective if adult learners are problem-centred and internally motivated to apply the acquired knowledge directly. It is crucial that learners reflect critically about their learning (Merriam, 2001). Reflective journals combined with coaching can enhance effectiveness (Berard, 2013). Individual reflection, reflection with a partner and in a group are all recommended for learning (Nesbit, 2012). Another advantage is if adult learners utilise previous knowledge and experience with the subject area. This can enrich learning (Jarvis, 2014). Self-reflection and experience bring about learning whereas the teacher's role in adult learning becomes that of a facilitator (Reischmann, 2004). It seems to be most effective for learning to use not only real-world contexts including social relationships and tools but experiential learning where a task has to be performed. Activities should provide students first with instructions and then let them ‘do’ the task on their own (Hansman, 2001).

Managers with metacognitive and self-regulation skills who observed and interacted with others and participated in challenging assignments seemed to learn most effectively (Enos, Thamm Kehrhahn, & Bell, 2003).

> Metacognition refers to the ability of learners to be aware of and monitor their learning processes. Cognitive skills are those needed to perform a task, whereas metacognitive skills are necessary to understand how it was performed. Metacognitive skills are generally divided into two types: self-assessment (the ability to assess one’s own cognition) and self-management (the ability to manage one’s further cognitive development). Successful adult learners employ a range of metacognitive skills and effective teachers of adults attend to the development of these skills. (Imel, 2002: Abstract)

Especially self-directed learning has been mentioned as essential for learning organisations “because it is an integral part of a learning organization’s ability to reinvent itself, adapt, and learn in the face of new challenges” (Reio & Wiswell, 2000:8). Self-directed activities should be used in educational programs because they can increase motivation and arouse curiosity and thus participants would increasingly engage in problem-solving and information- and knowledge-seeking behaviours (Reio & Wiswell, 2000).

Contextual considerations

It has to be taken into account that learner characteristics and needs are culture dependent. Thus, the learning itself and the learning environment have to be considered. Therefore, this study suggests models (Chapter 2:24 & 33) to determine the context and the application of a needs analysis (Hansman, 2001).

Apprenticeships

Hansman (2001) proposes to use apprenticeships for learning which can be characterised by five stages: In a first stage, behavioural modelling occurs where experts are observed by the learners and cognitive modelling where the experts give advice to novices. Secondly, approximating permits learners to carry out the activities, formulating how and why they intend to do things and then reflecting on their performance and understanding differences between their own and the expert's action. Modelling tasks, physical aids and coaching take place. In a third stage, support decreases as the learners' performance of the task improves. The final stage comprises learners' discussions coming up with generalisations.

Communities of Practice

Hansman (2001) also recommends establishing 'communities of practice' in which groups come informally and regularly together and whose members share a common purpose and desire to learn from each other.

Curiosity

Curiosity or the seeking of information in learning is becoming more relevant as it seems to increase task performance (Mussel, 2013). Research by Reio and Callahan (2004) suggests that curiosity, which is the desire for information and knowledge, should be enhanced to maintain or increase job performance. Curiosity can be seen as a temporary intrinsic motivational state which activates the searching for knowledge and information encouraging employees to investigate and learn and thus enhances their openness to change (Reio & Wiswell, 2000). Senge (1990:142) wrote "organizations learn only through individuals who learn" and a deep inquisitiveness (curiosity) is part of the lifelong process of personal mastery, one of the five disciplines of the learning organisation.

Early Learning

Research has shown that globally-effective leaders had close exposure to foreign cultures when they were children and that coming from multiple ethnic and cultural backgrounds leads to an increase in sensitivity (Lang, 2010). Early exposure to other cultures, languages or cultural diversity within the family is a determinant of the development of cultural empathy and adaptability which have been suggested to be key indicators of global leadership competency (Sinclair, 2007). Increased contact with foreign cultures at an early age, multilingual or multicultural upbringing was thought to be an advantage to global leadership (Lang, 2010). Sharkey, Razi and Cooke (2012:219) point out that global leaders had experienced "new and varied things" since they were children.

To develop global competency at a young age, education systems can provide learning about foreign cultures, world geography, languages or awarding the International Baccalaureate (IB) Diploma. Furthermore, exchange programs and internships abroad are effective (Hyatt et al., 2009; Kanter, 1995). International schools, camps, travel, and language learning can foster the development of sensitivity and adaptability (Osland & Bird, 2013). Round-Square Schools (RoundSquare, 2012) can provide leadership education and make students take on leadership responsibility in extra-curricular activities.

Bruner, Conroy and Snell (2012) highlight the significance that all approaches to global leadership learning should be competency-based. They write that tertiary educational institutions need to provide students with skills-based competencies and personal traits, and include experiential projects and field work to prepare them for the global workplace. Training in such schools should not only take place in the classroom but to be effective it has to include incorporate and experienced-based methods in real-time and real-world settings.

Another effective measure to develop adaptability for global leadership is cultural assimilators which provide feedback and scenarios or prepare for culture-specific or culture-general contexts. Cultural assimilators are also effective in developing adaptability to other cultures (Nelson et al., 2010).

It has been recommended by Lang (2010) that universities and other higher education providers offer training for intercultural competency and transmit meta-competencies such as intercultural sensitivity. Some universities and business schools offer international management and business programs which are taught in several countries and by lecturers who come from different cultures. Sometimes these even provide students with internship opportunities and exposure to MNCs and their leaders (Zhao, 2008). Industry could cooperate with educational providers to align programs for global leadership needs.

In Germany, there exist scholarships for foreign exchange programs and internships abroad, for example, are issued by the European Commission's Audiovisual and Culture Executive Agency (ECACEA) (2014) such as "Leonardo da Vinci" for vocational education or "Erasmus" for higher education. Scholarships are also issued by other associations such as the Carl-Duisberg Gesellschaft (2014).

The following diagram (figure 4 (e)) summarises typical measures for the development and training of global competency according to their potential for remapping. It can be seen that only 20 per cent are formal classroom methods, 30 per cent are forms of international exchange whereas 50% consist of personal work experiences (Oddou and Mendenhall, 2013).

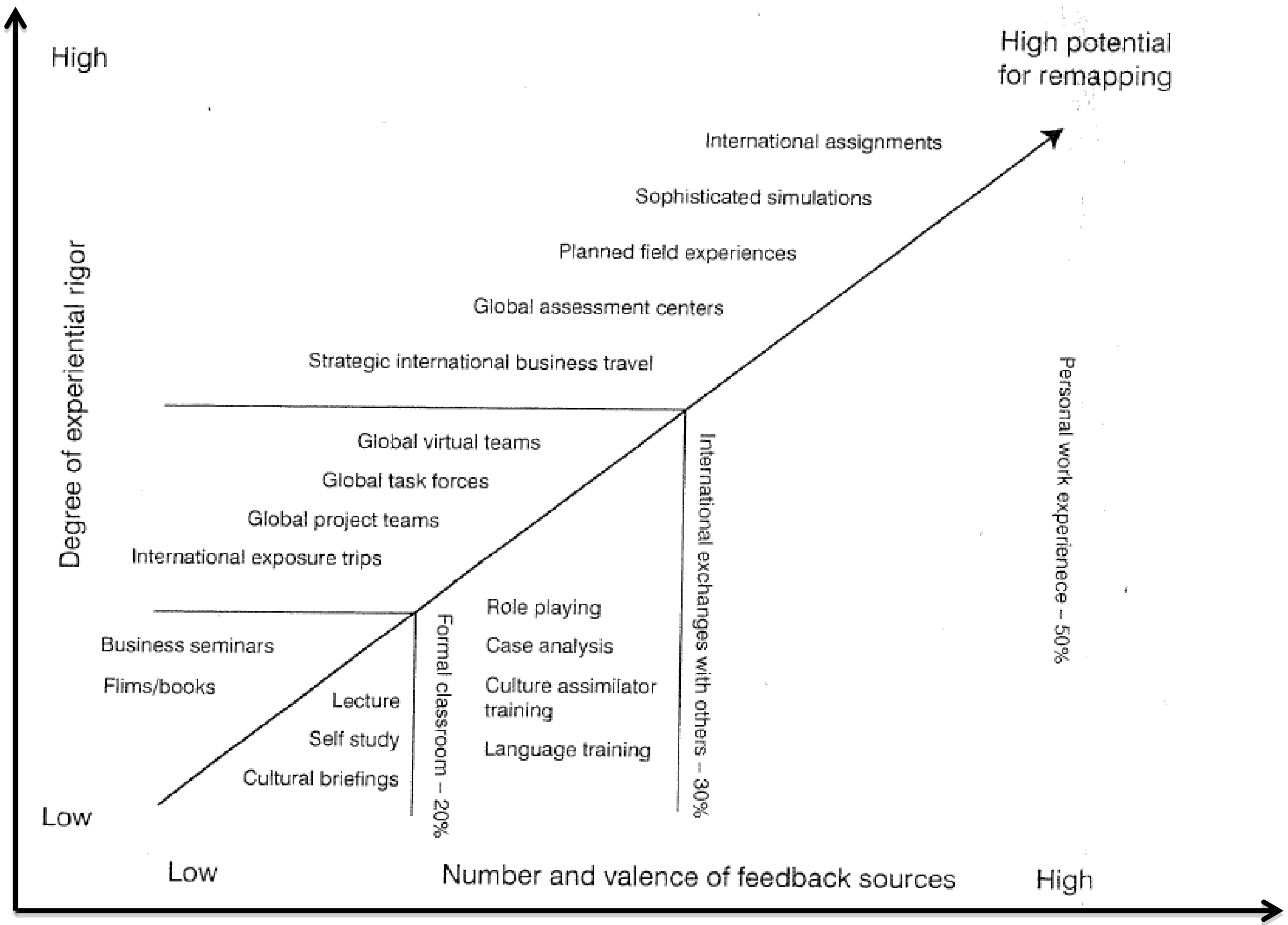

Fig. 4 (e): Measures for Global Competency Leadership and their impact, a potential for remapping

Source: Oddou and Mendenhall (2013:230)

Recruitment of global leaders

Responsibilities of leaders in MNCs are not only to develop and train for global leadership but also to find global talent which has to be assessed and recruited (Sharkey, Razi, & Cooke, 2012). For identifying global leaders, observations and judgments of managers, psychometric tools, assessment centre technology in combination with assessments, performance ratings, 360 degree feedback and employee surveys can be used (Oliver, Church, Lewis, & Desrosiers, 2009). The Hogan Potential Inventory (HPI) and the Hogan Development Survey (HDS), which have been mentioned previously, can assist in selecting high potentials. These tools have been recommended by Berard (2013:52) who says that "The inventory provides a psychometric evaluation of personality characteristics that distinguish personalities and determine career success." The HDS can be used to detect dysfunctional behaviours.

Standard employment questions and structured interviews are not sufficient in assessing and selecting global talent. However, there exist questionnaires as can be seen in appendix Q which can help to identify global leaders (Sharkey, Razi, & Cooke, 2012:223-230). As mentioned before, intercultural development can be measured using the Intercultural Development Inventory (IDI) (Gundling, Hogan, & Cvitkovic, 2011).

The traits that have been identified in the literature review chapters (chapter 3 and 4) are important to apply when recruiting expatriates, multicultural and global leaders (Lang, 2010; Ming, 2009). A particularly important trait is intercultural competency which helps leaders to avoid exercising indifference towards other cultures. Cultural indifference hinders the company's ability to place importance on another culture's people and context (Gundling, Hogan, & Cvitkovic, 2011). Gluesing and Gibson (2006:211) believe that it is important not only to recruit for professional knowledge but selecting individuals who are committed to the business, use IT efficiently, can work under uncertain circumstances, are proficient at managing diversity and are "perceptive and receptive to differences in people and culture, ways of thinking, and alternative approaches to processes and capable of handling the uncertainty".

It is recommended the company carry out a needs analysis not only for development and training but also for recruitment. The company should identify the profile for hiring leaders with the appropriate knowledge, experience, competencies, behaviours, traits and motivation as shown in 'The Triangle of Truth', Figure 4 (f), or for identifying the strengths and weaknesses of the company's leaders (Berard, 2013).

Figure 4 (f): 'The Triangle of Truth', a model for Identifying needed Qualities for Global Leadership

Source: Berard (2013:9)

In light of the findings of this study, further reflection and comment on both the development and training and recruitment models analysed in this chapter, will appear in Chapter 7. While ideas were sourced from these models, alternative models were created.

Gaps in the literature

In the wide range of sources mined on global leadership from the literature, a number of areas of key interest that either did not appear or where it was believed that insufficient attention was paid, are as follows:

- Any strategy pursued by MNCs to empower local employees instead of continuing to employ expensive expatriates who are difficult to reintegrate on their return to their home nation;
- Outside perspectives that employees develop when they are working abroad. Leaders need to understand what different locations expect from headquarters and understand how aspects of their own culture can clash with another culture. Such sensitivity can

assist in avoiding unnecessary conflict, thus improving cross-cultural communication and collaboration;

- The importance for leaders to possess higher levels of self-awareness, tactfulness and politeness. These appear to be essential traits for global leaders which are not stressed sufficiently in the literature;
- The issue that some multicultural leaders, like German leaders reported in this chapter, seem to be reluctant to adopt ideas and approaches which originate abroad;
- How tasks are divided when leaders work with multicultural teams;
- Prerequisites for global leadership competency and its acquisition;
- How leaders learn to measure and analyse business indicators, make key decisions and engage in discursive dialogue. These topics are highly relevant for educating global leaders;
- How to train and develop leaders for global competence and recruit potential leaders; and
- Women in global leadership positions and the limitations imposed on women who operate in cultures that restrict the activities of women.

Summary

Building on the focus of baseline leadership in the previous chapter, this chapter distinguishes from the literature reviewed three additional types of leadership needed by MNCs – expatriate, multicultural and global. The literature reviewed indicates that there is a lack of global leaders whose competencies reflect the responsibilities and multifaceted roles that they need to complement baseline, expatriate and multicultural leadership. As a higher degree of complexity is involved in dealing with many cultures and countries simultaneously, their skills require a constant switching between styles of communication and leadership. Activities carried out by global leaders are at a worldwide level so that taking actions and making decisions affects an immense number of stakeholders whose interests have to be taken into account. Risk, budget and strategic planning need to be considered on a worldwide level and strategies and processes need to be constantly adapted applying systems thinking. Global leaders need to bridge between top management and employees who are often in remote areas. They need to develop the talent of employees in order to bring out the highest potential in their organisation, build a global community and trigger positive change.

MNCs employ people from many countries and therefore need leaders who are interculturally competent. In order to understand the environment in which operations take place and to adapt behaviour, communication and leadership style appropriately, it is important for global leaders to understand different cultures and their dimensions. Research identifies universally-effective leadership traits and styles which are charismatic, team-oriented and participative. Self-centredness, status-consciousness and narcissistic behaviours are seen as hindrances to leadership effectiveness.

Expatriates, who are operating for a period of time abroad, have to tolerate chaos and deal with a higher level of complexity, uncertainty, paradoxes and contradiction. Frequently, these leaders fail or come back to their home country early, which can be expensive for the respective MNC. Expatriate leaders become immersed in another culture and have to consider this culture and the country’s legal, political and economic conditions in their actions and decision-making. Vague situations should be analysed in a non-linear way and in difficult dealings with individual or groups, reaction times need to be slowed down and enough information gathered before making decisions. Also, as a higher degree of networking and forging of relationships is involved, care has to be taken by expatriates not to violate ethics and social responsibilities.

Multicultural leadership refers to the leading of culturally-diverse team members. Leaders have to adapt communication and leadership style to the cultures found in the team with a non-judgmental attitude. Rewards also have to be adapted to culture. Multicultural leaders have to deal with conflicting viewpoints and working styles that increase complexity and ambiguity. Frequently, changes in the team’s culture and capabilities have to be made and the leader has to foster knowledge transfer, promote and implement ideas. Multiple stakeholder interests have to be taken into account and often teams are virtual with members working in different parts of the world, which can cause misunderstandings. Leaders have to know how to prevent and tackle intercultural conflict and actively manage trust in teams. Diversity has to be managed effectively to enhance creativity and performance.

Elements and models that could be considered for developing a training and development framework for global competency were reviewed, along with ideas proffered by scholars on factors influencing recruitment of global leaders. These themes will be taken up at a later stage of the thesis.

Different definitions of global competency leadership exist along with copious lists of the required traits, behaviours and activities. However, there appears to be no agreement amongst scholars as to what core competencies leaders of MNCs need in order to be fully effective. Such dissonance of opinion and lack of clear definitions of leadership in this context, consequently urged the researcher to study in-depth global leadership in one MNC. Doing so involved her in observing closely the day-to-day practices of how the leaders of a German MNC actually operated and conversing with them about the nature of the challenges they faced in leading their company.

Osland (2013b) explicitly points out the importance of carrying out research by observation, concentrating on activities of leaders in global business. As close observation was needed to find out more about the work of global leaders, shadowing as a form of observation was adopted for this purpose. Other measures of data collection were also used and these are explained in the following chapter.

Chapter 5 - Methodological Framework

Introduction

As the integrity and validity of research findings rely on the 'tightness' of methodological procedures, the choice of research strategy was taken with great care. The choice of research strategy guiding this study was based on the fundamental principle that the nature of the study's problem and its aims guide the choice of data collection methods.

Essentially, this research set out to examine how leaders of MNCs operate in their natural settings, what skills and competencies they need to operate effectively and how these could be best acquired given the global context in which the leaders operate. Consequently, data were needed that portrayed the lived experience of these leaders, and methods chosen that enabled the researcher to examine in depth their day-to-day professional activities, challenges and what strategies they use in order to be effective in their roles. For these reasons a qualitative case study approach was deemed the most appropriate research strategy, one which allowed multiple methods of data collection to be used. Put simply, the 'case' examined in this study was the operation of leaders in one MNC that was seen as representative of a larger number of cases. As indicated in Chapter 1, the German MNC chosen provided the field settings for the study.

This chapter begins by explaining the philosophical assumptions underpinning the research strategy adopted and goes on to point out the advantages and limitations of case study method. The philosophical base of the qualitative, as opposed to positivist, approach adopted is explained before going on to point out how the credibility of findings was strengthened. The sections following outline the data collection tools used, how the key informants were chosen for shadowing and interviewing and how data are presented and analysed. The penultimate section comments on an interchange that took place between the observed and the observer and the final section explains the ethical considerations involved in the study.

Philosophical bases of the qualitative approach

This section determines why qualitative research has been chosen for this study and introduces the researcher's paradigm and beliefs. This study was carried out as a qualitative case study because it allowed the researcher to combine various methods and techniques to examine dimensions of global competency in leadership. An "important characteristic of qualitative research is that the process is inductive; that is, researchers gather data to build concepts, hypotheses, or theories" (Merriam, 2009:15). In this case, the main reason for choosing a qualitative data collection method was that the researcher was interested in learning through discovery, insight and interpretation (Yin, 2009), a method which, as Owens (1982) points out, aims to understand the analysed phenomena through the participants' perspectives. This proved the most effective way to address the study's aims and research questions.

Qualitative research is associated with naturalistic inquiry which deals with human complexity by direct examination. It is believed by the researcher that reality cannot be understood when parts are separated into bits (Owens, 1982). Qualitative researchers use rich, detailed and 'thick description', believing that knowledge cannot be separated from the knower who constructs reality subjectively. Therefore, qualitative researchers are also known as constructivists who prefer a somewhat direct and informal style of writing (Johnson & Onwuegbuzie, 2004).

This study is based on constructivism as suggested by Yin (2003) which allows at the same time the subjective creation of meaning and being objective. Within a constructivist perspective, reality is constructed socially. Constructivists believe in a relative concept of truth depending on diverse viewpoints held by different people and focus on pluralism (Baxter & Jack, 2008). Interpretivists believe there is no single and objective reality but that events can be interpreted in multiple ways (Merriam, 2009). They "study things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meaning people bring to them" (Denzin & Lincoln, 2005:3).

The interpretive approach adopted has its epistemological roots in how knowledge is acquired and interpreted. Such philosophical reflections refer to the understanding and interpreting of meaning attributed to human action. The umbrella term of interpretivism refers to individuals as actors in the social world with certain intentions and reactions. Symbolic interactionism can be included in the interpretivist approaches and illustrates the construction of meaning through the interaction of individuals. Furthermore, idealism can be seen as an element of interpretivism. In idealism, it is believed that a group's worldview is determining how they perceive reality. Therefore, it is important to understand a group's culture, norms, rules and language. One more contribution to interpretivism is hermeneutics which can refer to the interpreting of culture and the understanding from the others' points of view (O'Reilly, 2009).

Research strategy adopted

For the reasons already provided, a qualitative case study approach, exploratory in nature, was seen as the most appropriate means of collecting the kind of data needed (Eisenhardt 2002, Merriam 2009). It proved particularly appropriate for seeing a holistic perspective of the complex contemporary phenomena in question within a real-life context (Patton & Appelbaum, 2003; Yin, 1984). Thus, case study makes it possible to take context and as a part of it culture into consideration as these significantly shape human behaviour. As Owens (1982:5) pointed out:

> This [position] essentially holds that one cannot understand human behavior without understanding the framework within which the individuals under study interpret their environment, and that this, in turn, can best be understood through understanding their thoughts, feelings, values, perceptions, and their actions.

Case Study as a Research Method

A case study is an in-depth investigation of a particular phenomenon within its 'real life' natural context (Punch, 1998, p.150) carried out in a field setting, using a variety of techniques for gathering data. Most case studies are based on the assumption that what is being studied is a typical example of a large number of cases. Therefore, studying a single case can provide insights into the wider landscape from which the one has been drawn. However, findings from case studies are intended to be more revelatory, not representative (Yin 2003, p.37).

The major purpose for conducting a case study is to collect, sort and analyse comprehensive, and in-depth information in a systematic way in order to allow a deep understanding of the case under scrutiny. Case studies have the advantage of using multiple techniques, mostly the tools of anthropological fieldwork, in order to get at deeper reality. The main tools used are observation (participant and non-participant), interviewing (structured and unstructured), historical analysis and document analysis. Indeed, any research method that will throw light on a situation is viewed as valuable. In-depth observations and interviewing are usually seen as essential.

Three key approaches to case study research have been proposed by Stake (2000, p.435):

- *Descriptive* case studies that provide detailed descriptions of what is observed and the patterns of relationships that occur in the situation being studied;
- *Explanatory* case studies which highlight the complex, cause-effect relationships occurring among certain variables related the case examined; and
- *Exploratory* case studies which are defined as pilot studies where new territory is being explored and from which more comprehensive and targeted research on the case in question can be carried out.

This case study is exploratory in nature as it explores for the first time how global leadership is practised *in situ,* or in real life situations, using shadowing as one of its key methodological tools.

Strengths of case study method

The major advantage of case study research is that it is possible to use a variety of tools to collect data; in this case the literature review, interviews, shadowing and content analysis became the prime tools (Patton & Appelbaum, 2003). The literature review helped to point out strengths and weaknesses, criticisms and syntheses which had been written on the topic (Merriam, 2009). It was important for the researcher to study the demonstrated forms of leadership from various viewpoints and to understand and reveal the multiple facets of the studied phenomena (Baxter & Jack, 2008:544).

Case studies also have the ability to examine in depth a single entity or phenomenon in its respective context (Easterby-Smith, Thorpe, & Lowe, 2002; Flyvbjerg, 2006; Maylor & Blackmon, 2005). A case study can thus be defined as "an in-depth description and analysis of a bounded system" (Merriam, 2009:40). Similar to situations in our everyday life where we meet acting individuals and try to make sense of their behaviour through interpretation, the approach of single case study concentrates on isolated cases which are then described and analysed (Yin, 2009).

The approach of a case study method also proved to adequately address the research questions, to overcome limitations via triangulation of methods, to collect richer data and to appropriately capture the complexity of the researched phenomena via a holistic analysis of the principal case and its embedded units which here refers to different hierarchical levels (Yin, 2009).

Other advantages of case study as seen by various scholars include the following:

- providing in-depth and advanced learning and a deep understanding of processes and context (Saunders, Lewis, & Thornhill, 2012)
- placing researchers into the environment of investigation (Flyvbjerg, 2006)
- making it possible to study an organisation from the inside (Mayring, 2002)
- producing exemplary cases in a discipline (Kuhn, 1987)
- gaining insight into practice which normally is not open to the public (Flyvbjerg, 2006)
- enabling a particularly close interaction of the researcher and the participants who, through the telling of their stories, facilitated the understanding of their actions (Baxter & Jack, 2008)
- gaining insights into work processes, interactions and behavioural patterns at more than just one point in time (Yin, 2009)
- offering an opportunity to readers to find their own way and truth to the studied phenomenon (Flyvbjerg, 2006)
- being well-suited to capture complexity arising from dynamic and high pressure international competition and highly ambiguous and multicultural environments (Flyvbjerg, 2006; Osland, 2013b)
- making it possible to analyse the participating leaders separately, between themselves and across themselves (Baxter & Jack, 2008)
- offering more material for examination, complex and extensive results (Lamnek, 2005)
- making it possible to analyse more and deeper particularities of a single case study as there are fewer participants (Patton & Appelbaum, 2003)
- being suitable when boundaries of the studied phenomenon and its context overlap (Baxter & Jack, 2008)
- making it possible for researchers to try to come up with wider solutions by describing one particular case (Patton & Appelbaum, 2003)
- assisting to avoid manipulation of participants (Baxter & Jack, 2008)
- being appropriate for exploratory studies, in the early stages of researching new areas (Saunders, Lewis, & Thornhill, 2012) and when identifying characteristics of a contemporary phenomenon about which little is known (Cavana, Delahaye, & Sekaran, 2001)
- taking appropriately into account the conditions in business studies where researchers deal with organisms and living systems in dynamic environments (Patton & Appelbaum, 2003).

Limitations of case study method

While case studies have great advantages for studying in-depth social phenomena, they do not really 'prove' anything. Nor are they ideal for making generalisations. So, because generalising from one particular case is problematic in this approach, this research can be seen as an exploratory study. Nevertheless, findings from this study can bring about a fundamental understanding of the researched phenomenon at one particular time and in its unique circumstances.

Case study research in general, and single case study research in particular, have been strongly criticised for not being representative of a larger population as they only look at one researched phenomenon in its particular context. Because of this, it has been argued that findings therefore cannot be generalised (Flyvbjerg, 2006) because of "the uniqueness and artifactual conditions surrounding the case" (Yin, 2009:61). Quinton and Smallbone (2006) argue, however, that external validity or reliability do not matter in case studies and that generalisability is not an objective in qualitative research.

However, it has been suggested that case studies' methods can be replicated (or cross-validated) using similar cases to enable generalisation of findings (Stake, 2008). Knowing that it is not possible to reconstruct the same conditions as each case is depicted in its unique and dynamic circumstances, the researcher provided information and documentation about all procedures of this study so that similar studies could be undertaken with a larger number of participants by other researchers (Gibbert, Ruigrok, & Wicki, 2008).

Another limitation concerns what can happen with the findings of case studies. In studies of companies there is an ever-present danger that the findings of these will be kept confidential and guarded as "proprietary data" (Cavana, Delahaye, & Sekaran, 2001:112).

Furthermore, the strong influence and subjective bias of the researcher-as-instrument is seen to lead to issues of bias and thus validity of findings (Flyvbjerg, 2006). In other words, predispositions of the researcher and those concerning the phenomenon under scrutiny, can represent a threat to objectivity. The subjectivity involved when collecting and interpreting the data is frequently seen as problematic for "its lack of rigor in the collection, construction, and analysis in the empirical materials that give rise to the study" (Patton & Appelbaum, 2003:62). Therefore, the researcher was particularly sensitive to and critical of her own biases and preconceived notions in order to carry out this study in the most objective way possible.

One way the researcher worked to strengthen objectivity and the trustworthiness of findings was in her use of triangulation, cross corroboration of data and disciplined methods of analysis to avoid being preferential and opinionated (Stake, 2008).

Ensuring credibility of findings

Acknowledging the subjectivity of the naturalistic paradigm adopted for this research, and the traditional concerns for objectivity, validity and reliability where there is seen to be "little relevance for the design of naturalistic research" (Owens, 1982:10), rigorous methods were nevertheless applied that helped to ensure the credibility or trustworthiness of findings.

Triangulation, which refers to the use of various data collection methods, was an effective strategy for guaranteeing that the phenomena were examined from different perspectives (Saunders, Lewis, & Thornhill, 2012). As Stake (2008:133) observed, "Triangulation has been generally considered a process of using multiple perceptions to clarify meaning". In this study, the use of multiple methods of data collection helped to corroborate and ensure the credibility of the findings. Moreover, the researcher explained thoroughly "… the techniques that were used to check and validate analyses as the research proceeded" and was able to test the perceptions of different actors to given events (Owens, 1982:13).

Credibility was also helped by prolonged data-gathering on site which allowed the researcher to check on her assumptions and perceptions, to change predispositions and to better understand what was happening as well as gaining valuable insights at different points of time. The researcher also enhanced credibility by asking participants if her understanding was correct (Owens, 1982).

In order to further increase trustworthiness, the researcher also prepared a comprehensive framework for the research, and compared patterns between observations of and interviews with the participants with what she found on the topic under examination with what was reviewed in the literature. She also offered a concise explanation of her research procedures from the beginning of the study to the end (Gibbert, Ruigrok, & Wicki, 2008).

Sampling procedures

It was important to select a representative sample of a case which gave the opportunity to study global leadership. Initially, for the purpose of this study CEOs in MNCs in Germany, Australia and Mexico had been selected and approached by phone, email, formal letters or through the contact of a third person. However, all these efforts proved unsuccessful. As described by Merriam (2009), participants are often found by coincidence or through private contacts. Only after two years' searching did a private contact of the researcher meet by coincidence a global leader who became interested in the study and participated. The second CEO of the same MNC volunteered to participate in the research after he had been interviewed. Potential interviewees were approached by email and in meetings and some of these agreed to participate.

So, the company which was to be studied and those in the company who were to be the key informants were selected on a purposive basis. Purposive or non-random sampling refers to a sample which is selected based on the knowledge of a population and the purpose of the study (Ritchie, Lewis, Elam, Tennant, & Rahim, 2014). Random sampling was not seen as appropriate because statistical inferences were not being made.

Participant CEOs studied were thus selected for shadowing if they were experienced CEOs in MNCs and key informants for the interviews needed to be leaders in MNCs who had experience in working with CEOs of MNCs. It proved to be the case that, "To study people at first hand means getting access to those actual surroundings which is more problematic in the case of the powerful than those without power" (Brannen, 1987:166). In retrospect, the researcher recognises that she was very fortunate in finding ideal-type leaders which provided an extraordinary learning opportunity (Stake, 2008). Ideal cases of leaders allow others to learn from demonstrated behaviours and competencies.

Key Informants

Twenty-eight leaders from the above-mentioned MNC were selected as the key informants for this study. These were chosen because of their capacity to deliver meaningful insights into the phenomenon of global leadership (Merriam, 2009). Among this group there were eight non-German leaders and four women.

In the tables below, the leaders' years of experience and educational levels are indicated. The shadowed CEOs had studied business administration and finance. The participating MNC had granted some of those leaders who were engineers study programs for management such as 'Building business for Asia' or other specialisations at prestigious institutions like, for example, the Institut Européen d'Administration des Affaires (European Institute for Business Administration: INSEAD) or the University of St. Gallen (Interviews 4:2; 16:2;

27:4). Of interest however, was that in the interviews, informants explained that their field of study was not as important as was how they performed in their roles (Interview 7:2).

More than half of the interviewed leaders believed they obtained their leadership positions not only because of their long and broad experience in different sectors, functions and areas of the organisation but also with other companies or living and working abroad (Interview 3:5; 5:3; 14: 1-2; 16:2-3; 18:3; 19:1; 26:2). They explained that their education and experience in different functions and departments gave them self-confidence (Interviews 2:1, 5:3, 26:2). Moreover, some said that broad experience could enhance the level of trust that followers had in them (Interview 16: 2-3).

Table 5 (a): Leadership experience of key informants

Years of leadership experience	**Number of participating leaders**
30	Two
27	One
25	Two
22	One
20	Two
17	One
More than 15	One
15	One
14	Two
13	Two
12	One
11	Four
7 or 8	One
6.5	One
6	Two
5	One
3	One
0.5	One

Table 5 (b): Formal degrees attained by key informants in this study

Degree studied	Number of Leaders
MBA	Two
BA International Business	One
Commerce and Finance	Two
Business Administration	Five
Business Administration and Law	One
Engineering	Four
Engineering and specialisations in Management	One
Engineering and MA in Industrial Marketing and International Strategy	One
Engineering and MBA	One
Production Techniques (Economics and engineering)	One
PhD Chemistry and MBA	One
Political science and MA Political and Economic Relations	One
PhD Economics and specialisation in Management	One
Finance and business administration	Two
Economics	Two
Tools smith, Engineering and Economics	One
Commercial Management	One

Only two native English-speaking interviewees were not proficient in a foreign language. These leaders seemed not to need another language as all others spoke English at a professional level and English was the MNC's working language (Interview 26:2). English had become a prerequisite for any leadership position. However, most informants were multilingual, as shown in the table below.

Table 5 (c): Language proficiency of key informants in the company

Number of languages spoken	Number of informants
Only one language (English)	Two
Two languages	Seven
Three languages	Seven
Four languages	Six
Five languages	One
Six languages	Three
Eight languages	One

All interviewees indicated they had experience in working with other cultures. They had contact with peers, colleagues, subordinates and teams on a worldwide scale, with international suppliers and customers, global shareholders and international consultants and lawyers but because all the informants were working in different areas, the extent of the exposure to other cultures varied. Fifteen of the informants could be classified as global leaders, two as expatriate leaders and eleven as multicultural leaders.

Seventeen interviewees indicated they had lived abroad for at least six months, whereas eight leaders had travelled extensively for business but not lived abroad for more than a few weeks or months (Interview 10:3; 16:3). The two shadowed CEOs travelled fifty per cent of their working time. Some informants advised that they had participated in school and university exchange programs, engaged in internships abroad or worked in other countries for several years (Interview 5:3; 9:4; 13:3; 14:2; 17:3; 19:2; 20:2).

Establishing trust

Establishing rapport and trust between the researcher and the researched is a key to facilitating data collection (Patton & Appelbaum, 2003). In order to enhance trust, which has a high impact on the effectiveness of qualitative studies, the researcher prepared herself before going into the field by reviewing press releases about the operations of the MNC and studying the company’s webpage. In the initial telephone call, which the researcher received from the first CEO who volunteered to participate, she was surprised by his friendliness, great interest, proactiveness and enthusiasm. She tried to use simple and concise language to explain the project and avoided academic jargon. In order to establish credibility and trust, she then sent him a formal letter (Appendix T) on her university's letterhead describing the research project and she also provided information about her supervisors, the UNE Business School in which she was enrolled and her university electronically.

Both of the shadowed CEOs were sympathetic to the research, probably because of their own study experience or because one of their children was engaged in research. The researcher tried to establish trustful relationships with all participants. Only one interviewee seemed concerned about confidentiality and did not agree to be recorded so, in this case, the researcher switched off the digital recorder and took notes. In accord with good research practice, recordings were transcribed and listened to repeatedly so that important details were not left out (Easterby-Smith, Thorpe, & Lowe, 2002:90-92).

Data collection techniques

As participants are often not conscious of their own beliefs or their 'theory-in-use' (Maxwell, 2002), observation was used as well as interviewing in this study to reveal the actions, behaviours and competencies actually practised in global leadership (Merriam, 2009). The study integrated shadowing, which is a form of observation, with semi-structured interviews, content analysis and a review of the relevant literature.

Data collection comprised three stages from which rich data were derived. In the first stage, global leaders were shadowed. The second stage involved the researcher in semi-structured interviews with the same executives and also other leaders. In the third stage, relevant documents and literature were analysed. The first and the second stages of research overlapped in this study.

Shadowing

Mintzberg (1973) claimed that managers, when interviewed, would report different activities in which they engaged from what they actually were *doing* when observed. He argued that what managers told the researcher about their activities was poorly estimated. In addition, Merriam (2009) noticed managers taking behaviour, skills and competencies for granted and being unaware of what they *actually do* and why they operate in specific ways. With shadowing, the researcher had the opportunity and advantage to observe what was really happening on a day-to-day basis. As Denzin and Lincoln (2000:941) suggest, the shadower "can stay close to the scene as she experiences it "through … her senses". Shadowing also is seen as better than other research methods in capturing "the brief, fragmented, varied, verbal and interrupted nature of organizational life"" (McDonald, 2005:458). For all these reasons, the researcher chose shadowing as a key data-gathering tool.

This study would appear to be the first of its kind making use of this form of unstructured observation to derive a thick descriptive and analytical account of how global leaders operate and how what they actually do matches what they say they do. The value of this kind of procedure appears a largely understated area of research. The researcher did not make use of a previously established scheme for observation so that opportunities for gaining new and unexpected insights were not hindered (Lamnek, 2005).

Shadowing as a form of observation can be seen as a very intense research technique insofar as the researcher closely follows the shadowed subjects during their whole work day everywhere they go (with only some exceptions), to learn about their work activities (Quinlan, 2008). For instance, the shadower observed the target individual in meetings, at dinners or doing administrative work.

Shadowing has been used in studies of organisational change and classic management to improve efficiency and productivity. In the 1970s, the use of shadowing was begun in order to understand the perspectives, purposes and roles of shadowed subjects in their organisational settings. The earlier mentioned studies by Mintzberg have become especially famous for their analysis of behaviour and opinion (Quinlan, 2008). Mintzberg counted different activities of managers' jobs and their duration, and coded these into different categories; for example, type of activity, place, participants and who took the initiative in a conversation. He also analysed mail and documents (Arman, Dellve, & Wikström, 2009).

As Quinlan (2008) pointed out, shadowing can be used for a period of a few days or a whole month. In this study, the researcher observed each of the two participating global leaders for two weeks. This gave the researcher the opportunity to analyse participant leadership behaviour and characteristics in depth. The researcher felt that saturation was reached at the end of the period of shadowing when activities and patterns were repeated.

Field notes recorded everything heard and seen without interpreting the situation. Body language and the general atmosphere of each situation was also described so that the researcher ended up with richer data. In intercultural situations, body language and other non-verbal cues were important to capture and thus were taken into account in this study (Wibbeke, 2009:83-84). In this sense, data accumulated through shadowing is first-hand and much more holistic, direct and detailed than other qualitative methods and less constrained by the researcher than, for example, in interviews.

The researcher tried to record everything heard and seen in field notes. In order to record subjective thoughts and to interpret situations, the notes were divided into two different columns so that remarks of the researcher could be recorded as well (Davies, 2008). At the beginning of each recording, the researcher noted the time, place, number of participants and particular event or activity taking place (Merriam, 2009).

Limitations of shadowing

While the methodological strengths of shadowing are well acknowledged in the research literature, especially by scholars who have engaged in this kind of observation, there are obvious weaknesses which need to be acknowledged as these have the potential to impact on the findings of the study. Czarniawska (2014, pp.54, 55) refers to these as 'the shadowing side of shadowing'. The main potential limitations she records as:

- the challenge for the researcher to be unobtrusive, a problem which can create 'psychic discomfort' for those being observed;
- there is the difficulty for the researcher to 'blend in' to the context without attracting attention; and
- those being shadowed might not be open to share information with the observer, for they might feel intruded upon.

The last point relates to another potential limitation of shadowing and that is the Hawthorne Effect or 'observation bias' as Adair (1984) described it. This is a well acknowledged phenomenon where those observed (or interviewed) modify their behaviour in response to being observed. There is the danger that those being observed might not feel comfortable in the observer's presence, and thus not behave in a normal fashion in their given setup.

These limitations were considered carefully by the researcher and measures were taken to address their potential impact on the findings of the study as is seen in what follows. Hence, the building of trust between those observed and the observer was well established before the fieldwork was begun, both shared the same German culture and both shadowees were very open to being observed in all situations except where confidentially (e.g. sessions involving commercial in-confidence or private staff issues) was needed to be protected.

When entering the field, it was explained to the shadowed person how data would be used, who would have access to it and what the purpose of the research was, to lessen the effect of feeling inspected, or becoming stressed and uncomfortable. In addition, the researcher adapted her clothing to the setting and the status of the shadowed persons, wearing business suits where appropriate (Somekh & Lewin, 2011). It was negotiated how the shadowing relationship would work; for example the times of shadowing, the contexts, what to include in the notes or how to debrief (Merriam, 2009).

Whereas CEO 1 gave unlimited access to the researcher and took her into all meetings and telephone conferences, CEO 2 negotiated access with the researcher and carefully selected the occasions for shadowing. Whenever the researcher met people, she was asked to explain her topic or to introduce herself. During the shadowing experience, the focus was on defining global competency using criteria identified by top intercultural scholars (Deardorff, 2006).

To avoid some of the dangers associated with shadowing, certain measures were adopted. First, the researcher tried to establish the right kind of relationship where she did not get in the way of the researched person and did not slow down the participant. During the shadowing, she was careful not to become uncritical of the shadowed subject's problems and perspectives, a complication referred to as 'going native' (Vie, 2009). Also, during the whole process of shadowing the researcher was concerned that her presence might have an impact on the shadowed subjects and so, to lessen the 'Hawthorne Effect', tried to be as unobtrusive as possible.

Heightened sensitivity also helped to avoid some of the dangers of shadowing. When in the field, the researcher attempted to familiarise herself with the practices, actions and ways of speaking of the subjects in the field (Lamnek, 2005). Good questioning and listening skills were employed successfully during this phase of the research. Kvale (2007:81) describes a good listener as "knowledgeable, structuring, clear, gentle, sensitive, open, steering, critical, remembering, interpreting".

It was also important the investigator be flexible and adaptable to whatever happened in the field, that she could make sense of what was going on and interpret interaction and other processes as intended by the participants. Furthermore, the researcher gave special attention to remaining open and objective (Yin, 2009) and tried at all times to be self-conscious and observe her own behaviour. During data collection, the researcher paid specific attention to particularities in the interactions and activities and to outstanding remarks and language.

Finally, how the handling and recording of data were to be managed was decided before going into the field and the researcher reviewed her field notes every day, writing down her thoughts about them. Also before entering the field, the researcher familiarised herself with the organisational context and the individual shadowed, as well as key figures involved because this knowledge was seen to improve the usefulness of field notes. As many observations as possible were recorded in a notebook, including descriptions of the organisation, impressions, feelings or acronyms (McDonald, 2005). As Merriam (2009) points out, when writing about observation, the aim is to be highly descriptive so the reader feels as if he or she has been in the field with the researcher.

Key informant interviewing

Semi-structured interviews were used in this study to explore the leaders' perspectives on leadership, global competency, intercultural communication and multicultural teamwork. This type of interviewing was best suited as a means of revealing hidden understandings, perceptions, values, feelings and attitudes of the leaders of the MNC, the key informants - who were deemed to know what the researcher needed to know. It is well accepted that interviewees often feel more comfortable talking about topics than giving this information out in writing (Gray, 2009).

Although semi-structured interviews take longer than structured and standardised interviews, they produce more extensive answers. They also allow the researcher to alter the sequence of questions or modify the wording and even ask additional questions depending on the nature of who is being interviewed.

Before the field study, the researcher had defined key issues to be addressed and developed a set of standard questions for the interviews (Stake, 2008), albeit, allowing some flexibility for follow up questions or probing (Bryman, 2004). With semi-structured interviews, the topics covered were more specific (see Appendix C) but the in-built flexibility allowed informants to expand on their responses if they so desired. This strategy proved to be very useful for collecting rich data.

Before starting the interviews which were conducted in person or over the telephone, participants signed informed consent forms (Appendix F) followed by a series of closed questions on general background data. The first broad questions of the interview were designed to establish rapport, to provide a tighter focus for the interview and "encourage participants to speak openly" (Grace et al., 2006:156). Eye contact, gestures and facial expressions which expressed agreement or disagreement were observed and recorded. Those interviewed did most of the talking while the interviewer focused on listening and encouraging the participant. On average, each interview took approximately 30 minutes.

Some of the interviews had to be carried out over the phone because some informants worked in remote locations in Germany or in other countries. Thus, the researcher could avoid travel and the related costs. Another advantage of telephone interviews was that interviewees seemed to feel more relaxed and were therefore more likely to disclose sensitive information (Novick, 2008:391).

A clear disadvantage of telephone interviews, however, is that interviewers cannot observe the participants' body language. Nevertheless, the quality of data collected over the phone was no lower than that collected in the face-to-face interviews. The fact that all participants in the telephone interviews had met the researcher in person before the interview took place helped in this regard (Sturges & Hanrahan, 2004:108-110).

Leaders who were working with the first shadowee CEO were invited by email to participate in interviews and agreed to do so. Some leaders were also approached by the researcher during meetings. Only a few Asian leaders refused to be interviewed because they said they could not afford the time.

Before conducting the interview, each interviewee received a description of the study (Appendix F) and the interview questions (Appendix Q). The researcher explained how privacy would be protected and that participants were free to stop the interview at any time, and left her contact details for further queries (Handwerker, 2001). These issues are further discussed in the final section of this chapter dealing with ethical considerations.

Apart from the so-called 'Hawthorne Effect' – the effect the interviewer has on the interviewed and vice-versa – other risks and dangers lurk with interviewing and efforts were taken to address these. Davies (2008) stated, for example, that interviews are more effective if interviewee and interviewer come from the same background. The researcher reflected upon how she was perceived by participants and how this might influence the interview. In this case, being a native-born German proved to be an asset and by emphasising that she had experience in the business world and a passionate interest in how global leaders lead, also helped to minimise the perception of her as being a total outsider in the setting.

It has been claimed that senior organisational personnel expect interviewers to be in an equal position to them, or at least to have a PhD, and that the more interviewers show in the interview that they are able to make competent estimations, counter-arguments or to give reasons, the more managers will demonstrate their position and knowledge (Trinczek, 2009). Differences, for example, in status, can have an impact on interviews (Davies, 2008), which might lead to the interviewees taking control of the interview, addressing issues apart from the interview questions and taking charge of the pace and duration of the interview. The interviewee could also adapt rhetoric from public relations instead of revealing their own perspectives and experiences (Charmaz, 2006). None of this behaviour was evident in this study. The respondents were humble, interested, supportive and open.

Some organisational studies point to the fact that managers seem to have the expectation that questions and answers in an interview should be short and to the point, especially at the beginning of interviews. However, as the interviews proceeded in this study, most managers became more relaxed. It has also been observed that managers use the situation of an interview for self-aggrandisement and to assign to the researcher the role of listener and that it is difficult to critically analyse or problematise the answers of managers in the interview. But once again, these problems did not arise.

The day before each interview, the researcher revised the interview schedule and prepared the digital audio recorder so that in the actual interview there was enough time and disturbances could be kept to a minimum (Gray, 2009). It was the objective to create a comfortable and relaxed atmosphere for interviewing as the researcher was highly aware that the specific settings where the interview took place had an influence on the interview (Davies, 2008). (One interview, though, was conducted in a car while the interviewee was driving.) The style of the interviewer was non-directive, neutral or soft so that the interview was similar to an authentic conversation (Lamnek, 2005).

Aware of the Hawthorne Effect, the interviewer tried not to influence the informant's responses in any way. Most interviews were conducted in the respondents' everyday environment. Frequently, respondents took some important points for granted and did not talk about them, so the researcher needed to probe in order to elicit necessary information. The interviews provided the opportunity to ask if something was not clear, inconsistent or contradictory (Lamnek, 2005).

The interviewer was conscious of the importance of language and that words may have different meanings for different people. This research utilised the English language in interviews although the researcher as well as most respondents were German native speakers. However, the researcher was aware that participants spoke English as a second language and also used it in their workplace but there might have been subtleties and terms which made the use of English difficult for some participants. This might have had an impact on the received answers. The researcher decided to carry out interviews in English because of potential difficulties which can arise from having the interviews translated. It was significant to not only analyse the content of the interview but also the way interviewees expressed themselves (Davies, 2008). Interestingly, all interviewees had a very good command of the English language and only asked for meaning on a few occasions.

Sometimes note-taking occurred in addition to recording, which was challenging because the participant had to be observed while asking questions. Recording and transcribing the interview provided a better understanding of what the participants said: it allowed revisiting parts of the interviews, helped to overcome the limitations of memory and kept the exact phrases used during the interviews. Verbatim transcriptions also helped to reduce researcher bias (Bryman, 2004).

Ideally, the interview should be dispassionate and unbiased. However, seeing the interview as a social encounter where knowledge is produced shows that the interviewer is not neutral but interpreting what is said from a subjective vantage point (Holstein & Gubrium, 2011). The researcher took this situation into account and worked to keep her own biases and preconceptions in check, aiming for a neutral position (Lamnek, 2005).

Transcription of recordings proved time-consuming. For every hour of recording, five to six hours of transcription were needed. The researcher took regular breaks because carelessness, tiredness and misunderstandings could easily have resulted in making mistakes in transcription (Bryman, 2004). Merriam (2009:110) suggests that “verbatim transcription of recorded interviews provides the best database for analysis”.

Content analysis

Augmenting the other data collection tools discussed, this study drew much rich data from an analysis of the content of relevant documents. This allowed the researcher to understand better the culture of the participating organisation in which the leaders operated as well as the competencies and capabilities that the company expected its leaders to possess.

The analysed documents included:

- the researcher's field notes;
- newspaper articles;
- virtual information about the company on the intra-/internet;
- internal company magazines or brochures;
- documentation about meetings;
- job descriptions (see Appendices G, H, I); and
- a company document revealing which capabilities and competencies all employees should possess in the participating company (the Competency Model, 2011).

Some of these documents were for public use, while others were for organisational use only (Bryman & Bell, 2011). Internal communication documents permitted the researcher to find the original wording and language used by the company (Tharenou, Donohue, & Cooper, 2007).

One of the strengths of content analysis is that the researcher gains other perspectives to understand the organisation from within. Furthermore, there is no need for transcription (Thorpe & Holt, 2008). Content analysis is an unobtrusive and indirect form of data collection and therefore does not affect the participants' behaviour. The "possibility of a reactive effect can be largely discounted as a limitation"(Bryman & Bell, 2011:544).

The first step in content analysis was to find written material relevant to the researched topic (Merriam, 2009). Participants helped in this process by providing the researcher with access to the intranet or offered documents for perusal when they were interviewed. The material was chosen for its authenticity, credibility, representativeness and its meaning (Bryman & Bell, 2011).

Job descriptions (see Appendices G, H, I) were not those of the shadowed CEOs but defined competencies and characteristics for similar positions. One job description referred to general global leadership descriptors, whereas another referred to functional global leadership expectations. However, both were analysed for criteria which would be equally valid for the study's participants. Obviously, the collected documents were only representative for the participating MNC and thus the analysis cannot be generalised to other organisations (Tharenou, Donohue, & Cooper, 2007).

Data collected from the content analysis were coded by theme using the categories of experience, knowledge, competencies, behaviours, traits and motivation in leadership and organisational culture (see Appendix J). These were further ordered into the predetermined categories of baseline, multicultural, international and global leadership. This technique of analysis involved a systemic and replicable method of such classification (Thorpe & Holt, 2008). How other data were handled appears in the section below.

Presentation and analysis of data

The process adopted for presenting and analysing data followed Altheide's (1996:16) approach of ethnographic content analysis (ECA) which is depicted below:

> ECA follows a recursive and reflective movement between concept development – sampling-data, collection-data, coding-data, and analysis – interpretation. The aim is to be systematic and analytic but not rigid. Categories and variables initially guide the study, but others are allowed and expected to emerge during the study, including an orientation to constant discovery and constant comparison of relevant situations, settings, styles, images, meanings, and nuances.

The researcher as the main research instrument for data collection and analysis, not only described the encountered phenomena but also interpreted the data, a situation having implications for imposition of researcher bias (Merriam, 2009). Being aware of how her own experience, preconceptions, previous knowledge or other possible biases could impact on the integrity of the findings of this study, the researcher took rigorous measures to address these in her analysis of data (Maxwell, 2002).

In order to minimise researcher bias, good use was made of a coding schedule which consisted of constructing a matrix of key categories into which data were entered and coded (Thorpe & Holt, 2008:59). The key categories were chosen according to the requirements of the research questions and the conceptual framework which was derived from the typology of internationalising companies, coding and analysis of the literature, interviews and field notes (Lancaster, 2005). After classifying experience, knowledge, traits, behaviours, competencies and motivation into the developed matrix (see Appendix J) and analysing the data from field notes, interview transcripts and documentation for the organisation's culture and context, themes from all data sources were compared. Relationships between these could then be determined (Tharenou, Donohue, & Cooper, 2007). The initial table was very large and detailed and was then reduced by defining key categories which summarised subcategories (see Appendix J). Finally, the most important of these key competencies could be determined and ranked, and presented in a three-layered model for global leadership competencies.

The tactic used by the researcher was to identify dimensions, differences and similarities juxtaposing the findings associated with the two leaders and to apply categories to each data source. Furthermore, content of the relevant literature was compared with the data collected, particularly for searching out any conflicting data (Eisenhardt, 2002). While no findings which conflicted with the literature were subsequently found, it was interesting that some other findings from the data collected were not found in the literature. These will be discussed in the findings chapter.

Data analysis was an ongoing process in this research and transcription allowed for critical comprehension of the interview (Bryman, 2004). Preliminary analysis starts with the researcher's speculating and inquiring into the meaning of collected data (Merriam, 2009). Data analysis, coding and collection of data took place simultaneously. The continuous taking of field notes during observation facilitated such an overlap. Everything seen, heard and sensed by the researcher was written down in field notes as it was not known what would be important for this research (Eisenhardt, 2002). In the evenings after shadowing the researcher transcribed and coded the field notes.

Handling and interpreting the immense amount of data and making sense of it, while overwhelming at times (Eisenhardt, 2002), was made easier by the analytical method of categorising data that was adopted. Analysis was labour-intensive and took a long time because of the richness and diversity of data collected through the different sources. Patton and Appelbaum (2003) note that the complexity involved in case study research makes it difficult to keep focused and clearly report the findings in a way the reader will understand. It was challenging too, having to select which findings were of key importance, which were of lesser importance, and which to leave out because they were not relevant (Patton & Appelbaum, 2003).

Gathering data and carrying out the analysis took part simultaneously, which meant the researcher was continually reflecting and interpreting meaning and trying to relate this meaning to experience and context. This process was as Stake (2008:128) described, "In being ever-reflective, the researcher is committed to pondering the impressions, deliberating on recollections and records".

Comment on interchange between observed and observer

During the latter stages of her candidature, the two CEOs who were shadowed contacted the researcher, requesting to see her findings on the shadowing process. The process being a first for them, they were obviously keen to see how what they did was interpreted. After consulting with her supervisors, the researcher acceded to this request and emailed a draft of the relevant chapter to the two CEOs. The condition that they did not have the right to make any changes (Stake, 2008) was explained separately. The response from the CEOs was positive, informative and most reassuring. Moreover, they confirmed that the content was valid (note Appendix A).

Limitations of the findings

A number of limitations have already been raised concerning some of the risks inherent in case study research and the risks associated with the tools of data collection. Additionally, because this research was carried out as a PhD study with restraints on time and financial resources, it can provide only snapshots into the participating leaders' reality. It presents idealised cases of particularly effective and admired leaders in one German MNC. An important limitation is that the study was only carried out in the home country of the MNC, although the shadowed CEOs travel fifty per cent of their work time overseas. Another limitation is that the researcher could not follow the shadowed leaders into some confidential situations such as for conflict resolution or when they met with lawyers. However, the researcher was free to ask about these situations in general terms and be provided with answers.

The main difficulty in this study was to gain access to MNCs and find participating CEOs for observation. Over two years, the researcher contacted a multitude of CEOs who did not respond, rejected the offer to participate or had left their positions. This had been a major set-back for the researcher who then finally, through private networks, found only one CEO who agreed to participate, a situation which could present somewhat biased views. The second CEO only volunteered to participate after being interviewed. Being granted access to the company which was an untried experience for them, allowed her special and much valued privileges as a researcher.

Ethical considerations

Before the field study, the researcher's university ethics committee required a report about how ethical issues would be dealt with during the entire research study. Any unethical matter and unforeseen situations were considered in this report to make sure that the researcher would comply with the highest ethical standards. Thus, in this report the researcher not only identified all research processes, such as the recruitment of participants or how data would be disposed of, in detail but also illuminated risks for the participants and how these could be avoided. For example an important issue in this research was the protection of the participants' anonymity. Confidentiality of information gathered and anonymity were guaranteed to all participants. Before entering the field, approval of the research was received from the university ethics committee (Appendix D).

Another ethical practice was to properly inform participants about the project and their rights (Information sheets and the consent forms/Appendices E and F); for example, participants could stop observation or interviews at any time. It was the researcher's responsibility to avoid making participants feel uncomfortable in any way and to assure them that their privacy and confidentiality were protected. In the case of any complaints, the contact of a German professor was provided to participants.

One more point was that all data, information and consent forms and other confidential information in this research had to be kept in a locked filing cabinet for a minimum period of five years. If the place where the documents were stored were to change within this period of time, the Research Ethics Officer had to be informed of the new location. The researcher also agreed that these documents could be subject to auditing within this period. As the anonymity of the company studied needed to be protected and the names of all participants needed to be anonymous, throughout the thesis the company is only referred to as such or the MNC. Participants have not been named, nor their particular positions except for CEO1 and CEO2. Reference to interview data or field notes is made only by number of interview and/or date of interview or field note.

Each participant was guaranteed confidentiality beforehand and, in accord with ethical protocol, principles were "individually negotiated with each interviewee before each interview" (Somekh & Lewin, 2011:64). Similar principles were negotiated with the shadowed CEOs and others observed. As changing participants' names is frequently not enough to conceal their identities, only codes and not names have been recorded where informants' views are cited in the findings of the study. Furthermore, too much detail about organisational culture and structure could give clues to the identity of the MNC. Thus, the researcher in this study needed to adhere to strict confidentiality measures which impeded writing about some interesting details (Merriam, 2009).

Summary

The main interest of the researcher in carrying out this study was to gain a deep understanding about the emerging field of global leadership. The case study approach chosen offered the advantage of using and managing a variety of data collection tools. The case study was also appropriate because it allowed taking context into consideration.

Various techniques of data collection were used in this study. Shadowing was particularly advantageous for this research with its focus on what comprised globally competent leadership. Shadowing the CEOs closely through their work day, asking questions and observing their behaviour and activities, proved a rich experience. Shadowing was chosen as the key data-gathering tool as other research indicated that leaders were not reporting in interview what they were actually *doing* and *why* they were doing it. Data arising were more first-hand, direct and detailed than other qualitative methods and less constrained by the researcher.

Other means of data collection – key informant interviewing, content analysis and mining the relevant literature - all proved equally worthwhile. The greatest advantage of using multiple tools was allowing for triangulation and corroboration of data.

As in all interpretive, qualitative research, the researcher in this study was the main research instrument for data collection and analysis. Importantly, in the process of interpreting others' interpretations, the researcher took account of this position by not allowing her acknowledged biases and preconceptions to contaminate findings.

In the main, this chapter has explained the study's research design, the underlying theories guiding the choice of methods and explained the data collection and analysis methods employed. The following chapter presents the findings of this research which emerged from the time spent in the field.

Chapter 6 - Key Competencies of Global Leadership for CEOs in Multinational Companies

Introduction

This chapter presents findings that arose from the shadowing of the two participating CEOs, from the interviews with the key informants (including the two CEOs) and from the documentary material produced by the company in question. From the broad range of needed key competencies identified (see Appendix J), six core competencies needed for effective global leadership of MNCs were seen to stand out from the rest. From these six, the ability of leaders to engage in clear and concise communication took prominence and was classified as an essential first-order core competency. Two important but second-order competencies classified were seen to be successful trust and relationship-building and excellent learning skills which includes high levels of openness and curiosity. Three third-order competencies identified were: leadership in building multicultural and virtual teams; a higher degree of sensitivity and adaptability; and dealing effectively with complexity, diversity and turbulent environments.

The main findings are presented in greater detail in what follows, with more attention paid to the most essential core competency, communication skills, which manifested multiple traits. The final section of this chapter compares and contrasts findings related to global competency and the respective skills of CEO 1 and CEO 2.

Competencies for global leadership

While the competencies identified were not necessarily mentioned in each interview, they were clearly observed during the shadowing of each CEO. In contrast to the interviews, shadowing proved to be the most effective method by far for understanding what global leadership involves. Observation during the shadowing sessions allowed the researcher deeper insights and a deeper level of understanding of what competencies were needed by the two CEOs.

Most of the global leadership competencies recorded in the literature and other sources also appeared in this study, albeit the findings here revealed a wider range and ordering of importance of these competencies. It was surprising that in the company documents analysed, for example, in job descriptions, no information appeared concerning the higher levels of sensitivity and adaptability required by global leaders, for example, in job descriptions. Perhaps these competencies were taken for granted in the participating MNC. Understandably, the importance of leadership in building multicultural and remote teams was not found in the literature on baseline and expatriate leadership as such leadership often deals with more homogeneous workforces.

A summary of comparative findings from the interviews, shadowing and literature reviewed, regarding the key competencies identified in the research are found in Table 6 (a). The first column of the table indicates the three levels of key competencies in order of their priority as discussed earlier.

Table 6 (a): Key Global Leadership Competencies: comparisons of findings from interviews, shadowing, content analysis and literature review

Priority	Key Competencies	Shadowing CEO 1	Shadowing CEO 2	Interviews	Documents	Literature Review			
						Baseline Leadership	**Expatriate Leadership**	**Multicultural Leadership**	**Global Leadership**
1	Clear and concise communication skills	x	x	x	x	x	Not indicated	x	x
2	Excellent learning skills which include high levels of openness and curiosity	x	x	x	x	x	x	x	x
2	Successful trust and relationship building	x	x	x	x	x	x	x	x
3	Leadership in building multicultural and remote teams	x	x	x	x	Not indicated	Not indicated	x	x
3	A higher degree of sensitivity and adaptability	x	x	x	Not indicated	x	x	x	x
3	Ability to deal effectively with complexity, diversity and turbulent environments	x	x	x	x	x	x	x	x

Clear and concise communication skills

Clear and concise communication skills were identified as the most essential competency for global leaders because they are of paramount importance in every activity and behaviour shown by such leaders. The skills demonstrated in communication by global leaders are important for bringing about the alignment of all employees and adaptation to changes in the environment. Leaders indicated sensitivity in communication, proficiency in foreign languages and especially in the English language, skills for cross-cultural communication, in adapting body language and in using technology for communication. They also showed communication skills for measuring and analysing business indicators and for decision-making through discursive dialogue. Informants explained that communication had to be clear and concise as global leaders are short of time (Interview 5:5). One informant found it important to keep language simple and easy to understand and said that when meeting international partners it was crucial to listen and then to adjust communication and behaviour (Interview 7:4-5). Another informant explained that leaders did not need the same communication skills as used in

> … the university … you are trained to do it complex but you have also workers in the production or in other areas. If you could keep it simple everybody could understand and that is much better than doing it too complicated. (Interview 12:4)

Communication with the employees was identified as the number one skill for leadership in order to create mutual understanding (Interview 2:1). It was seen to be necessary for the "leading and steering" of followers and teams to keep track during times of crisis (Competency model, 2011: 5). Different mentalities were seen to be needed to be treated and led in different ways. Therefore, as three of the informants pointed out (Interview 19:3; 20:4-5; 22:3) a strong relationship orientation, people skills, years of international experience and in particular the six core competencies depicted in Table 6 (a) were seen as critical if global leadership is to be effective. One informant mentioned that global leaders have to enjoy being around people and speaking different languages (Interview 14:3). Indeed, an important competency arising from the studied leaders was extroversion. It was seen that the observed leaders actively participated in team work, took the lead, enjoyed socialising, fostered change, displayed positive feelings and sought excitement. Both CEOs shadowed were eloquent and expressive as described by Judge and Bono (2000).

It has been claimed by scholars in the area of leadership that 80 per cent of leaders' time is spent talking, although listening is critical (Bratton, Grint, & Nelson). Findings in this research, however, indicated that leaders talked less than 80 per cent of the time and spent much time listening (Field notes/CEO1 & CEO2) Indeed, informants highlighted the importance of listening (Interview 6:6). Evidence also indicated that although communication was pre-eminent out of all of the global leadership activities, it was certainly not restricted to verbal communication.

It is interesting that in the interviews it was claimed by some informants that in Germany employees expected their leaders to give strong direction, stating clearly what they should do. Less awareness seemed to exist about leaders needing to operate in a social network, deal with and care about human beings and act as role models (Interview 18:5). Another informant said that in Germany leaders were stricter with employees than in other countries he had worked in (Interview 20:3). These perceptions would confirm Lang's (2010) claim that German leaders lack compassion and perhaps it also shows that in Germany leaders do not focus so much on a humane orientation as leaders in some other countries. However, during shadowing, such behaviour was not observed, possibly because of the researcher's presence.

Communicating to align employees and adapt to changes in the environment

From the literature reviewed, the shadowing, interviews and the official documentation of the MNC, it is clear that the leader's task is to align employees through communicating visions, core values and strategy, rules and standards (Interview 6:2). However, it is also seen as important to continuously adapt these elements to changes in the environment.

As the participating MNC has only internationalised in the past few years (Interview 8:7-8), the shadowed CEOs at all times acted as role models regarding, for example, in managing cultural diversity, and demonstrating desired behaviours and values so that employees could learn from them. These behaviours were also noted by DuBrin and Dalglish (2003b). There were several occasions when CEO 2 pointed out the corporate values and demonstrated how he aligned his behaviour to these values using them as a moral compass in decision-making, for example, for maintaining fairness (Field notes/CEO2:21). Furthermore, the participating MNC offered value-based leadership workshops (Field notes/CEO2:10). In one of the official company documents (Employees Information, 2012), it was highlighted that values can give direction and ensure actions contribute to the implementation of strategy.

The same document indicated that to reach profitable growth, the participating MNC emphasised two main strategic objectives: communication and the alignment of employees through core values and strategy. The other strategic objectives of profitability, diversification, leadership in technology, efficiency of processes, cost discipline and internationalisation were pointed out. Crucial factors were the quality of human resources, networking and sustainability (Employees Information, 2012). Non-German employees particularly stressed that although the MNC was in the process of internationalisation it was still 'too German' and thus not prepared to deal with areas outside Germany (Interview 21:5). Two informants mentioned, for example, that the MNC still had a long way to go to understand the Chinese market (Interview 17:5; 21:5). As one informant illustrated:

> … now we try to empower the organisations in the countries. So this is very important because our growth in our business will be created internationally and not in Germany and of course not only in Europe. So we need this internationalisation that means we have to go global, we must establish local companies. We must establish and promote local management teams, that is very important. You cannot work only with Germans in China or with Germans in Japan, you need Japanese in Japan, Chinese in China, we need international teams in the locations, as I always say local for locals. (Interview 28:9-10)

Two informants stated that locals mostly have better understandings of their markets, language and culture (Interview 26:7; 4:2). As already indicated, in the reviewed literature, nothing was found about the need for the host MNC to empower local employees working in a remote location and cease working with expensive expatriates who were also difficult to reintegrate when returning from assignments abroad and instead (Interview 27:8; 1-3).

The Employee Information brochure as well as other materials which were collected during the observation, communicated the vision, strategic objectives and values to the MNC's employees. Visions motivate employees and it is important that all organisational members understand the vision so that they can work towards the same objectives (Schmidt & Akdere, 2007). Moreover, shared company values are important for bringing about change (Li, 2010).

The collected company documents were in German and in English and highlighted the worldwide presence and expansion of the participating MNC. The other important points highlighted were the strong customer orientation, diversification, values, state-of-the-art technology and the introduction of personnel in foreign locations (Brochures 1, 2 or 3). The main messages communicated to employees were that their MNC was a state-of-the-art global player and an ethical organisation putting its customers first. One critical informant remarked, though, that not enough importance was given to customers' expectations and needs (Interview 23:3).

When communicating to customers in a foreign market, the reputation of the MNC and especially the 'German image' of quality products, services and performance was seen to be an advantage (Interview 16:6). Therefore, informants stressed this reputation when communicating (Interview 24:6).

It was observed that company leaders must engage in public speaking as demonstrated by observing CEO 1 when he presented a speech at the employee representative committee's meeting; he had invited his subordinate executives to attend this meeting. In his speech he first communicated information about the MNC and its employees. Then CEO 1 explained openly the MNC's situation in very clear, concise, simple language adapted specifically to the audience, thus fostering understanding about the MNC as a whole in its globalised settings. He appeared natural and honest and thus came across as authentic. He used humour and metaphors and during this speech presented a professional and competent image as he demonstrated excellent public speaking skills. He promised to try to keep employment levels as high as possible but explained that the number of employees had been reduced. Employees had been replaced by contracted workers because of the economic pressures of globalisation. He then pointed out that the German strength was quality and that to maintain employment they had to keep to the highest standards of quality. CEO 1 praised and thanked those he led for their work as it was essential to recognise the work of others to stimulate and motivate them (Kouzes & Posner, 2002). At the end of his speech, he spontaneously answered questions from the audience.

After his speech, CEO 1 approached an employee to ask if his uniform was warm enough (Field notes/CEO1:13). CEO 1 kept up communication with the base, such as in this case with workers on the shopfloor level, and he preferred a leadership style of walking or travelling around communicating with employees in all locations worldwide (Interview 14:3). Spending time with employees and other stakeholders in order to understand their views and concerns has been recommended in the literature (Sharkey, Razi, & Cooke, 2012). Likewise, Kouzes and Posner (2007) point out that it is important leaders are sensitive to others' interests and needs, listening to and appreciating others' opinions as this can create trust.

Several informants regretted not having enough time for visiting employees and talking with them (Interview 25:3, 28:3), especially as communication with the base can indicate important trends or changes in the MNC's environment.

In a meeting about internal policy, CEO 2 discussed how to improve in areas such as whether employees should answer emails on the weekend or the adaptation of German corporate culture to trends in society, for example, in regard to work/life balance. They discussed how leaders should behave, guidelines for role modelling and how to establish a culture of trust. They considered worldwide competition such as from China, for example, where employees were working on the weekend. As a consequence of the impact of globalisation on work conditions, Germany became a high-performance country, but with often resultant high levels of stress and even mental illnesses in employees. CEO 2 openly addressed these concerns and explained clearly his opinion. Thus, there existed a high level of awareness about what was happening in the environment and about how to adapt the MNC's culture and communication to the ever-changing realities (Field notes/CEO2:3; 4).

Sensitive communication

Interviewees expressed the importance of being polite, respectful and friendly, more so than usual in Germany when engaging in cross-cultural communication (Interview 27:16). Both CEOs' communication and behaviour reflected these qualities, for example, when they addressed negative issues in a courteous way, declined matters politely and gave negative feedback with a positive and courteous tone (Field notes/CEO1: 25; 15; 16; CEO2:1; 17).

Being tactful and diplomatic was seen to be necessary when creating relationships and trust, especially when dealing with other cultures. When CEO 2 was appointing a new representative for a developing country, he was extremely polite (Field notes/CEO2: 24-25). One informant mentioned that leaders had to be aware of what they do and of the signals they send out. It was important that they observed, reflected upon and learned from experiences when directly interacting with people in a foreign culture (Interview 6:5; 8:6, 9:8), strategies that were seen as essential to avoid misunderstandings common in cross-cultural communications. Cultural misunderstandings, as one informant pointed out, could lead to wrong expectations, disappointments and a negative perception of the other culture and thus hinder the acquisition of global competency (Interview 9:9). It can be seen that sensitive communication is a vital tool for global leaders, the respective traits of which are not stressed sufficiently in the literature.

In one situation, CEO 2 stated that he wanted to project aggressiveness, probably because of German expectations (see Chapter 4:71). He did this through body language, for example, standing with his arms crossed and legs apart and by using a strong voice (Field notes/CEO2: 58; 62; 63). He moved quickly and entered or left rooms noisily at times (Field notes/CEO2: 19; 46). His voice and behaviour were stimulating, for example, when he clapped his hands (Field notes/CEO2:42; 43) or demonstrated enthusiasm and excitement (Field notes/CEO2: 23; 38). This kind of communication indicated that he was clearly in control of the situation.

In other situations, both CEOs transmitted calmness, composure and relaxed dispositions which were shown in their body language, joking and when interacting with others (Field notes/CEO1&2). In a phone call, CEO 2 recommended that his caller should relax and give time to employees to adapt to changes (Field notes/CEO2:2). CEO 1 explained, when the researcher asked him about his own bosses, that he did not like a 'hectic' boss who transmitted stress to others (Field notes/CEO1:25). For these reasons, both shadowees avoided demonstrating behaviours which had a negative impact on employees but always displayed positive, calm and optimistic behaviours. Surprisingly, in the reviewed literature, nothing was found about the importance of leaders transmitting calmness and composure to employees.

Another informant pointed to the importance of maintaining a calm composure and explained that, especially when dealing with foreign cultures, it was important to stay composed, not react too quickly, reflect on meanings and different backgrounds of others, and be calm. Another informant agreed it was important to relax, then to step back, take time and assess what was happening (Interview 8:4). Thus, it seemed a conscious strategy to transmit calmness to employees in dealing with rapid change, strong competition, complexity, ambiguity and crisis situations. Throughout the observations, such behaviours were noticed, as well as humour, which can remove tension (DuBrin & Dalglish, 2003b). There was much joking and laughter (Field notes/CEO1: 15; 16; 25; CEO2: 25; 48) and in one meeting, participants said they were having fun (Field notes/CEO1: 7; 28). These behaviours indicated the healthy camaraderie that could help to enhance employee well-being and performance (Reb, 2014).

Foreign language in the workplace

Global leaders often have to speak a language at work other than their mother tongue. Most leaders were proficient at several languages and informants confirmed not only that language-learning and use ‘opens doors’ but also that it could assist in overcoming stereotypes and create trust (Interview 27:4; 14:3, 11-12). Most leaders had acquired language skills at school, then taken private lessons with language-training providers such as Berlitz, and developed their skills further when living abroad (Interview 4:3; 14:2). They also reported that they used the language-learning software Rosetta Stone (Field notes/CEO1:2). However, it was made clear that linguistic proficiency could best be developed by living, working and studying abroad (Interview 9:8).

Most informants explained that the corporate language was English as it was used mainly for business communication worldwide (Field notes/CEO1:1; 6; Interview 9:9). This meant English was a prerequisite for employment and documentation in the company was mostly in the English language such as, agendas for meetings, working documents, forms or PowerPoint presentations (Interview 9:11; Field notes/CEO1:6; 11; 25). The language of multicultural teams was English as well (Interview 14:7). Learning Mandarin was seen as increasingly important to understand the Chinese market and culture (Interview 2: 3, 4).

Some interviewees reported, however, that to some native-speaking German employees the use of English in meetings can be limiting and consequently they contribute less than they would if the meeting had been in German (Interview 14:6). Some informants said that when participants of a meeting were all German, the language used was German (Interview 7:6). During observation there were a few meetings where information was in German although some participants who attended did not speak the language (Field notes/CEO1:7; CEO2:18; 43; 47). Interpreters were never used during observation.

Both CEOs were proficient in English (Field notes/CEO2:43) but almost all the participants were non-native speakers of English. One informant explained that for them, speaking English was like coming together on a ‘neutral platform’ where mistakes do not matter and there is a common understanding that makes it easier to ask questions (Interview 17:7).

Another informant expressed what was important when speaking with non-native language speakers:

> …to understand at the first time the accents of the others and what they mean or the proper use of the words they use. Also in my case English is not my native language so I try to be more careful to choose the proper words or to express my ideas in a proper way. So I would say language is one of them definitely and the other one is,

> yeah, try to be not to be focused only on the work but also try to know to understand the culture, of the history of the people we are meeting. So we can create more connections and be more open in relationships (Interview 10:5).

Participants frequently made grammatical mistakes when they spoke and also showed errors in their PowerPoint presentations although they used specialised business vocabulary and terms (Field notes/CEO1:6). On this theme, one informant stated that,

> When you speak a foreign language you make some crucial errors and I think that you have to be very careful and you have to make sure that things are really understood by everybody. I try to crosscheck if things are understood, I have a look into the eyes of the people I speak with to try to see something that maybe has not been understood and I never hesitate to repeat. Or to ask for a kind of summary, to put after the meeting after the communication in the right moment. Also to give a chance to correct, also to give a chance to say no maybe we have understood in another way, so that's very important (Interview 8:6).

Cross-cultural communication

According to one informant, use of foreign language and different cultural practices can prevent employees from knowing each other. They mentioned that certain resistance was found in cross-cultural communication, and if employees did not know each other, there was a risk of misinterpretation (Interview 19:4). This could have a negative influence on relationship-building and trust.

Seeking to follow-up and discover tacit values and interests of employees and stakeholders is crucial especially when these come from other cultures. Maznevski and Chui (2013) claim that tacit knowledge cannot be transferred in virtual communication and therefore, it is necessary for remote teams to meet and communicate regularly. Hidden meanings of underlying goals, intentions and values can only be discovered and understood through inquiry. Leaders need to make sure that assumptions about fundamental conditions of the company and its context are correct. Inquiry into these conditions can result in double-loop learning where reflection and critical questioning of governing rules, values and norms underlying a company's actions takes place. Double-loop learning then can result in significant improvements in practice where there are mismatches between assumptions and reality (Mannor, 2008). Both CEOs were dealing with a multitude of topics and listened to the others’ explanations, opinions or descriptions of scenarios and then asked specific questions. CEO 1 asked, for example, for optimums and minimums, numerical data, what was included in the numbers, others’ opinions and criticisms or how others ‘felt’ about a situation (Field notes/CEO2: 48).

Other informants emphasised that in other cultures meaning differed and a ‘yes’ might not be an affirmative answer (Interview 8:6; 12:4-5; 23:4-5). Johnson and Oberwise (2012) suggest in such situations it is wise to use a five-step inquiry method to first observe and analyse the intention behind an affirmative answer and second, ask follow-up questions to reveal the other person’s thoughts. The third step is to investigate if this person had a plan of action or thought about a strategy for implementation and to check how detailed such a strategy has been thought through. In the fourth step, leaders should propose a worst-case scenario to test employees’ reactions and become aware of possible risks. Finally, a discussion about the results of meetings needs to be held to discover gaps between expectations and realities.

Use of this inquiry method was not observed in this study and while the shadowed CEOs seemed not to know this process, they nevertheless implemented similar alternative methods of inquiry. Most of their comments in communication were expressed in question form. Black (2005) notes that inquisitiveness assists global leaders to learn about the environment; that they try to learn and ask questions about everything they see. One informant stated that “you have to ask five times to be sure that you are not making a mistake” (Interview 2:3). The researcher was surprised about the frequency with which they asked such questions which accords with Zhao’s (2012) observation that an inquiring mind should be a prerequisite for global leadership. Two informants reported that to discover hidden meanings, the asking of questions, being polite and listening were critical (Interview 28:7; 23:4-5) and one informant admitted that it was challenging to transmit the intended meaning to various cultural groups, adapt to diverse cultures and take into account their background and specific cultural attributes (Interview 15:5). Another informant considered that with some cultures such as Latin American, face-to-face meetings had to be arranged as these cultures were more relationship-oriented, whereas other cultures such as North American were used to communicating by telephone or video conferences (Interview 14:5).

The same informant clarified that the participating MNC did not use a differentiated communication style in formal communications with those from a non-German background (Interview 14:6). Information was translated but not changed content-wise or adapted culturally. Presentations differed in content, style and format but it was agreed their common currency was the Euro (Field notes/CEO1:7). One informant explained that managers of the MNC tried to train other cultures to change their communication style and adapt to German or European communication styles, so becoming more

> …direct, precise, not circle around like the Asians do, give a clear feedback. So we have had some discussions if this is acceptable or not for the Asians but we discussed this openly with our management and we think this is necessary to be effective. We have to accept one style of communication. We cannot have around the world two or more than one style of communication …. Our style is open, is direct, can be critical but always in the sense to become better … (Interview 25:5-6)

This perception however, was conflicting with the viewpoints of most other informants who followed an approach of adaptation and cultural sensitivity. Reflecting, showing respect, having patience and good listening skills were seen by other informants to be needed when communicating with other cultures.

The informant who said that management persisted in accepting only the German or European style of communication was probably concerned that this style's characteristics of entertaining a multitude of viewpoints as well as criticism, were non-existent in other communication styles. Indeed, it was mentioned in the interviews that in some non-German or non-European communication styles, employees did not speak up or criticise their superiors and did not discuss issues directly. One informant illustrated how this kind of situation can be handled:

> When you criticise somebody you can say ok, this went wrong. This is the German way but it's impossible to do it in Asia because the other one could lose face. And this can have some negative effects. When you start a critical discussion with somebody in China you must be diplomatic, you must respect their rules of communication. And this is what makes this international or intercultural leadership. You have to respect this and when you can respect this then you will be effective but it's not possible to transfer the German way or the Western European way or from the US. (Interview 4:6)

Informants pointed out that, whereas in Germany communication seems to be quick and concise, follows logically on from topic to topic, focuses on decision-making and asking questions to elicit understanding, in other cultures, such as Asian, there was more repetition of what had been talked about already. This meant that it took longer to make decisions and required higher levels of listening with respect, empathy and a non-judgmental attitude (Interview 18:7; 20:4).

It seems that the informant who recommended following only one communication style did not work so much in Asian countries. He had not spent long periods of time living outside Europe and he had not experienced long-term exposure with Asia, whereas the informants in favour of adaptation were both experienced in working with Asians. One of them had also studied a postgraduate degree in Asian Business and had an Asian family (Interview 4:2-3). It is interesting, if concerning, that the other informant who was a higher-level leader than the two other informants, reported that management had agreed upon only one communication style, whereas the literature clearly suggests the need for adaptation of behaviour and communication styles (DuBrin & Dalglish, 2003b; Hofstede, 2001; Hunter, White, & Godbey, 2006).

Another informant illustrated how complicated it is to change cultural differences in communication and behaviour "because you cannot change completely your way of thinking. So you always tend to fall back into the way of thinking that you have been grown with" (Interview 15:3). Thus, believing that culturally-different employees can easily change their communication style and behaviour seems unrealistic. It is a skill that needs to be well developed.

Most informants stressed that when engaging in cross-cultural communication it was important to be aware of differences in meaning. One informant stated that sometimes it was difficult to understand what employees or other stakeholders from other cultures wanted to express as the meaning of words could differ (Interview 20:4). Another informant claimed the same language could be understood in different ways because of culturally different interpretations (Interview 8:6). Yet, another informant recommended that messages be put in writing to get the meaning across and that during conferences, leaders should take minutes themselves for difficult topics (Interview 20:5). According to one informant, leaders should avoid sensitive topics and examples which made sense only in one culture, for instance, if they were based on history. It was seen that ways had to be found to explain things in a manner that everybody could understand (Interview 22:4).

It was also reported that differences between the involved cultures had an impact on behaviour. For example, one informant expressed that,

> … when an American says, 'I have everything organised', for a European it means he has a plan, point A – one to point one hundred, and he is now working down the plan with deadlines, names and so on. For an American it means roughly I know what to do, I start now and then let's look. It's a totally different approach and you only know that when you are working very close and these are the root causes for most of the problems. People think they have communicated but they both understood completely different ideas. (Interview 3:8)

In this example, a European person would call the American's idea of having a plan to mean a first draft. It can be seen how these misunderstandings can bring about different expectations which easily lead to conflict. Therefore, it is important to check at every step in cross-cultural collaboration for hidden meanings so that employees are on the same page. Not only a difference of underlying meanings but also coping with multiple cultures, approaches and style switching, which has been labelled 'frame switching' in the literature (Ramirez-Esparza, Gosling, Benet-Martinez, Potter, & Penebaker, 2006), can be complicated, as the same informant explained:

> You have to be careful. You cannot be so pushy in China or in Asia as I would be here in Europe. In Eastern Europe you must be a lot more pushy ... You need to adjust a little bit and this is a difficulty when your calendar is so full. When I have sometimes during a day 20 or 30 telephone calls, that you switch, now it was a German guy then an Asian guy is coming and … You need to adapt quickly and the difficulty is to be careful from one behaviour structure to the next behaviour structure. This is a big difficulty in swapping around. And often I realise too late: oh this was not appropriate and when I am realising this I am calling often the people and excuse myself… This is permanent… (Interview 3:10)

Learning by reflecting on cultural and communication differences was said to raise awareness about how to operate in cross-cultural contexts. It was recommended in one interview to prepare for cross-cultural encounters by researching the respective business context on the internet, reading books, asking colleagues and participating in intercultural training. However, all informants believed that competence could only be acquired by experience and one informant stressed that it was important to talk with locals about their country and its culture because this could assist in creating trust (Interview 14:6-7).

Two informants believed that intercultural training was most effective when provided in the beginning of a career, an intercultural project, team work or working abroad (Interview 14:7; Interview 19:3). By far the best method for cultural learning was believed to be by trial-and-error or via experiential living, working and learning to communicate effectively in the foreign-culture's real-world settings (Interview 4:5; 7:5). Only the experience of culture shock and full immersion into another culture could trigger the development of competency in intercultural situations and for this reason the participating MNC sent its trainees for two years abroad on foreign assignments (Interview 25:6; 27:8; Field notes/CEO1:13).

Some informants pointed out that cross-cultural communication could be improved by regular meetings of employees from different cultures. According to these informants the participating MNC organises a meeting for all overseas locations once a year (Interview 13:5; 14:7-8; 16:7). Likewise, Hofstede (2001) sees it as important to establish environments in which employees can meet on an equal level as this fosters mutual respect and trust.

Informants noted also that in the MNC there existed several company programs which organised exchange through cross-cultural projects (Interview 10:7). One informant claimed these exchanges not only forced team members to communicate which changed their behaviour, but doing so then enabled them to,

> … better understand each other. This is how I am trying to bring such teams together. So I don't like when only Germans work together on things or only Chinese. (Interview 3:9).

According to another informant, exchange between team members assisted the employees from both cultures to learn about their cultural and communication differences and fostered English skills as well as the forging of networks on a global scale (Interview 10:2).

Body language

While body language is able to convey non-verbal messages, care needs to be taken in interpreting body language in cross-cultural settings as differences of body language practised in other cultures can mislead employees' understandings. One informant gave the example of Bulgaria,

> …when the people are doing like this [shake their heads, left to right] they say 'yes', the other way around, and they are speaking very poor English, so it is very difficult to understand them. And if you don't know this you misunderstand fully the negotiation. (Interview 5:8)

As indicated earlier, up to 80 per cent of communication is said to be non-verbal (Franken, 2010; Thomas & Osland, 2006). Thus leaders have to project and transmit confidence and appropriate emotions through body language, tone of voice, eye contact, gestures, facial expressions, proxemics and posture which can reveal much about a person's demeanour (Franken, 2010; Thomas & Osland, 2006). Good examples of body language were demonstrated during the shadowing period when CEO 2 entered the room noisily and dynamically and then showed interest in the meeting by leaning forward while sitting on his chair and concentrating deeply with facial expressions, listening carefully and taking notes. Then he spent time reflecting, putting his elbows on the table and pressing the palms of his hands together. Sometimes in meetings CEO 2 projected aggressiveness and strength, for example, when he stood with his legs apart and hands on his hips. CEO 1 often portrayed a relaxed demeanour by his tone of voice, using humorous remarks, smiling, then putting his arms into the air and stretching, and leaning backwards on his chair, putting his hands behind his head. He also got up during meetings and walked to the other end of the table. Then he sat down again, asking many questions, taking notes and explaining whatever topic was discussed (Field notes/CEO1:13; Field notes/CEO2: 46-48; CEO2:62).

Technological communication

When observing or listening to conversations, it became clear that different accents made understanding difficult, especially in telephone conferences (Field notes/CEO1:3; CEO2:6). However, participants explained that one becomes familiar with these accents (Interview 10:5; CEO1:3). Technology had an impact on communication, for example, in frequently-used telephone conferences and it was difficult for participants to interrupt and ask questions. Sometimes, there were problems with the audio volume and understanding in general (Field notes/CEO1:3; 32). However, one shadowee pointed out that technology, for example, in telephone conferences made meetings more efficient (Field notes/CEO1:22).

Only in one situation during the shadowing of CEO 1, did the informants consider using video conferencing for crucial negotiations with China because they found it important to see the faces of their negotiation partners. Moreover, they mentioned that videoconferencing was more common in China than in Germany or the United States. However, they asked a Chinese employee for advice on meeting protocols and that employee recommended meeting face-to-face. Finally, company representatives decided to fly to China and meet in person out of respect (Field notes/CEO1:21).

One informant explained to the researcher that email and other forms of instant messaging made communication less personal and easily led to misunderstandings. Therefore, it was seen by informants as important to meet regularly face-to-face and establish relationships to create a better understanding among team members and get to know the context in which communication took place (Interview 21:4).

Measuring and analysing business indicators

Communication skills of the CEOs were also important when interpreting and analysing business indicators and conveying results or other numerical information to employees, which was an everyday activity of both CEOs. One informant periodically reviewed progress to make sure that teams were on track (Interview 10:6). Although they had pursued economics or business or financial management, two informants claimed they had not acquired the needed skills to handle business indicators at university but on the job (Interview 9:2-3; 23:1). CEO 1 frequently asked for deadlines and, like CEO 2, mostly discussed business indicators in meetings (Field notes/CEO1:1; 15; 30; 33; CEO2:8). Business indicators were presented in regular face-to-face meetings or in telephone conferences using PowerPoint presentations to explain figures and numbers. One informant noted:

> I think leadership has a lot to do with measurement, how to measure, of course we in [name of the company] have a very detailed financial tool, we are measuring a lot, we have a huge commercial measurement organisation. What we measure we have to talk and inform about. I'm personally writing every month a key figure statement to all my management and I am describing what is good and what is bad on plant level and also on the market level. What is happening with competition, with customers, where have been new orders, where we have cost risk. Every month I am trying to inform my management team about what I see as challenges, risks, opportunities and so on…

> the team gets from me every month a so called SWOT analysis based on the last figures we have achieved. (Interview 17:4)

Measuring, interpreting and analysing business indicators can be seen more as managerial activities and not leadership activities; however this activity took much of the leaders' time and was given priority in the participating MNC. Sharing of important business information can align leaders and other employees, updating them continuously about the development of different areas of the MNC.

Decision-making and discursive dialogue

In the participating MNC, decisions were made by discursive dialogue which meant that employees described their situations in detail. Different perspectives were then presented and there was much questioning. CEO 1 and CEO 2 facilitated the communication and decision-making by introducing topics and proposing suggestions but never imposing their ideas. Furthermore, they listened and asked a multitude of questions, summarised, asked for consent or pointed out priorities, important issues, outcomes or solutions (Field notes/CEO1:30, 31; CEO2:3; 9; 17). One informant suggested that the leader should take on the role of a facilitator, not controlling but only intervening in the team's actions when there were difficulties (Interview 9:4). The behaviour of CEO 1 and CEO 2 exemplified this role (Field notes/CEO 1 & CEO 2: meetings and telephone conferences).

Both CEOs examined all situations thoroughly, followed up, remembered details and sought agreement in decision-making (Field notes/CEO2: 11, 36, 55, and 63). When they were speaking, it showed they were well prepared and informed and it was noticed particularly with CEO 2, that they had experience in what they were talking about (Field notes/CEO 2:9; 36; 48). In this sense, they projected competence, which enhanced their charisma (Ensari & Murphy, 2003).

In all meetings and telephone conferences, knowledge transfer was fostered and ideas arising were promoted and subsequently implemented, points raised in the work of Sharkey, Razi, & Cooke (2012). Both CEOs listened carefully and actively. They immersed themselves in every topic, thinking about it and then asking for detail. The participating MNC provided the researcher with its Competency Model (2011) which, in detail, illustrates the core competencies required by every employee in the MNC. These include knowledge and skills, experience and capabilities.

CEO 1 tried to enhance internal communication by, for example, introducing a newsletter (Field notes/CEO2:22). The CEOs' competence in influencing, motivating and winning over others was demonstrated. This behaviour reflects Bird and Osland's (2004) Effectiveness Cycle in which a situation is analysed and compared to expectations, scanned for information and then the leader comes up with objectives. Then action is defined and behaviour can be adapted to the objectives and analysed situation's requirements. CEO 2 particularly defined action by drawing upon examples from previous experience, global knowledge, imagination and other factors and business situations were analysed and interpreted by comparing experiences and future expectations. He stated his opinion more directly than CEO 1, pointing out what he liked or disliked, highlighted strengths and weaknesses, made clear what he was angry or happy about and explained his beliefs clearly.

Both CEOs sought agreement on all issues and they were open to others' suggestions. CEO 2 conveyed to teams where he had doubts, or explained what could be done, should be done or had to be done. He continually asked questions and proposed ideas by asking questions. CEO 1 did the same but at a less intensive level. CEO 2 explained meaning and asked the others to reflect upon it. He pointed out opportunities or risks and stated what he would do. The group then reflected together, sharing their concerns. CEO 2 would then explain options and emphasise the most important aspects and usually get agreement. After that, the CEOs explained additional points and CEO 2 mentioned what they needed to do in the respective situation and its context. Then they moved onto the next topic, upon which the cycle began again (Field notes/CEO 2: all meetings).

CEO 2, more than CEO 1, explained his ideas extensively and made sure that other team participants complemented each other, bringing in their ideas (Field notes/CEO2: 32). Both CEOs talked about all contingencies. Moreover, they emphasised key points and took into account possible reactions. They tried to think holistically, seeing the 'big picture', foreseeing risks, threats and opportunities, while also recognising at times that "they were floating in the dark" (Field notes/CEO2:36). CEO 2 asked more specific questions than CEO 1 (Field notes/CEO2: 27) and focused on details, for example, when explaining the different topics brought up in meetings (Field notes/CEO2: 44). Such analysis had to be detailed as even aspects which seemed to be insignificant could lead to severe consequences. Involving the team in understanding often ambiguous, uncertain and highly complex issues could bring about better approaches to dealing with these situations because more viewpoints were taken into account and it was more likely that mistakes would be discovered. Especially in cross-cultural situations, it is important to inquire deeply, for example following Bird and Osland's (2004) Effectiveness Cycle or Johnson's and Oberwise's (2012) five-step inquiry method to discover hidden meaning and thus avoid mistakes in decision-making.

It is now understood why it was so important for leaders to allow employees freedom to speak up when engaging in discursive dialogue because, in addition to avoiding mistakes and bringing about a clearer understanding, doing so can foster innovation and change (Pedler, Burgoyne, & Boydell, 2004). One informant mentioned it was crucial for creativity that criticism was expressed and "It is really very important that everything is allowed, that you are able to express your view, the fact that you have to express another idea" (Interview 8:8). CEO 1 gave more freedom to the subordinate leaders by not steering as strongly as CEO 2 into communication and decision-making. Twice, CEO 1 delegated the coordination of a meeting to somebody else. Nevertheless, he inquired and frequently noticed when there was a mistake. CEO 1 made it clear that he valued all perspectives and explicitly said that everybody was free to give opinions (Field notes/CEO2: 45).

During shadowing, concerns were addressed directly (Field notes/CEO1:29). Subordinate leaders criticised constructively, for example, when they found that policies and everyday business actions were conflicting with the MNC's values (Field notes/CEO2:48; 49). They discussed, for instance, trust versus control. For example, feeling trusted to do so, participants in meetings immediately corrected the CEO's mistakes (Field notes/CEO2:52). Several informants mentioned that in some other countries employees tended to accept everything the boss said and this hindered the MNC's learning and improvement. One informant pointed out that leaders in the participating MNC expected their employees to correct them if they made a mistake (Interview 16:5). Two informants highlighted further that for communication, decision-making and target-setting to be effective, it was important that followers felt free to think critically, argue and give their opinion or correct their superior when he or she was wrong. Thus, leaders need to foster these behaviours in subordinates, especially in cultures where this does not happen (Interviews 9:10, 15:4) but situations need to be managed with great sensitivity. This topic is a major theme in this research and, as yet, it has not been addressed in the literature, although the practices of critical thinking and questioning are known to exert a high impact on effectiveness of leadership. Subordinates not possessing these skills and practices represent severe constraints for global leaders.

In discussions, participants complemented each other's contributions and shared their opinions (Field notes/CEO2:4). CEO 1 sometimes showed impatience when he tried to avoid discussions that he found ineffective and unnecessary (Field notes/CEO1:10). CEO 2 was always in favour of discussion and fostered arguing with his leaders (Field notes/CEO2: 45). For him it seemed important that they could interrupt presentations to discuss and examine issues in depth and from different angles (Field notes/CEO2:18). However, time was scarce in the researched settings and thus discussions were kept short.

Maznevski and Chui (2013) note that the main purposes of meetings are the fostering of relationships and the exchange of tacit knowledge in discussions and not the presenting of updates such as sales numbers as was often the case in this MNC's meetings. He further suggests that meeting with important stakeholders, working on innovations or sharing experience of failures and best practices are important tactics. Whereas experience of failures and best practices were shared in meetings in the researched settings, more time could be dedicated to discussion, meeting stakeholders and networking so that meetings could become even more effective.

Two informants claimed it was important the leader set targets together with his or her employees to understand what should be done, how and to what extent (Interview 7:4). One informant stressed that leaders should especially ask for the employees' thoughts, be open to their ideas and make employees contribute to the project or task (Interview 13:3). Another added that it was important to follow up targets on a regular basis (Interview 9:4).

Communication skills are also important in conflict resolution, which unfortunately was not demonstrated in observations, perhaps because it is a sensitive and confidential issue or where the presence of the observer was seen to influence behaviour. It is one major, but understandable, weakness of shadowing when researchers are not able to follow the shadowed subject into confidential situations. However, CEO 1 illustrated that he gave the employees who were involved in conflict a few days to calm down and then talked with them privately (Field notes/CEO1:34). Another informant said that if a subordinate had problems and was perhaps not open enough, the leader could ask team members to support this person (Interview 26:8). An example of how this kind of mutual support was provided by team members was suggested by an interviewee:

> … hey colleagues, look here is a good idea and perhaps we can learn from this – to move them [colleagues with problems] a little bit from the shadow to the bright side

> and if there would be a conflict to balance the situation … you can only coach team members … you have to find compromises, to establish fair ways and rules of cooperation and if things do not work sometimes to exchange the people to find another solution. (Interview 28:8-9)

Language forms used

Leaders in the participating MNC used the same business language. There were certain words and phrases which were used repeatedly. They used expressions from the military as, for example, they talked about a company that was 'marching' (Field notes/CEO2: 60) which meant that it was successful or 'to kill another company' (Field notes/CEO1:24) which meant that they wanted to make a particular company close down (Field notes/CEO2:33). A widely-used word was 'solution' or the phrase 'clean solution' (Field notes/CEO2:2; 21), focusing on overcoming problems quickly. 'Clean' was used frequently to refer to 'without compromise' or 'unconditional' and also when requiring compliance (Field notes/CEO2:33; 52). They also used metaphors such as 'construction site' which meant a problem, and 'construction kit' which referred to a standard from which everyone could select what was needed (Field notes/CEO2:4; 32; 35; 46). To make speech more interesting, leaders also used anecdotes and stories (Field notes/CEO1:34; CEO2:26).

Furthermore, sometimes leaders mixed English words with German such as 'committen', which is made up of the English verb to commit with the German infinitive's ending (Field notes/CEO2:56). They created new expressions in German, for example, derived from the expression 'at the end of the day' translated into German literally 'Am Ende des Tages' but used it with the English meaning which differs from the German meaning (Field notes/CEO2:30). They also included some English words when speaking German (Field notes/CEO2:52; 59). Thus, using the English language might over time transform language use significantly. Perhaps English language would increasingly be mixed with German words and structures.

Sometimes leaders' language use was very informal and they utilised colloquial, unusual and humorous expressions (Field notes/CEO1:19; 32; CEO2:50). CEO 1 frequently used the diminutive to downplay negative information or feelings (Field notes/CEO1:10; 16). Always, the CEOs tried to create a positive and optimistic atmosphere through the choice of cheerful language and humorous remarks. Use of humour proved a good form of communication, especially as it elicited wider participation amongst groups.

Many abbreviations and acronyms were used which sometimes made understanding difficult (Field notes/CEO1:1; CEO2:8; 40; 43). However, CEO 1 asked his assistant not to use abbreviations as recommended in the literature, for instance, when preparing a presentation (Field notes/CEO1:9). Participants expressed their appreciation in meetings by knocking on the tables with their knuckles (Field notes/CEO2:48). Such knocking is used in German meetings instead of clapping one's hands.

Acquisition of a company's jargon can be seen as part of the acculturation process when employees adapt to their organisation's culture in order to integrate (Stone-Romero, Stone, & Salas, 2003). The importance of adaptation and fitting in with the mainstream for integration was highlighted by one informant (Interview 27:8).

Excellent learning skills with high levels of openness and curiosity

Excellent learning skills with high levels of openness and curiosity, while very important, are classified as second-order competencies after communication skills, based on the findings of this research. Findings indicated that learning skills are of high importance to leaders in MNCs as they have to acquire an immense knowledge about the company, its products, its context, different cultural groups and stakeholders. One informant explained that the participating MNC was composed of many different entities in other regions and countries each of which have their own cultural forms that need to be understood. It was clear that the corporate culture needed to be very open to integrate these differences (Interview 11:6).

One informant spoke for several informants when he explained that:

> … global competence first of all is openness and the curiosity. So that means when I don't care for other cultures and other people then I cannot motivate myself to approach them and to improve the own behaviour and the own skills. And you have to do it with passion otherwise it will not work. And one thing is very, very important you cannot learn it - you can learn some aspects in university or in school but you have to feel it, you have to see it, you have to live it. (Interview 4:5)

Most participants mentioned that they learned from mistakes by trial-and-error and that only experiential learning could bring about proficiency in global leadership in general and particularly in multicultural and remote team leading (Interview 4:4).

During the shadowing period it also became clear that both CEOs learned through inquiry about all topics they were working with. They were curious to find out about details (Field notes/CEO 1 & CEO 2: meetings and telephone conferences).

One informant advised that leaders who do not have a strong interest in learning about other cultures and international issues are not likely to go through the process of cultural acquisition which should start at a young age. They reported that the learning process, which takes years, requires experiencing some failures as, ideally, the more one commits mistakes, the more can be learned (Interview 27:7).

Another informant argued that listening, openness and curiosity are prerequisites for global leadership in MNCs and that it was not enough to travel and talk to employees and other stakeholders but leaders had to have the willingness to "dive deep" into organisational topics and cultures (Interview 6:6). One informant explained by claiming that:

> What I do, I go around the world to the different plants. I do not count just on reports and emails. I try to take the time to not stay just in presentations in places but go around in the plant, have discussions with employees going sometimes deeper and more into details not to get knowledge of the details just to see how they work with details. Not to stay too much in the office. Be open for world-wide communication around the globe not just to be contacted but give them calls, give them emails, to try to be present always in the sense of time and always in the sense of location. (Interview 25:5)

In addition, in the interviews it was found to be necessary for the leader to model openness so that followers could learn and adapt the same behaviour (Interview 13:7). It was stressed that only an open mind allowed leaders to understand there was no one right way to do things but a multitude of possibilities as to how to reach an objective and accept that different cultures use different approaches (Interview 11:4). Two informants stated that an open mind enhanced the flexibility of thinking and decision-making which was paramount for learning, adaptation and change of behaviour (Interview 15:3; 16:5).

It was expressed by one informant that cross-cultural situations required a higher degree of openness and flexibility and prejudices could jeopardise communication. Informants believed that when introducing new ideas the worst a leader could do was to use a European approach and believe that it would be the best way to do things (Interview 7:4-5). CEO 1 mentioned, however, that it was difficult in Germany to introduce new ideas. Not only were many German leaders resistant to change, but they did not like to take on new methods if these did not originate in Germany or their own organisation (Field notes/CEO1:23). This resistance of German leaders to adopt ideas and approaches from abroad was not found in the reviewed literature and should be investigated further by other researchers.

One informant explained that apart from long and broad experience and operational knowledge candidates for global leadership should have acquired experience with mergers and acquisitions and learned the importance of balancing the central with the local (Interview 26:5). Also, engaging in life-long learning was deemed important by most informants as acquiring global leadership competency takes some years (Interview 27:6). This last point was illustrated by one of these informants:

> It’s an improvement process, a continuous improvement process. You know, I think very important is especially as a leader you should reflect situations and yourself and you can see from a neutral position, from a different perspective. And then you can say, ’ok here I should adjust my behaviour a little bit’. It’s not a specific area, it’s just some small things sometimes I discover by myself. This is quite important when someone gives you an advice this is ok but you have to understand it, and this is also the difficulty in leadership to reflect yourself and your behaviours and then to say, ‘Hmm, I was on the wrong path. I have to change it a little bit’. This is I think the art of leading. (Interview 4:4).

Another informant believed that in the future people from multicultural backgrounds would have advantages with regard to employment for global leadership.

Successful trust and relationship-building

The successful building of trust and relationships has also been classified as a second-order competency in this research as was excellent learning skills. Business is carried out through relationships which are created upon trust so that this competency is crucial in global leadership. Trust is transmitted by communicative and supportive behaviours (Joseph & Winston, 2005). One informant recommended that in order to develop trust, effort and energy have to be invested in talking to employees, spending time with them and giving feedback (Interview 3:6).

Trust is defined as "the level of confidence that one individual has in another's competence and his or her willingness to act in a fair, ethical, and predictable manner" (Joseph & Winston, 2005:6-7). Trustworthiness had been identified as a positive attribute for leaders (Northouse, 2013) not only in the literature but also the importance of this attribute was noted in the interviews (Interview 2:2). One informant declared that if employees did not engage in trustful behaviour, trust would not be transmitted and a culture of trust then could not be created (Interview 12:6).

Importantly, it was claimed by another informant that trust had to be earned (Interview 6:4). Two informants stressed that followers needed to see that what a leader says, they also do (Interview 27:6; 6:4). Maznevski and Chui (2013) write that, for the building of trust, being respected is important. Kouzes and Posner (2002) see that respect can be established through sensitivity to others' needs and interests and appreciating and listening to their opinions. In the interviews, three informants confirmed the importance of having an interest in employees, demonstrating empathy and listening to employees and stakeholders if raising performance was a goal (Interview 1:2; 2:4; 5:4). In this vein one informant claimed that,

> Communication is very important. Empathy is also very, very important, because this is different when you compare the Asian cultures with the Western cultures this is different but you find out some basic rules. Show the other respect. Try to be friendly to the other... Listen to the people. This in every culture is the same. And then you can get a good relation to the people and then the people will be true to you. And then you can make the right decisions. (Interview 4:4)

According to Whitener and Stahl (2006) trustworthiness depends on competence, integrity and benevolence or the showing of concern. Therefore, leaders have to demonstrate these characteristics, as expressed by one informant:

> I am working also trying to help them, to be there, and I have no problem with doing subordinate activities, it gives me in the teams always a high level of recognition because they know I can do it also what I am telling them to do. (Interview 5:4)

Several informants related that it was long and broad experience which brought about trust in followers (Interview 16:3). Kouzes and Posner (2002) report that trust can also be shown by letting others participate in decision-making and using followers' expertise. Successful relationship- and trust-building also required one to be very careful and polite as one informant pointed out (Interview 28:7).

Another informant reflected what Sharkie (2009) found to be the case – that sharing information about decisions and events with employees further enhanced trust (Interview 24:4). Further, giving feedback is important (Interview 3:6; 28:7). Joseph and Winston (2005) acknowledge that making their positions clear could help leaders in building trust. Also face-to-face meetings are seen as vital for establishing trusting relationships (De Rosa, 2004) as the following from one interviewee indicates:

> it is absolutely essential that teams need to meet regularly face-to-face. They need to drink a beer together, they need to have an event together, they need to understand each other chatting a little bit private… and then it's much easier to work with the other tools then you can because we are not robots we need to have this personal relationship and this we should never forget (Interview 3:8).

Most informants pointed out that trust was fundamental in relationship-building and it was also the basis for effective teamwork. It was noted however, that care has to be taken, to be discreet in handling personal information because rashness or a neglect of privacy can quickly lead to a lack of trust. In observations, an error occurred in a technology-supported evaluation system which made it possible for everybody to access and read the others' feedback and confidential information (Field notes/CEO2:20). Such failure is detrimental to building trust.

Literature shows that application of key leadership skills such as conflict resolution, good communication, learning, collaboration, management of complexity and change, as well as establishing relationships, all depend on trust. And it is well acknowledged that developing trust has a significant impact on organisational performance (Sharkie, 2009; Whitener & Stahl, 2006).

Leadership in building multicultural and remote teams

Findings indicate that leadership in building multicultural and remote teams is another core competency that needs to be highlighted. It is categorised as a third order competency because leaders have to be experts in working with and through such teams. Therefore, they require experience in leading multicultural and faraway groups. Although theory about multicultural and virtual teams could be taught in a two-day seminar, all informants agreed that the required skills could only be acquired by experience, direct contact with multicultural team members and learning from mistakes (Interview 9:11; 8:6). Global leaders work increasingly with such teams and less with individuals and thus it is essential that they are team players and can build positive team spirit.

Three informants said that in the researched settings, clear lines of control and hierarchical structures had been replaced by teams and networks (Interview 7:6; 26:4; 14:7). They confirmed that hierarchy was not a barrier to communication in the participating MNC (Interview 20:6). However, another informant reported that for the MNC, in many non-German countries communication was still hindered by hierarchical barriers (Interview 27:14) and also because leaders were expected to work in teams with different cultures and on a virtual level (Interviews 26:4, 27:15).

One informant illustrated those behaviours they believed to be good team leadership:

> … those leaders who are not able to work in these teams and forget the organisational set up and only take power out of their position, those leaders I think they are no longer successful. So this is for me the most important thing that you are able to motivate people, that you are able to bring people in the right order, in the right structure together and to reach, and to achieve, and to celebrate the team result. (Interview 26:4)

Another informant pointed out that leading remote teams was very challenging (Interview 14:3). In the analysed job descriptions it said that expert skills for leading remote teams was a prerequisite for global leaders in the participating MNC (Job description 1). The team leader has to focus not only on the task but simultaneously on the culture of team members (Interview 26:5-6). According to two informants, the ability to establish international networks and make employees cooperate had become crucial (Interview 6:5-6; 22:3). Another informant stressed that in order to work effectively in teams leaders needed knowledge, self-confidence, openness, respect for the employees and should not be egoistical (Interview 26:6). These characteristics can foster greater levels of trust.

One of the MNC’s leaders found it important when working in multicultural teams, to give priority to corporate culture and values before national culture and values in order to have a common frame on which to build (Interview 4:5). Another saw it as important to find consensus in multicultural teams and to align team members’ goals to a common objective

(Interview 10:3). One other informant believed it was the leader's role to establish a common understanding, to overcome prejudices and to separate personal issues from the business task (Interview 14:6).

In the interviews it was reported that working in multicultural teams cost more effort and energy than working with monocultural teams. More time was needed because of cultural differences, foreign language challenges, travelling time and longer duration of meetings to ensure that all team members were 'on the same page'. However, on many occasions management's expectations for work in local and monocultural teams and remote and multicultural teams, were equally high. Therefore, levels of pressure were elevated (Interview 5:5), as one informant explained:

> In multicultural teams members have to communicate even more than we would do it between Germans to ask again whether this is the meaning again more careful, more deep, more detailed and with by far more questions than what you should do when you are just together with the same nationality. (Interview 26:6)

Another informant reported that it was important to select high quality team members as leaders could only be as good as their team (Interview 23:2). One informant added that in the beginning of team work, it was important to motivate employees by discussing the topic and asking team members to contribute skills and ideas so that they felt their contributions were valued. With team members who had experienced dictatorial regimes, for example from Eastern Europe, it was essential to point out that constructive criticism of the leader was appreciated and expected. Lower level team members would be asked before their superiors as the former would not mention ideas which were contradictory to the ideas of their superiors (Interview 13:6).

One informant described multicultural teams as being often more open than local teams (Interview 13:6). Another informant declared that team members could be more effective if they had experience working with multicultural teams (Interview 22:4; 25:6). Two informants suggested that intercultural training could prepare for working with other nationalities and for being open-minded which was a prerequisite when working in multicultural teams (Interview 27:16). Multicultural teamwork was seen to bring about better relationships between diverse team members and increase sensitivity which has a positive impact on the team's performance (Interview 10:5). Three other informants believed that multicultural teamwork could become most effective when there was team spirit and the leader worked as a "primus inter pares" and not as a superior (Interview 15:1, 16:4, 24:2). This meant that the leaders should not dominate in the team but take on an equal role to the other team members.

Two informants explained that a team's effectiveness depended on the quality of relationships (Interview 15:3; 22:2). Therefore, they stressed that when working in remote locales it was necessary to establish trustful bonds between team members and that it was crucial that team members understood messages in the intended way. Consequently, presentations had to be adapted to the specific audience and more time had to be allocated for communication. Three informants stated that discussion and asking questions was important to find out followers' perspectives and that attention should be given to detail (Interviews 15:5; 22:3; 26:6).

In the interviews, it was highlighted that cultural behaviours of all team members should be respected at all times (Interview 26:7). One informant noted that pronunciation, capabilities and cultural background of team members were diverse and they went on to explain that there were different systems, for example, regarding law or infrastructure in different team members' countries. These differences could lead to conflict which the leader should try to balance. It was important that leaders coached the team to bring about compromises and establish fair ways and rules of cooperation, to exchange team members or to find other solutions (Interview 28:8).

Although they thought that knowledge workers in remote teams should be granted autonomy and the leader needed to encourage them to work on their own, he or she should provide orientation and feedback (Interview 6:3-4). In the interviews, it was mentioned that even knowledge workers in some cultures needed more control and 'steering' than in other cultures (Interview 19:3).

Informants agreed that remote multicultural team members had to be brought together in regular face-to-face meetings. However, travelling costs were high and time was scarce so leaders felt that they could not visit and meet often enough (Interview 6:4). Most often telephone conferences were used, guided with PowerPoint presentations through important topics (Interview 12:6). Common times for telephone or video conferences, which helped to overcome constraints, had to be negotiated because of the different time zones (Interview 12:6), as one informant pointed out:

> If you have to make a telco between Brazil and Korea there is only one time slot: at 1 o'clock. This is one hour if you want to get these people together, otherwise it will not work. (Interview 17:7)

When asked how the work was divided when working in multicultural teams, most informants replied that culture should not be considered when dividing tasks and that only skill, competence and interest were decisive (Interview 4:7; 28:10). One informant suggested that responsibilities were divided locally and bottom-up under the provision of central support (Interview 18:12). They meant that, for example, employees who were closest to the market and, for instance, knew the customer best or understood the local culture, should be in charge as they had the most expertise with the task to be completed (Interview 26:7). One informant pointed out the importance of involving employees in decision-making and everyday business (Interview 11:3) and it was found difficult to maintain such communication with locals who spoke a language other than English. However, another informant suggested that when working in a country where a language other than the expatriate leader's mother tongue was spoken, the leader had to speak this country's language to be effective (Interview 20:6).

One informant claimed that cultural mindsets should be taken into account when dividing tasks. He assumed that because of different education or upbringing, some cultures were, for example, more detailed and accurate in their work (Interview 13:7).

Responsibilities in working with multicultural teams were seen to be divided in a pragmatic way and that it was important each team member knew what had to be done next and understood the progress that had been made (Interview 15:6, 17:8). One informant advised that those team members whose work load was lower than other team members' workloads would receive more time-consuming tasks. He or she mentioned that there were also team members who took on higher workloads as they were more motivated than others (Interview 24:6). It was reported by two informants that the workload of individual team members had to be considered so as not to overload individual team members (Interview 6:8, 13:7). One informant pointed out that in the participating MNC, Germans were still predominant and most think tank work was done by Germans. However, there was one board member on the corporation's board who was non-German (Interview 14:7-8). In the reviewed literature nothing was found about how to divide tasks when leaders are working with multicultural teams.

It was considered by some leaders that it was a risk to lose contact with the base and not to understand the customers' or employees' situations. They emphasised that leaders needed to ask customers and employees at the shop floor level to gain insight, for example, into customer and shop floor conditions (Interview 12:3; 25:3-4, 27:6). Several informants regretted not providing enough time to communicate with their followers and wanted to change this (Interview 28:4).

A higher degree of sensitivity and adaptability

Another third-order core competency to arise from the findings in this study is a higher degree of sensitivity and adaptability, which is urgently needed as global leaders work with and through people and in particular through people from other cultures. Care has to be taken to understand messages in the intended way, to be tactful and diplomatic and not to commit faux pas which could offend employees or other stakeholders.

It was argued by two informants that when working with other cultures a higher degree of sensitivity was needed to understand others' mentality or ways of thinking and thus be able to adapt and establish better relationships, reach targets together and be open to subordinates' ideas (Interview 10:5; 13:3). A deeper understanding of other cultures could be triggered by discussing and explaining cultural differences (Interview 5:10). Intercultural skills and sensitivity could also be acquired through language learning (Interview 27:11). Another informant mentioned that sensitivity was acquired by the young employees whom the participating MNC sent to various countries to experience foreign culture in the beginning of their careers (Interview 27:8; 25:6; Field notes/CEO 1: 13, 27). Such long-time immersion can enhance sensitivity as the home country and culture can be seen from an outsider perspective and reflected upon so that it can be understood how foreigners perceive German nationals. This can result in a better understanding of how locals in the regions could be supported by leaders at headquarters. Furthermore, such an outsider's perspective could assist in identifying which elements in the own culture conflicted with other cultures to avoid these aspects and thus improve cross-cultural cooperation and communication (Interview 14:5-7).

One informant added that diversity required adaptation not only of communication style and behaviour but of the product or services offered and other information (Interview 8:5). Another informant agreed that global leaders had to take into account regional and cultural customer preferences and match the product or service which they offered to expectations and conditions (Interview 14:4).

It was stressed by another informant that a true understanding of a foreign culture and being adaptable and sensitive, can only be acquired by staying in different foreign countries for at least three years. It was also explained that integration into a culture only begins after staying abroad for a period of approximately six months (Interview 5:3). Once again, the importance of experiential learning for leaders was raised.

One informant suggested that communication styles, for example, had to be adapted to cultural conditions. This informant provided the example that when German colleagues came to visit they were requested to use first names when addressing each other, which in their country was a sign of politeness. German colleagues and superiors were not offended and accepted this form of address but when they returned to Germany they changed back to call each other more formally Mr/Ms and used the last name (Interview 7:5). It was pointed out by an informant that not only when operating abroad but also in the leading of multicultural teams, approaches had to be customised to each individual team member (Interview 7:6).

One informant believed it was crucial that the leader's family was adaptable to living abroad, to long working hours and travel and not being able to spend much time with the leader (Interview 5:5). Another informant said that it was important for leaders to have a supportive home background (Interview 13:2).

Dealing effectively with complexity, diversity and turbulent environments

The last third-order competency is the ability to deal effectively with complexity, diversity and turbulent environments. Today's business context, and especially the global business context, increasingly requires new competencies and skills to respond appropriately to the new and emerging realities. Team work, networking structures and the strong growth of companies in overseas markets, dealing with foreign cultures and often with various cultures simultaneously as well as rapid change, increase the complexity inherent in global leaders' work.

It was claimed that the impact of globalisation was often underestimated by the MNC, and one informant explained that it had brought about

> … an ever increasing complexity. And I think this corresponds a little bit to what we commonly know as chaos theory. It can really happen that the smallest thing that happens in Brazil has huge consequences for a plant in China and sometimes you have to anticipate that ... you really have to know your markets, so you have to have

connections, you have to be creative. This is what you need to handle complexity. (Interview 9:5-6)

Also in the interviews, it was highlighted that markets were changing at a rapid pace and the amount of information to be absorbed was overwhelming. Therefore, one informant saw it as important for leaders to set priorities in regard to tasks (Interview 13:4). Another informant pointed out the significance in a global environment of supporting each other on a worldwide scale. Problems could be solved by asking for help across borders and then moving between plants employees who had experience in solving similar problems (Interview 17:5).

One informant believed that because of rapid change in the environment, leaders needed to be prepared to not only plan for standardised activities, for example, meetings, customer demands, audits or planning processes, but react to unexpected events (Interview 25:3). Two informants stressed the importance of change management skills (Interview 7:6; 27:6) as "trends are changing very fast and you have to be ready for learning for change" (Interview 27:12).

According to one leader interviewed, to deal effectively with the increased complexity and cultural diversity in turbulent environments, leaders must be multi-skilled. In other words they,

> … must be able to multitask … you have to understand other cultures. You have to be very flexible. You have to have an analytical mind but you also have to have the conceptual skills to change and build up the right organisations. And you have to be or you must not be afraid of decisions. It can be that your decisions are wrong but the worst thing that you can do in most cases is not to take decisions. This is becoming more and more important if you don't have sufficient data … You must be able to predict, anticipate developments. I have to think immediately this is the plan. Can this have consequences on my situation? And you must not be shy to say this and this happened. Do you think that this has any consequences for us? Anticipate let's say bankruptcy or insolvency issues from your clients … you must have personal contacts and network. (Interview 9:6)

One of his colleagues added that,

> The world changes faster and faster and it is extremely difficult to have clear understanding and guidelines for the next ten years. So what is more and more clear is

> that you never know what might happen in the next years. There are so big influences by the Internet, by politicians, by whatever reason which affects your job that you have to prepare yourself, educate yourself, motivate yourself. You have to be able to react on most likely all the possible effects that can happen or affect your job. So I always would say to somebody not to focus on a too specific education or career ideas. What I always prefer is to have a very wide base in any sense, to be prepared as much as possible for whatever happens in the world; so as in the past to become an engineer and train yourself as an engineer … and be an engineer for 50 years is of an enormous, a high risk for the person or for the company. (Interview 25:4)

A broader approach to tertiary education (Interview 25:4) or studying double-degrees (Interview 6:2) were seen to provide such a wider repertoire of knowledge.

CEO 1 encouraged diversity and intercultural training (Field notes/CEO1:11) and CEO 2 encouraged participation in diversity coaching programs (Field notes/CEO2:16). Moreover, an informant highlighted that the gaining of international experience in general through cultural exchange, internships and working in other countries or with people from different nationalities fostered diversity management skills (Interview 20:2). Conflict resolution skills were important for diversity management and trust was needed when relying on employees from other cultures to make sense of ambiguous situations (Interview 14:4).

One of the leaders argued that autonomy had to be granted so that employees in the foreign locations could flexibly adapt their approaches to their respective conditions and needs (Interview 6:6). Furthermore, another informant claimed that when working in a multinational matrix organisation leaders had to deal with a higher level of contradictions and conflict. They said that there was a high degree of uncertainty involved in operations and that especially when dealing with uncertainty and ambiguity, leaders needed to be able to trust their employees, for example, when making decisions for remote locations with unknown environments or underlying conditions without knowing details (Interview 14:4).

One informant found it challenging that every part of the MNC had its own peculiarities and there were different stages of maturity in the MNC. They emphasised that patience was needed to keep direction and be persistent even in difficult times and that, "If you are a hectic person jumping forth and back all the time you would not manage to be successful" (Interview 6:4-5). It was also noted that offending employees and aggressive behaviour could have a negative impact on performance, as one informant had experienced (Interview 15:3).

Two others reported that in difficult times it was important to communicate organisational visions and optimistic perspectives to give direction and motivate employees (Interview 6:6; 24:4). The shadowed leaders demonstrated transformational leadership, decentralised decision-making, experimentation and encouragement of change (Field notes/CEO1:13, 7, 30; CEO2:64).

Another informant claimed that the leader had to transmit calmness to followers and other stakeholders when dealing with uncertainty, complexity, rapid change and crisis. It was stressed that it was not only important to calm down, but to increase communication and to distance oneself from the situation, to take time to reflect, to assess and react to difficult situations (Interview 8:4; Interview 2:2). The slowing down of reaction time and staying composed at all times represents a key point in the findings of this research but, as indicated previously, in the literature, this topic has not been sufficiently written about. Only Berard (2013) mentions briefly that leaders have to be calm.

Comparing and contrasting CEO 1 and CEO 2 – communication and leadership styles

Both CEOs came across as highly competent and successful given their different, but nevertheless complementary personalities and leadership styles. CEO 2 usually displayed a humble and calm impression (Field notes/CEO2:1; 12; 37; 39). He listened, appeared modest and was reserved (Field notes/CEO2: 21; 33; 59) but sometimes his voice became loud suddenly and he then spoke forcefully. He was at all times determined and clearly stated his expectations (Field notes/CEO2:22). During the entire observation, CEO 2 was quick and energetic (Field notes/CEO2:25; 38; 42).

Whereas CEO 2 explained he liked having an influence (Field notes/CEO 2: 31), CEO 1's principal motive was that he enjoyed engaging in relationship-building with people and in particular, with people from different countries (Interview 14:3). CEO 1 exemplified leadership as described mostly in the American literature, especially when dealing with foreign cultures, most probably because he spent a long period of time in foreign countries and in the United States. Through his open, natural, friendly and humble behaviour, he appeared to be authentic and down-to-earth. He was polite at all times and humorous. He did not use dictatorial or power-oriented behaviours.

Key similarities in communication

Both CEOs were highly competent communicators, respected, admired for their abilities and personalities and acted as role models. Their perceived competence enhanced charisma. They spent most of their time communicating on the telephone, in meetings or in tele-conferences and dealt with a multitude of different topics simultaneously and with employees or other stakeholders. Both CEOs made their expectations clear and asserted themselves with the raising of their voices.

Often information they needed to deal with was overwhelming. They had to know about diverse issues in many areas (Field notes/CEO1&CEO2: meetings and telephone conferences). Handling this complexity required holistic perspectives. Both CEOs saw the 'big picture' and were excellent listeners, demonstrating an interest in what employees had to say. This openness and their friendly and polite demeanour made both of them easily accessible so that employees could share and trust information with them. They also transmitted calmness to employees so that they remained composed in stressful situations. Moreover, they demonstrated a strong, positive disposition.

Both CEOs were highly aware of happenings in their surroundings and the environment. This became clear in a meeting with CEO 2 about trends in society (Field notes/CEO 2:3-4) or by CEO 1's constant taking into consideration foreign cultures' behaviours, preferences or events (Field notes/CEO 1:2; 33).

For decision-making, both CEOs had to choose from different options which employees prepared for them (Field notes/CEO2:19) or found solutions through discursive dialogue (Field notes/CEO 1:30-31; CEO2:3, 9, 17). Topics were followed up and consensus was reached when making decisions in accord with Osland's and Bird's (2004) Effectiveness Cycle (Field notes/CEO 2:11, 36, 15 & CEO 1:21). In meetings, they attempted to include all viewpoints, pointed out key aspects and summarised proceedings and decisions made at the close of the meeting. It was impressive to observe how both CEOs asked questions to understand underlying interests and hidden meanings. Difficult issues such as fears of employees were addressed openly. Both of them discussed mainly business indicators in their meetings and were proficient at English. They spent much time interpreting, recalculating and analysing numbers and figures which were discussed and compared, for instance, forecasts based on the previous year and budget plans.

Key differences in communication

It was important to note that CEO 2 steered the communication in meetings and decision-making more forcefully than CEO 1 who interfered less in the process. CEO 2 stated his opinion and ideas more clearly than CEO 1. Also CEO 2 expressed his intention to transmit aggressiveness in a certain situation. This was a statement of power to appear more forceful and strong. CEO 1 was not found to project aggressiveness during the shadowing period but to transmit calmness and composure at all times.

CEO 1 wanted to create new channels to increase communication, such as a newsletter, and tried to listen as much as possible to their employees as well as ask questions of workers in the production area (Field notes/CEO 1: 13). Furthermore, CEO 1 and 2 communicated the company's vision. However, CEO 2 utilised values more often for making decisions in specific situations, enforcing his choices by building up his arguments based on these values.

CEO 2 was more careful and reserved than CEO 1 and was normally calm in his dealings. However, on occasions he had a tendency to suddenly use a higher-volume voice which seemed to stimulate people, especially in long meetings. He closed doors noisily and was very dynamic. Confidence was expressed when he said that he was firmly convinced of what he thought. With his resolute appearance and steering of the conversation using questions, he gave a strong sense of direction. On the other hand, CEO 1 found direction and made sense of situations through teams. Sharkey, Razi, and Cooke (2012) recommended this sense-making and finding of direction through teams for multicultural leadership situations. Perhaps it was characteristic for their work as CEO 2 was responsible for the whole organisation whereas CEO 1 was responsible mainly for the most international business unit of the same MNC.

CEO 2 was dealing with more national situations during the shadowing period, whereas CEO 1 was dealing more with multicultural situations and thus their approaches to giving direction, communicating and making decisions differed. CEO 2's decision-making style seemed to be more responsive to German employees' expectations of leadership as informants found it important that leaders gave clear directions (Interview 19:2). In the analysed position descriptions for global leaders, emphasis was also given to strongly steering employees or teams and giving direction (Position description 2). However, differences of style and approach could have been dependent on the situations taking place during the shadowing period and might be different at other times.

Both CEOs used an inquisitive style of communication. CEO 1 asked almost as many questions as CEO 2. In both CEOs' meetings, participants talked about what should or should not be done and what could happen. CEO 2 summarised and highlighted significant factors or difficulties. Then, the others added what was missing. Participants in meetings complemented each other in the discussions. When CEO 2 found that there was something missing he asked carefully: "…maybe I have missed it ..." (Field notes/CEO 2:48).

When making decisions, CEO 1 did more listening than talking in meetings. CEO 2 talked more. There were certain parts of meetings which CEO 1 was coordinated and steered more strongly but compared with CEO 2 he was interfered less. It was characteristic of CEO 2 to say in a high volume voice, "Here we stop!" or "That's it. Full stop!" When the others offered explanations, he approved in a dynamic fashion: "good", "ok", "right" or "understood", "already clear", to speed up communication or terminate a topic or meeting and to go to the next. CEO 2 frequently said what they had to do. Whereas CEO 2 pushed the participants towards decision-making, CEO 1 did not interfere as strongly in the process. However, in both cases decisions were made collaboratively. Thus, while it was noted that there are differences in styles of decision-making and communicating, both appeared effective. CEO 1's long experience abroad clearly had had a strong impact on his behaviour.

CEO 2 explained his opinion in a determined way. He clearly stated his preferences; what he liked and what he did not like. He also pointed out the purpose of the discussion. Often he reminded meeting participants of the matter on which they all had to agree. All of the participants quickly highlighted important aspects, sharing their thinking about the topic. CEO 2 then listened carefully to everything they said. The others explained plans or processes. They then agreed on what had been said. After that, CEO 2 made a proposal about how to deal with the topic. He further gave similar examples from his previous experience. He mentioned an alternative or Plan B. CEO 2, or another person, then summarised the most important points and procedures. They added other relevant issues. CEO 2 listened or made short and precise comments. He asked clarifying questions and sometimes explained which steps to take and in which order (Field notes/CEO 2:7). As earlier noted, this process of decision-making strongly resembled Bird's and Osland's Effectiveness Cycle (2004).

CEO 2 could also be very direct with German natives when he did not approve of something (Field notes/CEO2:23), whereas CEO 1 formulated criticism more carefully, saying, for example: "With this thing I have a little topic [suggestion]…" (Field notes/CEO1:16). CEO 1 emphasised that for him it was particularly important to create a welcoming atmosphere which made him easy to approach (Field notes/CEO1:28). Whereas the above-mentioned directness of CEO 2 might be appropriate in Germany, it would likely have a devastating effect on employees or stakeholders from other countries, which surely was known to CEO 2.

Similarities in learning skills

CEO 1 and CEO 2 were extremely interested in learning about the MNC's situation and environments. This strong interest motivated them to ask a multitude of questions to uncover hidden meanings and enhance understanding. They had worked also in different areas and positions of the MNCs to broaden their experience and prepare themselves for their respective positions. High levels of curiosity and openness also led them to participate in this study. Indeed, CEO 1 said that he participated to improve his leadership style!

Differences in learning skills

CEO 1’s excellent learning skills were reflected in his proficiency at speaking five languages and he was also learning Chinese. He highlighted that he was motivated to learn about people and in particular about people from other countries and their cultures. Therefore, he conversed readily with employees at lower company levels and studied particularities of cultures. This was demonstrated in the shadowing (Field notes/CEO 1:4; 13; 33) and the interviews (Interview 14:6-7).

On the other hand, CEO 2 was working with a coach learning about diversity issues (Field notes/CEO2:16). Furthermore, he showed high levels of openness and curiosity about details in regard to all topics presented in meetings. He was an excellent learner who remembered an astonishing variety of detail (Field notes/CEO2: meetings).

CEO 1 lived abroad for a long period of time and had learned how to adapt to and effectively deal with other cultures. He had also learned how to adjust behaviour and communication to specific attributes of culture. Through this learning his leadership style could not anymore be identified as typically German. This could be seen, for example, in meetings where his behaviour differed from that of his peers and also in comparison with CEO 2, for instance, in his more careful way of expressing criticism and a more indirect style of communication.

Similarities in trust- and relationship-building

During shadowing, it was clear from both leaders' behaviour that building trust and relationships were important and that they tried to enhance awareness about the value of trust (Field notes/CEO 2:3; CEO 1:1). Furthermore, their participation in this research study was an indicator that they trusted the researcher, whom they did not know before. CEO 2 pointed out to his followers that trust building was significant in the MNC and he explained how trust could be established and how it had a positive impact on employees' wellbeing (Field notes/CEO 2:3). CEO 1 displayed how he built trust and relationships during the period of shadowing, for example, when creating a trustful and confidential atmosphere or when starting off a meeting with an icebreaker which emphasised the importance of trust in leadership and teamwork (Field notes/CEO 1:28). CEO 1 and CEO 2 both listened to ideas and observations of employees and workers as doing so was considered necessary for successfully building trust and relationships (Field notes/CEO 1:13; CEO 2:58).

Differences in building trust and relationships

CEO 1 expressed that he enjoyed being around people and gave time in meetings, such as during breaks or talks over dinner in the evening, for socialising and networking (Field notes/CEO1:26). CEO 2 seemed less trusting than CEO 1, for example, when he made needed assurance that the researcher would keep information confidential and did not write about content of meetings (Research diary: 27). In the meetings observed with CEO 2, there were not always breaks (Field notes/CEO 2:48) and the researcher only experienced having dinner in the evening with one higher-level leader who participated in a meeting in the same day (Field notes/CEO 2: 27-28) whereas CEO 1 brought all subordinate leaders together (Field notes/CEO1: 26).

Similarities in degree of sensitivity and adaptability

Both CEOs were highly sensitive to their surroundings as could be seen in the awareness they demonstrated (Field notes/CEO1: 5, 13; CEO2:3-4). They adapted not only the MNC's strategy, vision and values continuously to the environment but also adapted to the respective circumstances or person they faced. Moreover, they were sensitive to 'reading between the lines' (Field notes/CEO 1: 4; CEO 2: 2), which is considered to be a very important quality of good leadership!

Differences in degree of sensitivity and adaptability

CEO 2 was sensitive to people and situations in general and his personality seemed to assist in dealing with other cultures and with adaptation. He was careful, respectful and polite so that he did not clash easily with others. Furthermore, he asked his subordinate leaders abroad to interpret situations for him or to guide his actions (Field notes CEO 2:2). CEO 1 became highly effective in dealing with foreign cultures as he enjoyed learning about these cultures' habits and peculiarities (Field notes/CEO 1: 33). Each time he went abroad he prepared himself for cultural differences and adapted his communication and behaviour. Working abroad for many years had given him enough experience and exposure to become highly flexible and to intuitively adapt to the respective circumstances. Both CEOs showed sensitivity and adaptability. However, CEO 1's passion for cross-cultural themes and his long experience abroad resulted in a more in-depth approach to specialisation in the respective culture and consequently a very high level of sensitivity and adaptation, even higher than CEO 2's successful approach.

Similarities in leadership building multicultural and remote teams

Both leaders used a team-oriented style of leadership and steered teams which were not only multicultural but dispersed all over the world. CEO 2 said: "For me it is always better to present a team result than to present a result that I have just made by myself" (Interview 26:3). CEO 1 noted immediately when a leader did not mention his or her team in a presentation of results and expressed his disapproval of this (Field notes/CEO1:25). Both leaders were aware that it was crucial to increase communication time with multicultural team members. CEO 2 pointed out that there had to be much talking and more team meetings than with monocultural teams. He explained that in Germany meetings normally take only 60 minutes because they are structured and proceed from point to point on the agenda, but that with other cultures more time and longer discussions were needed. There also might be more questions and concerns. In this situation, CEO 2 recommended that the responsible manager should be prepared to prolong the meeting and should be willing to work with details (Interview 26:6).

Differences in leadership building multicultural and remote teams

During the shadowing period, it seemed that CEO 2 led these teams more indirectly than CEO 1. As most leaders in senior leadership positions were German nationals, CEO 2 frequently dealt with multicultural teams through these leaders. However, he interacted with leaders in other countries directly, for example with a CEO from China. Perhaps at periods of time other than the shadowing period while travelling, he might have interacted directly with multicultural teams but this did not come out during observation.

CEO 2 mentioned that the main difficulties in leading multicultural teams resulted from diversity, from different behaviours, languages or time zones (Interview 26:6). CEO 1 claimed that, for many, diversity was the main challenge but for him it was more about understanding the faraway markets, leadership circumstances and, more than anything, to give the employees what they needed - appreciation and presence, and finding the time to visit and communicate with all locations (Interview 14:3).

CEO 1 believed that it was important to create,

> … an understanding, overcome prejudices if there are any, trying to separate personalities from the business questions…It is the challenge that people get to know the countries better … people need to understand a bit more the cultural context of our business partners and our employees that's at least what I try to do when I am travelling… I try to ask clever questions about the country if it is politics or religion or the school system or family life. That already creates a certain trust… (Interview 14:7)

Thus, CEO 1 was highly aware of the importance of building trust in the leading of multicultural and remote teams.

Similarities in dealing with complexity, diversity and turbulent environments

Both CEOs demonstrated, during the shadowing period, composed behaviour and a relaxed disposition which was transmitted to employees. Calmness assisted in dealing with complexity and information overload. CEO 1 pointed out they often had to make decisions not knowing all the details and needing to deal with so much ambiguity. Therefore, he claimed, it was paramount that global leaders trusted their employees to guide them through uncertainty (Interview 14:4). Thus, reflecting their good communication skills, both CEOs tried to be as informed as possible about the circumstances they were dealing with.

Differences in dealing with complexity, diversity and turbulent environments

CEO 2 had introduced a 'diversity steering committee' which took action, created awareness, undertook research such as interviews and questionnaires and set targets. This committee wanted to eliminate existing barriers to diversity in a collaborative effort. CEO 2 focused attention on taking up a local approach and concentrated on needs, barriers and issues in the regions (Field notes/CEO 2:64). CEO 1 on the other hand, when working in the United States, had made employees engage in foreign language learning to overcome prejudices (Field notes/CEO 1:12).

Table 6 (b) that follows, summarises the similarities and differences that were observed in eight areas of the respective roles of the two CEOs.

Table 6 (b): Comparison of the participating CEOs' proficiency in global competency

	Similarities	**Differences**
Motives		**CEO 1:** Relationship-building, particularly with people from different cultures **CEO 2:** Influence
Communication	Clear and concise, charismatic, polite and respectful, positive disposition, discussion of business indicators, proficient at English, inquisitive style, communicate the vision, assert themselves through raising of voice	**CEO 1:** Open and accommodating, found consensus through teams and only intervened when necessary, non-aggressive behaviours, listened more **CEO 2:** More reserved and careful, steered communication strongly, occasionally wanted to project aggressiveness, linked argumentation often to values, spoke more
Decision-making	Solutions found through discursive dialogue or choosing from options, fostered consensus, decisions made collaboratively	**CEO 1:** Made decisions mainly through teams, interfered when necessary, less direct way of criticising **CEO 2:** Had a strong impact on decision-making, style responded to German expectations, interfered strongly in the process, stated his opinion and preferences clearly, gave examples from his long experience, direct way of criticising
Learning skills with high levels of openness	Strong interest in situation and environment of the participating MNC,	**CEO 1:** wanted to improve leadership style, learnt Chinese, had learned four foreign languages, strong desire to understand people

and curiosity	asked multitude of questions, broad experience in different functions and positions, open and curious	from different cultures, long experience in living and working with foreign culture **CEO 2:** had learned two foreign languages, participated in coaching, remembered astonishing amount of detail
Building of trust and relationship-building	Enhanced awareness about trust, listened to others, modelled trust	**CEO 1:** brought people together, very trusting **CEO 2:** more careful in trusting
Higher degree of sensitivity and adaptability	Highly sensitive and aware, adapted effectively to people and surroundings, aware of 'meaning between the lines'	**CEO 1:** prepared for meeting other cultures, experienced with other cultures so that he adapted intuitively, highly flexible **CEO 2:** Careful, respectful and polite behaviours, asked employees in foreign locations for advice and guidance
Leadership in building multicultural and remote teams	Team-oriented leadership style, steered multicultural and remote teams, aware that communication in multicultural situations can take longer than in monocultural situations	**CEO 1:** Main challenges were far away markets and their leadership circumstances and finding time to visit and communicate with all locations, highly aware of importance of trust in leading remote and multicultural teams **CEO 2:** Main difficulty was leading diversity and time zones, during shadowing period led multicultural and remote teams more indirectly than CEO 1
Dealing with complexity, diversity and turbulent environments	Transmitted calmness, composure and a relaxed disposition to employees, dealt with ambiguity and lack of information, increased communication	**CEO 1:** made employees learn another language to overcome prejudices **CEO 2:** introduced 'diversity steering committee', took up a local approach concentrating on needs of the regions

Summary

Findings indicate that, for leaders of MNCs, global competencies necessary to be successful are many and multi-faceted. From those identified, six stood out from all the rest as being key core competencies. These were classified and ranked according to their perceived importance. In order of importance they were found to be the following: clear and concise communication; excellent learning skills marked by high levels of openness and curiosity; successful trust- and relationship-building; leadership in building multicultural and remote teams; a superior degree of sensitivity and adaptability; and the ability to deal effectively with complexity, diversity and turbulent environments.

It was evident that clear and concise communication skills are crucial for *all* leadership activities. This finding is in accord with all the literature reviewed in the area of leadership which, however, does not indicate competency priorities. Moreover, the emphasis given to politeness and respect that could avoid misunderstandings, has not been pointed out sufficiently in the literature. It would be good to see more research done on this topic.

While controversy exists in the literature concerning the use of only one style of communication around the world as opposed to adapting communication styles to cultural differences, it was nevertheless widely believed by leaders in this study that it is important for communication styles to adapt to different cultural settings. And effectiveness of communication was seen to be enhanced when employees offer their opinions, criticise and discuss, processes which are not commonly accepted in every culture.

In the participating MNC, discussions had to be kept short as time was scarce, although the literature emphasises the significance of exchanging tacit knowledge and the fostering of relationships in meetings. Findings suggest that more time for discussion is required when communicating with multicultural rather than with monocultural teams and that experience with multicultural teams and intercultural training could enhance effectiveness in managing meetings.

It was believed to be important for remote team members to meet regularly with their peers and the team leaders, in order for trust to be established. Much communication between the locations of the participating MNC took place via telephone conferences, albeit in these, understanding was sometimes hindered by technology. Telephone conferences and face-to-face meetings were mainly used to discuss and analyse business indicators to align actions and update employees about developments in different areas of the MNC.

Trust was found to be the fundamental element in relationship- and teamwork-building and that effective communication and supportive behaviours can foster trust which, in turn, can have a very positive impact on company performance. Sharing information, making positions clear and establishing face-to-face meetings are likely to bring about higher levels of trust, whereas indiscretion leads to a loss of trust.

Leaders believe that team tasks need to be divided between team members by capability, competence and interest so that cultural misunderstandings can be avoided. Chinese should, for example, deal with Chinese customers as they have the most expertise concerning the Chinese market and cultural norms. This kind of practice is important as Germans were predominant in the participating MNC and did most of the strategising. Unfortunately, there is a dearth of literature in the area of empowering locals in regions served by MNCs.

Leaders of MNCs also observed that sensitivity and adaptability are required when working across cultures as engaging in this way has a marked impact on relationship-building, reaching targets, being open to others' ideas and adjusting products or services to diverse needs.

Global leaders also have to deal effectively with complexity, diversity and turbulent environments brought about by globalisation. Employees have to be granted freedom to react flexibly to these circumstances. Findings demonstrate that leaders have to keep up with rapid change and unplanned events. In order to anticipate developments and consequences, leaders need the skills of change management, multitasking, and analysing and conceptualising ability. As increased uncertainty and ambiguity are involved, leaders need to rely on their employees in foreign locations for advice. The increasing complexity, information overload and difficult times seem to require that leaders transmit calmness to employees. In such circumstances leaders need to reflect, assess and slow down their reaction times. It is a pity that his topic of the necessity for leaders to be calm and allow time for reflection in interchanges also has not been addressed adequately in the literature on global leadership.

It was clear that excellent learning skills characterised by high levels of openness and curiosity are required by global leaders for their continuous improvement. As many informants stressed, only leaders with open minds are able to accept culturally-different approaches.

This chapter began by revealing what key competencies were found in the working lives of the global leaders studied and concluded on a comparative note where the similarities and differences in competencies of the CEOs' leadership styles were depicted. Findings from the researcher's shadowing of both CEOs demonstrate, albeit in different ways at times, that they dealt very effectively with a multitude of topics, they acted as role models and were highly respected by their local employees. Their decisions were made mostly by discursive dialogue with those involved.

While CEO 2 exhibited a more direct communication and decision-making style than CEO 1, thus providing a strong sense of direction, CEO 1 led more through teams, only intervening in discussion when necessary. Both CEOs made decisions collaboratively but in different and no less effective ways. Whereas CEO 1 tended to be more open and accommodating, CEO 2 was more reserved and careful. However, the latter coped with criticism more directly than CEO 1. CEO 1's team-led style was the preferred model in the literature for dealing with cross-cultural situations (Lang, 2010), CEO 2's leadership style seemed to be well-adapted to German expectations. Of interest however, is that during shadowing, CEO 1 provided subordinates with more opportunities to socialise and network than CEO 2, so developing camaraderie and good levels of trust between members of the organisation. Both CEOs exhibited sensitivity and adaptability through awareness and their ability to adapt to change.

For CEO 2, dealing with diversity proved the main challenge in exercising global leadership, whereas CEO 1 saw finding time for communicating with employees in all locations as the principal difficulty. That said, the behaviours of both were seen to be complementary.

Building on the findings presented in this chapter, the focus of the following chapter is practical in nature. It proposes a professional learning framework for the acquisition of and training for attaining global leadership competency as well as offering a model that could be applied for recruiting global leaders for multinational companies.

Chapter 7 - Organisational Development and Recruitment Models for Global Competency Leadership

Introduction

Practical implications of the global competencies identified in the previous chapter are spelled out in this chapter. Models are suggested for how these competencies might be developed for leaders in MNCs and what strategies these companies might use for identifying and recruiting leaders who either possess these competencies or who are assessed as having the potential to develop them.

Formulated from the findings of this study, first, a learning development framework for global leadership based on the iterative nature of the learning cycle, is introduced (see Figure 7 (a)). Additionally, a model for recruiting global leaders which depicts a number of attributes needed by the prospective leaders (prerequisites, key competencies, methods and relevant knowledge, experience, traits and motivations), is presented.

Both models should be of utmost interest to MNCs that support developmental, triple-loop learning for their global leaders. Moreover, their human resource departments which are finding it difficult to recruit, train and develop enough leaders with global leadership competency should benefit significantly from adopting such models. As mentioned in Chapter 2, no models have yet been suggested for professional development and recruitment of global leaders. Implementing such models could assist MNCs in overcoming this scarcity of suitably qualified global leaders and could also help to address their leaders' needs for initial and/or ongoing learning of the competencies that are so necessary for carrying out their roles effectively.

A training and development model for global leadership competency

The learning development framework proposed for global leadership incorporates a continuous experiential development cycle which can be enhanced by coaching or mentoring. It focuses particularly on developing and enhancing the six core global competencies identified from the findings.

As indicated in Figure 7 (a), participants in this experiential development program would progress through the scaffolding levels of baseline, expatriate and multicultural leadership before attaining global leadership competency level. However, they could start their learning at different points along the development spiral depending on their previous learning about and experience in exercising global competencies. It is argued that only this continuous experiential form of learning will allow candidates to move from the developmental stage of baseline leadership up to the next levels of expatriate leadership, multicultural leadership and finally to global leadership which is the most complex of these development stages. The spiral which revolves around the arrow of experiential development represents a pedagogically-sound iterative learning cycle which, by definition, is ongoing. This cycle is divided into four iterative phases: needs analysis, curriculum design, implementation and evaluation, and outcomes.

The desired outcome is attainment of the six key competencies identified. However, attainment of these is not necessarily the end of the leader's learning. Because of regular monitoring of outcomes, changes in the environment and new needs appearing as a consequence, leaders with new needs or who need to refresh their former skills would re-enter the learning cycle. Depending on their learning needs, as assessed by a needs analysis, the first stage in the cycle, the candidate would join the learning cycle at the point or points where there is most need, whether this be for further training, coaching or mentoring. Curriculum development would need to be kept up to date as changes in the MNC and the global environment in which it operates, take place.

Ongoing professional learning (lifelong learning), student-centred and outcomes-based learning are three key principles underscoring this iterative learning cycle.

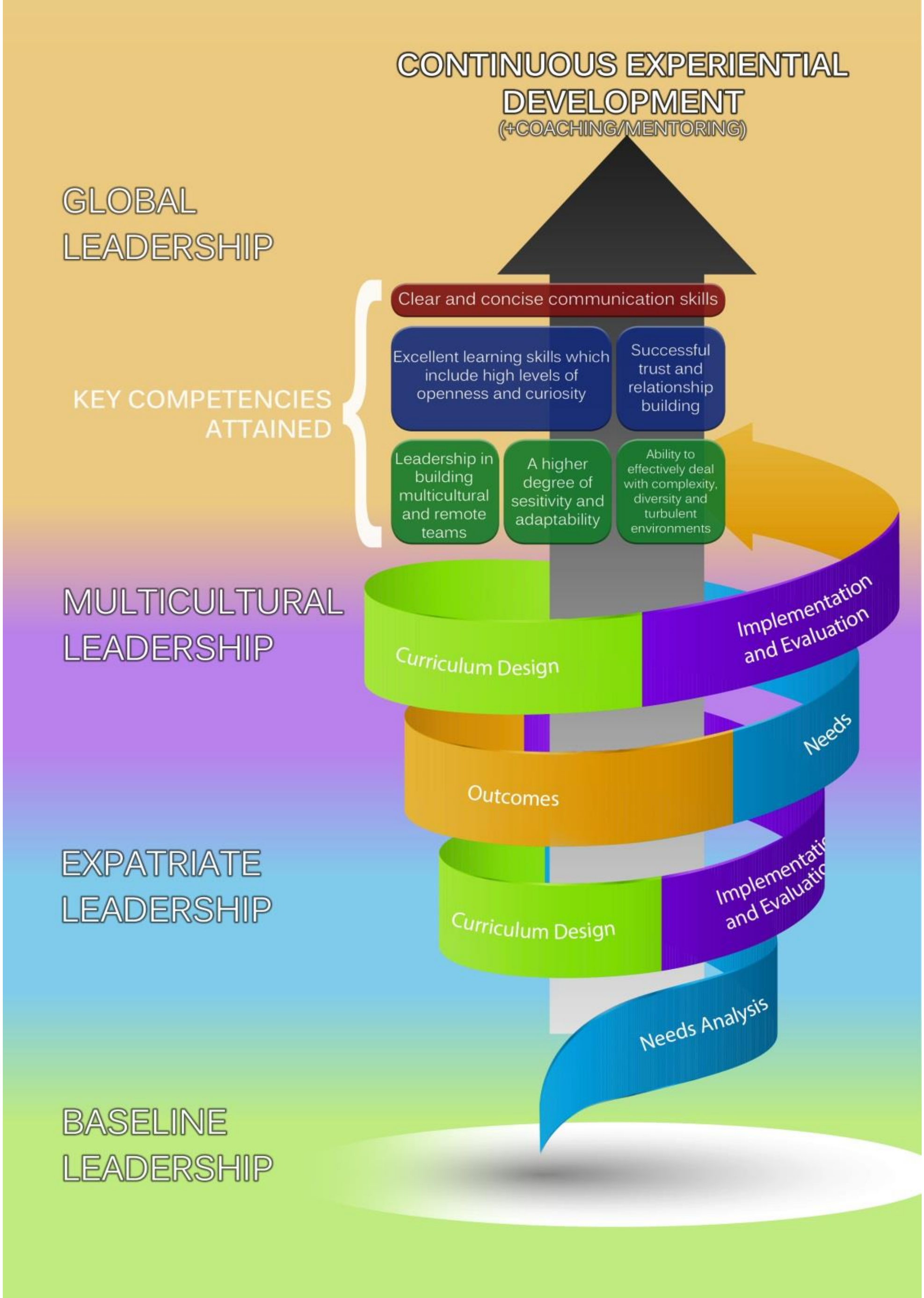

Figure 7 (a): A Learning Development Framework for General and Functional Global Leadership

The framework's four vital elements

The four elements explained in what follows have drawn upon the models reviewed for training and development in Chapter 4. Those discussed were the Components of Development Experience, the Experiential Development Model (Bruner, Conroy, & Snell 2012). Other ideas have been sourced from Gundling, Hogan, & Cvitkovic, (2011); Woolcock, (2011); Songlori (2001); Johnson (2008); Oddhou & Menderhall (2013) and Berard (2013).

(i) Needs analysis

The first and substantial part of the iterative learning cycle for trainees in the development program is a holistic needs analysis as mentioned in the literature review (Chapter 4). Essentially, this involves identifying specifically what global leadership candidates already know and what they need to know, and, importantly, allows for customising the skills training for their development

A key aim is to provide these trainee candidates with the most effective means of preparation for their specific target work situation, taking into consideration all their learning requirements and the needs of the respective MNC.

(ii) Design of curriculum

Global leadership development would need to begin as early as possible as it is continuous and a life-long process. The training and development programs would be based on the six key competencies for global leadership identified in Chapter 6. Factors which enhance the acquisition of global competency skills that were identified in this study (Chapter 4/p. 95-100) would need to be considered when choosing candidates for development and training and planning the curriculum for the respective programs.

Programs for global leadership development in MNCs would need to be grounded in organisational and adult learning (androgogical) principles. Findings of this research are of high significance as they indicate that experiential learning measures are the most effective form of competency learning and informants confirmed that learning occurs from trial-and-error. Thus, it will be important for candidates to demonstrate a strong learning orientation, an acceptance that learning processes are not perfect and errors will occur, but that learning eventuates from these errors. The curriculum is based on the principle that development of global leadership competency has to be continuous as it takes years of experience to bring about global competency in leadership.

It is recognised that classroom training alone cannot develop the desired competency but only adds knowledge and creates awareness. Hardship experiences and exposing candidates to situations which challenge their comfort zones are seen as not only highly effective but necessary in multicultural contexts. This raises the questions of how trainees get this experience and when in the learning cycle of the Framework they get the chance to try out what they have learned either in their home country or in an overseas context. Experiential development can also be carried out as apprenticeships or take place in communities of practice where participants in similar situations come together on a regular basis to discuss and consult about their learning. Participants need to reflect upon their experiences and this reflection can become more effective when guided by a coach.

In order to provide participants with a diverse range of learning experiences, MNCs would need to establish a global talent pool from which candidates for global leadership development can be drawn. Doing so should result in better and more positive outcomes. Contextual considerations, which should include cultural aspects, need to be taken into account by course developers and curriculum planners in company human resource departments.

Global leadership development can become most effective if participants show high levels of curiosity and openness for learning and become self-directed learners. Reliance on ‘off-the-shelf’ learning is not the solution and thus participants must embrace experiential learning, although it might be difficult in terms of their comfort levels.

(iii) Implementation and evaluation

The implementation and evaluation phase in the framework suggested can be incorporated into the Model of Experiential Development as depicted in Figure 4 (d) (Bruner, Conroy, & Snell 2012) which was introduced in Chapter 4, p. 93. Development should begin with observing the performance of the participant and carrying out a formative assessment collecting information for feedback and a holistic needs analysis which can then be used for specific training. After this training, planning for experiential development can start and a coach or mentor can consult with the learner who then can begin the experiential development phase. Effectiveness of this phase of learning can be enhanced as mentioned before by coaching or mentoring.

Following this experiential development phase, another formative needs assessment can be carried out to identify strengths and further needs for learning. Identified weaknesses can then be addressed and overcome by receiving specific feedback and coaching. Performance would be monitored after this feedback or training to provide summative assessment for final evaluation of this experiential development phase and for guiding the participant's future performance. However, learning for global competency leadership needs to be ongoing. Therefore, the cycle described in the suggested Framework starts all over again by observing the participant's performance and preparing for another experiential development phase.

(iv) Outcomes

For participants in the program, the iterative, triple-loop development process aims to bring about deeper understanding of concepts and elements of global leadership, a global mindset, and to draw on experience gained 'in the field'. Essentially, the whole learning cycle is geared to enhance the self-efficacy of its global leaders.

In this process, most important is the acquisition of the already mentioned key global leadership competencies which can only be attained through long years of experience. Therefore, programs would need to be competency-based in order to obtain the desired outcomes.

An important outcome of the continuous cycle of learning will be the need to develop an ongoing monitoring system to ensure that global leaders are keeping up to speed with change. New skills will be needed when changes occur in the organisation or when, in an ever-changing world, external contingencies will dictate a new order of operation for global leaders.

A recruitment model for global leadership competency

The discussion now turns to implications for recruitment, where it has been recommended that MNCs concentrate on the discovery of high-potential candidates, develop them further and then move them to a position where they can grow by experience (Ming, 2009). The global leadership competencies which have been identified in this study and their underlying behaviours, skills, traits, knowledge and motivations can be of significant assistance in the recruitment process. Furthermore, a holistic needs analysis should determine the candidate's profile. There must be a tight match between the position statement and the candidate's profile, as well as an indication of their potential for development. These procedures correspond to the approach implemented by the MNC under investigation in this study and importantly, indicate how they link with the Learning and Development Framework for Global Leadership introduced in the previous section.

Informants suggested that holding double-degrees (Interview 6:2) or a broader approach to tertiary study (Interview 25:4), learning from mistakes (Interview 4:4), leading multicultural teams (all interviews), operational knowledge and long and broad experience, working with mergers and acquisitions and understanding the significance of balancing the central with the local roles (Interview 26:5) are prerequisites for global leadership. In addition, findings of this study indicate that global leadership candidates should have the following: skills in working with multicultural and remote teams, a strong learning orientation and a relationship orientation; or strength in relationship development. They also need to show interpersonal initiation, curiosity and openness, a strong interest in personnel development and be able to tolerate and manage uncertainty, ambiguity and rapid change.

One informant predicted that individuals from multicultural backgrounds would have advantages regarding employment for global leadership in MNCs (Interview 1:2). The literature stresses as well the advantage of candidates who have been brought up with more than one language and culture (Lang, 2010).

When recruiting for global leadership, prerequisites for learning which are highly significant for global leaders' engagement in ongoing learning, need to be clearly specified and assessed. They should thus be selection criteria The candidate's suitability needs to be identified by senior managers' judgment and observations. The personnel or human resources department should carry out interviews with a specific interview guide for global leadership based on relevant selection criteria (Appendix Q) and use the previously mentioned psychometric tools for measuring personality traits. Berard (2013) recommends making use of assessment centres when recruiting candidates for global leadership as assessments, performance ratings and 360 degree feedback can also be effective. A note of warning needs to be sounded here however, as care must be exercised to ensure that personnel in these assessment centres have the appropriate knowledge and expertise to carry out the recruitment tasks competently.

It became clear from the content analysis of the participating MNC (Competency Model, 2011) that the elements which are mentioned in ‘The Triangle of Truth’ (Chapter 4:102) can be used as guidelines to recruit and then further develop and train for global leadership. The required knowledge, experience, competencies, behaviours, traits and motivation demonstrated in the ‘Triangle of Truth’ in Figure 4 (f), p.102 have to be compatible with the MNC’s strategy, vision and values. It is unlikely that a candidate will possess the knowledge, motivation and experience and match all the traits, competencies and behaviours identified in this research (Appendix J). Consequently, a lack of global competency skills is to be expected but these can then be acquired by further training and development.

Taking into account what has been discussed above, the model as depicted in Figure 7 (b) on the following page, also developed on the basis of the study’s findings, draws together the most important aspects involved in recruiting global leadership candidates. These are shown in the Figure as the prerequisites for learning global competency, the six core competencies that need to be learned, and processes involved in recruitment.

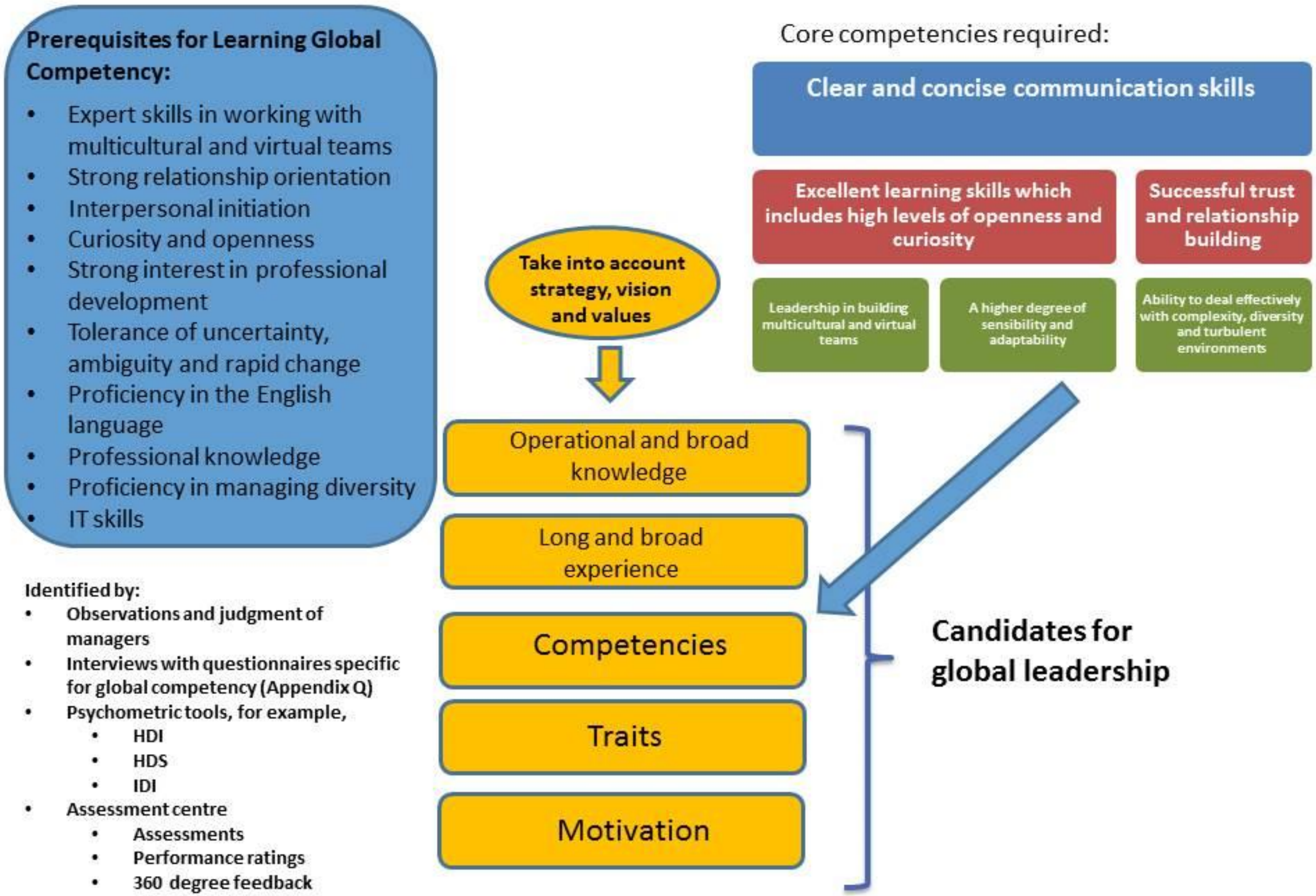

Figure 7 (b): Recruiting Global Leaders

Source: Adapted from Oddou and Mendenhall (2013:223), Oliver, Church, Lewis, & Desrosiers (2009) and Berard (2013:50-52)

Summary

Findings of the study indicated a two-pronged practical need – the first, a need for an iterative learning framework in order that global leaders might attain a higher level of global competency, and the second, a need for a model that would aid in selecting and recruiting suitable candidates as global leaders for MNCs.

The Learning Development Framework for global leadership was based on well-founded learning principles using an iterative learning cycle. This continuous experiential development through the scaffolding stages of baseline, expatriate, multicultural and finally global leadership development should become more effective by combining it with coaching or mentoring. The iterative learning cycle is comprised of four phases: needs analysis, curriculum design, implementation and evaluation and outcomes, and thus guarantees that learning is customised to the participant's needs.

The second model developed for the recruitment of global leaders should ensure that MNCs discover high-potential candidates who, in most cases, will not match all the characteristics, competencies and skills required for effective global leadership. However, via the learning development framework, these candidates will be developed continuously and grow by experience. As part of this learning cycle, the holistic needs analysis can not only define training and development needs but also assist in creating a candidate profile that actually matches the company's specific requirements. Prerequisites for the learning of global competencies which could act as selection criteria, are of high importance for recruiting the most promising global leadership candidates whose learning will be ongoing.

As indicated in Figure 7 (b), candidates should be identified by senior managers, via interviews and specific questionnaires, tested with psychometric tools using the services of proper assessment centres. Successful candidates need to develop not only the six key global leadership competencies but also a specialised range of appropriate knowledge, experience, traits and, not least, a high level of motivation.

It is hoped that both models will prove highly useful for MNCs and their global leaders and can guide human resources departments in effectively training and developing and recruiting candidates for global leadership.

The next and final chapter draws together the major threads of the thesis and offers conclusions and further implications of the findings.

Chapter 8 - Conclusions and Implications of Findings

Introduction

The key aim of this study was to identify activities, core competencies and skills of global leaders in multinational companies. It sought to understand how global leaders operate, how they acquire the competencies required in order to operate effectively in their roles, what means might be developed to assist in their acquiring and developing these competencies and what strategies might be able to be put in place to help MNCs recruit global leaders of a high order. On these themes, four research questions were posed which concentrated on:

1. What are the critical activities undertaken by global leaders in multicultural companies?
2. What core competencies do global leaders need to acquire in order to be effective?
3. How might these core competencies be effectively acquired and further developed?
4. What strategies are likely to assist global leaders in acquiring these competencies and MNCs in recruiting potentially effective global leaders?

This final chapter begins by addressing each of the themes of these research questions and goes on to explain some practical implications arising from the findings for training and recruiting global leaders of MNCs. What benefits are hoped to accrue from the study are then highlighted before the chapter ends by pointing to potential areas of global leadership that future researchers could pursue.

Three major conclusions arose from this study. The *first* is that the multi-faceted competencies seen to be needed by global leaders in MNCs seem to add up to more than the research literature suggests, with a number of these proving to be more critical than the rest. Following the time spent in the field shadowing and interviewing leaders of the MNC investigated, six top order (core) competencies clearly stood out from all the competencies identified and these were ranked in order of how important they figured in the roles of the global leaders as observed – first order, second order, third order and so on. These will be elaborated in the following two sections.

The *second* conclusion is that there seems to be an urgent need for MNCs, once they appoint their global leaders, to develop the core competencies they need. This could be put into effect by ensuring they experience a combination of the necessary experiential learning in the field coupled by engaging in a pedagogically sound, iterative learning framework. The study suggests such a learning framework which would be likely to assist in acquiring these competencies.

The *third* conclusion is that, owing to the growing urgency for MNCs to identify and appoint global leaders who can operate effectively in such a diverse and fast-moving global marketplace, these businesses might need to implement effective and more systematic means of identifying and recruiting the right kind of global leaders. Given this need, a model for such purposes was created from this study's findings that links conceptually with the learning framework developed.

Critical activities undertaken by global leaders

Much is expected of global leaders as their work seems to demand so much more than their counterparts in companies that do not operate in cross-cultural contexts (Wibbeke & McArthur, 2014). Because they interact with colleagues, clients, employees, suppliers and vendors from many different countries, the many and varied activities in which they are engaged may demand highly specialised skills and attitudes that go well beyond the bounds of baseline leadership. A select number of the tentative critical activities that arose from the study are presented here.

The overarching, all-important core competency labelled as a 'first order' (highest ranked) competency they seem to exercise over and above all their other activities identified was communication skills of the highest order. It can be seen in what follows how critical this competency seems to be, given the diverse and multifaceted activities in which global leaders of the MNC engage.

Use of clear and concise language seems paramount as global leaders must articulate powerful visions to bring about change and give direction and this skill was demonstrated ably by leaders who were seen to. They seem to be active negotiators, involved in convincing and influencing others. Thus, their interactions need to be sensitive, typically tactful and polite, especially in cross-cultural situations.

The global leaders studied are fluent speakers of English, which has become the language of international business. Findings indicate that they need to be adept in cross-cultural communication and behaviour, not only being able to switch to another language but style-switching to other cultures' behaviours, so avoiding misunderstandings and conflict. For leading effectively in foreign cultures, they demonstrated a strong relationship orientation, good people skills, honed by years of international experience. Furthermore, they found it necessary to listen well and ask a multitude of questions, in a range of different settings in order to understand situations better and discover hidden meanings.

It seems clear that being technologically savvy is a ‘must have’ competency for global leaders as they communicate regularly with remote team members. However, as virtual communication is not seen as a sufficient means of communicating, global leaders do spend face-to-face time with their team members in order to better understand their views and concerns.

Evidence from the study also seems to indicate that global leaders facilitate communication through discursive dialogue and decision-making in meetings. It seems highly significant for employees to be allowed and encouraged by their leaders to question and express criticism towards their superiors, not being afraid to make mistakes. As creativity may be enhanced in these ways, these strategies were seen to be practised on a regular basis. Thus, another activity of leaders seems to be creating an atmosphere where all viewpoints are valued and where employees feel free to speak up in the hope that their leaders would be offered more creative ideas and solutions.

Linked with encouraging creativity, leaders actively seem to seek keeping up with rapid change and fierce competition, because they view innovation as paramount. Scanning the environment for new ideas, and possessing a sound understanding of fields where innovation is applied and creativity is fostered, seems vital to effective organisational performance. It was noted that leaders worked hard to create an atmosphere conducive to the generation of ideas, experimentation and organisational learning. These activities demonstrated that each leader’s ability to draw upon learning skills of a high order.

Other major activities of global leaders noted were their ability to present, interpret and analyse business indicators for measuring the performance of their organisation, review progress, ensure that teams are on track, and update and align employees according to the directions the MNC is taking. They were also seen to engage in developing business plans and budgets on a global scale.

It was also observed that leaders motivated employees intrinsically, a ploy which, apart from accruing personal benefits, aims to raise organisational performance. Leaders said they believe it important to provide employees with challenging, exciting and creative tasks to foster their confidence and develop their skills.

As it seems that most work in MNCs is now carried out in teams, leaders have to take on the role as facilitators of teams which are becoming increasingly self-managing. They were observed to work hard to foster team spirit, involve employees, encourage collegiality and build trust to enhance collaboration. Furthermore, leaders needing to manage the teams' resources, communicate the company vision and resolve conflict constructively which also can trigger positive change and innovation. Conflict resolution skills seemed to be even more important for leaders when team members are culturally diverse.

Leaders also displayed competence by taking into account different teams' cultural backgrounds in managing decision-making. They have to communicate the teams' progress and needs to top management and management's requirements back to team members. However, in a globalised and IT savvy world, teams now seem to be increasingly multicultural and remote, which means that multicultural teamwork bears potentially a high risk of communication problems and conflict. Thus, leaders might deal with increased uncertainty, with different levels of meaning, conflicting views or methods. Differences in time zones and language were also seen to make multicultural and remote teamwork complicated. Therefore, it seems necessary for decision-making to be adjusted accordingly and all stakeholders could be included in the process to ensure that all their needs and actions are taken into account.

Establishing trust and ensuring productive relationships between employees and business partners were also observed to be key activities of global leaders. Because establishing trust between collaborating partners are often crucial for the organisation, especially when cultural diversity and distance of partners poses challenges, face-to-face meetings may be arranged by leaders in order to actively build and manage trust. The sharing of knowledge and decision-making, creating exchange opportunities between team members and visiting team members in their locations, may all assist in making teamwork more effective. But as it seems more challenging to gain commitment from remote team members, influence them and manage performance and knowledge from afar, vision building and setting up common objectives may become even more important for leaders of remote teams.

As their work increasingly requires team approaches, partnerships and networking, one of the core tasks of leadership of MNCs was seen as sustaining trusting relationships and strategic alliances. Trust seems crucial in interaction and relationship building and seems to have a positive impact on performance, collaboration and learning. For building trust, a leader's actions seem to have to reflect what is communicated and competence has to be proven. The building of relationships and trust seems even more important when operating abroad as leaders have to rely on local contacts for clarifying matters and checking if their underlying assumptions are correct.

It appears too that leaders need also to continually assess individual or team contributions and rewards. Rewarding may need to be personalised and adapted to culture. Other tentative important leadership activities were seen to be acknowledging results, thanking those they lead and praising their work. Celebrations may offer opportunities to show respect and gratitude, build a sense of community and to reinforce values in order to raise performance.

As leaders' behaviour, tone and way of leading seem to have such an impact on the organisational climate of the MNC and its employees, they are required to be role models by demonstrating transparency in their actions and a positive outlook. These seem not to be easy requirements.

Findings also indicate that managing knowledge is another critical activity required of global leaders. As knowledge workers, they must use intellectual competencies to solve problems creatively. In knowledge or information societies, as in Germany, it seems to be of critical importance for company leaders to manage knowledge in a way which can assure competitive advantage. Sharing knowledge may be facilitated by the leader and providing both positive and negative feedback on ideas generated by employees might act as an effective tool for learning.

As it may be a necessity for MNCs to be involved in constant organisational transformation in order to enhance competitiveness and keep pace with rapid change, leaders reported the need to modify organisational culture, challenge and assess organisational capacity and build it up where it is lacking in order to establish a worldwide community with a common purpose. Thus, a key activity in a leader's work seems to be facilitating learning at every level of an organisation. They thus need to be cognisant of the fact that not only creativity, flexibility and commitment can be enhanced by learning but that personal mastery, shared vision, shared mental models, team learning and systems thinking which provide the foundation of learning organisations, these can present the ideal model for today's business environments. Adopting this model implies that global leaders need to actively become involved in identifying and developing global leadership talent.

Ability to lead in complex, diverse and turbulent environments appears to be a must for global leaders, as they have to discover, identify and assess risk worldwide, be willing to make decisions with a lack of information and are faced with dilemmas with unforeseen consequences. Cultural intelligence can reduce risk inherent in rapidly-changing and volatile environments. It seems important for leaders to discuss risk evoked by cultural differences with locals. How to manage risk seems to be an important activity they must learn as employees need to be led towards higher (riskier) objectives for professional growth. Coaching and empowering employees can be seen thus as an important task.

Findings also point to global leaders having to learn constantly about trends and diverse stakeholder needs to adapt their strategies, processes and leadership styles. A deep understanding of the context has to be acquired to react appropriately. Unclear situations need to be analysed in a non-linear manner from different perspectives as situations can be read figuratively and loosely and often decisions have to be made under chaotic circumstances. Moreover, understanding their own environment or culture can assist in analysing the foreign context. It seems that effective global leaders must be highly sensitive to change and notice subtle nuances in the behaviour of others, their biases, and their cultural and social norms.

Furthermore, findings indicate that global leaders have to consider cultures of consumers and stakeholders and governmental or legal conditions all over the world in all of their actions and decision-making. In order to provide sufficient flexibility and enhance expertise for dealing with local conditions, leaders may need to empower 'locals' – that is, those who reside in the country in which global leaders are operating. But while locals can be included in decision-making, they might come from cultures where leaders make decisions on their own. This situation might offer challenges to global leaders who must listen to them, ask questions, encourage and reassure them.

Another critical activity of global leaders pertains to the constant ethical challenges they were seen to face. When operating globally leaders often seem to be exposed to illegal practices so that knowledge about legal conditions is necessary. Ethics and global social responsibilities should not be violated and care needs to be taken on issues that could be controversial, for example, issues of sustainability. Moral and ethical standards vary between cultures and often a middle course has to be negotiated to deal effectively with the situation. High degrees of sensibility and adaptability were thus reported as important competencies for global leaders to develop.

Core competencies global leaders need to acquire

It seems clear from the findings of this study and what has been discussed in the previous section on the critical activities of global leaders, that global leadership demands wide-ranging and specialised abilities of a higher order than those needed at a baseline level of leadership. While all of the competencies listed in Appendix J seem necessary in order for global leaders to be effective in their roles, six core competencies were found to stand head and shoulders above those listed. The six highest order competencies identified for global leadership arising from the findings are ranked as first, second and third-order competencies as indicated below.

Rank	**Competencies identified**
First order	Clear and concise communication skills
Second order	Excellent learning skills (including superior levels of openness and curiosity)
	Ability to secure high levels of trust and build successful relationships between employees and business partners
Third order	Competence in building multicultural and remote teams
	A higher degree of sensitivity and adaptability
	Ability to deal effectively with complexity, diversity and turbulent environments.

Findings from the case study conducted in this investigation and from the content analysis of the literature reviewed, indicated that the first-order, (top-ranked) core competency needed for global leaders to be effective was clear and concise communication skills. Next ranked from the findings pointed to two second-order competencies which were identified as excellent learning skills and the ability for leaders to secure high levels of trust between employees and business partners. The last three – competencies in building multicultural and remote teams, higher levels of sensitivity and adaptability and ability to deal with complex situations and turbulent environments, were ranked as third-order competencies. During the shadowing and other forms of observation as well as data gleaned from the interviews, these were identified clearly as the top, core essentials for effective global leadership. While much of the literature pointed to the importance of these competencies, for example Wibbeke &

McArthur (2014) point out the importance of competence in intercultural communication and interaction, in technological communication and in managing diversity and complexity effectively, this study was able to take a step further by identifying and ranking the top six.

How these global leader competencies can best be acquired and developed

Findings from this study suggest that global competency in leadership can best be acquired through long years of the appropriate professional experience in cross-cultural settings, combined with shorter training courses and coaching or mentoring. But while experiential learning clearly seems to be the most effective means of teaching global leaders how to operate in MNCs, it was nevertheless deemed important for those in these positions to also undergo specialist training that would be ongoing to ensure their proper adaptation to change and new environments.

A suggested iterative constructed model for learning and development of global leaders that includes experiential learning, aims to provide this specialist training and development.

Strategies likely to assist in acquiring global leadership competency

Evidence indicates that the acquisition of global leadership competency can be enhanced if training and development measures are ongoing and curricula, are based on organisational and adult learning principles and grounded in the six key global leadership competencies identified in this study. As indicated in the previous chapter, it seems highly important that the learner's stage of development and particular context needs to be considered when designing the curriculum.

While training can be used to create awareness, learning is seen to be only effective if it is practical and based on a trial-and-error method. This implies that candidates for training would need to demonstrate high levels of curiosity and openness and not being afraid to make mistakes. Particularly successful strategies are seen to be early learning in situations of hardship, reflection-on-actions, coaching, self-directed learning, apprenticeships, communities of practice and the participation of diverse course participants in training and development programs which means each can learn from the others' differences.

Another factor that could assist in acquiring the high levels of competency needed is for MNCs to draw diverse program participants from global talent pools which they would do well to establish. Leaders from multilingual and multicultural background clearly will have an advantage in the globalising business world and in obtaining positions of global leadership. However, as Osland (2013a) discovered, international experience does not necessarily increase effectiveness and cosmopolitan leaders after repatriation were viewed by home-country employees with suspicion. While interview data in this study revealed that reintegration of expatriates was difficult, major findings of this study on the value of international experience contradict Osland's findings, as well as what is portrayed in the conceptual model's stages of development and progression for global leaders.

The Learning Development Framework

As depicted in the previous chapter, the Learning Development Framework which was constructed on the basis of this study's findings as a professional model for training and development of global leaders, emphasises an iterative learning cycle of four phases. The four phases which reflect triple-loop learning principles, comprise a needs analysis, designing the training curriculum, implementing and evaluating learning and finally, measuring outcomes. Constant monitoring of learning progress follows and, if necessary as environments and situations change, the cycle of learning can begin all over again, albeit at differing points along the cycle depending on learner needs.

In addition to experiential learning, these learning phases can enhance and develop the six key global leadership competencies through a continuous learning cycle which is accompanied by coaching or mentoring. Such ongoing development is seen to assist leaders develop higher order levels of competence as they progress through each stage. As indicated by a needs analysis, leaders' developmental journeys will start at different points along the cycle as they have had different experiences which determined their current levels of leadership competence.

This framework of learning is presented as an ideal type for developing competencies of global leaders, and it must be acknowledged that its construction is based on the assumption that competent trainers will be in charge of learning. This of course implies that who will train the trainers is a question that MNCs will need to address.

Strategies for recruiting global leaders for MNCs

While the learning framework is geared to global leaders 'learning the ropes' associated with their roles, selecting ideal candidates for these roles is an exercise that is suggested should be carried out, by the company, first realising the key competencies that are required and next, finding candidates with these competencies or at least the potential to acquire these. Given that such candidates are in short supply for global leadership in MNCs, a model was developed to address this need.

The Recruitment Model

The main purpose of the recruitment model which has been developed during the course of this research is to provide human resource departments of MNCs with a means to guide the recruitment process for appointing global leaders. It points out the selection criteria which might be applied as well as the prerequisites needed for learning global competency as the acquisition of skills needs to be ongoing. The model also sees that candidates have to be identified by top management and that specific questionnaires, psychometric tools and assessment strategies can be effective for the selection of global leadership talent.

The model also indicates that when recruiting global leadership candidates, the strategy, vision and values of the respective MNC have to be taken into account as well as the candidate's knowledge, experience, competencies, professional traits and motivations. It is hoped that the model's design for recruiting global leaders could also assist in determining the stage of development each global leadership candidate has reached.

Major contributions of the study

One major and significant contribution to research and practice this study makes is the fact that, in terms of how they exercise their roles, it reports on what global leaders *actually do,* not what they or the literature *says* they do. Indeed, shadowing the leaders proved the most valuable research tool as it enabled the researcher to learn about and understand global leadership in a more holistic and first-hand manner. It helped the researcher particularly by her being able to see 'the big picture', whereas interviewing and content analysis only let her see parts of the whole. So, not only is shadowing seen as a most appropriate and effective research tool for studying leadership, but it could also have value as a powerful development tool for global leadership training, coaching and mentoring. Importantly too, it appears that no other study of global leadership has yet used shadowing as a means of observing and reporting on what global leaders actually do in real life situations.

Of utmost significance in the field of global leadership research is the way in which the study clearly defines the crucial activities involved in global leadership practice, identifies global core competencies, ranks these in order of importance and suggests effective models for training and development of global leaders, and recruitment of global leadership candidates. Above all, it is the first time that a study has presented proposed models using types of leadership for scaffolding purposes, and the stages or contexts of leadership that identify the competencies, skills, traits and activities necessary for each type.

In this case, as in other cases of MNCs, internationalisation of business that demands global leadership competency not only takes place outside Germany. Because of the significant shortfall of leaders and specialists in Germany like in other highly developed countries caused by demographic changes, Germany imports on average about half a million highly-skilled migrants a year which means that its workforce is becoming increasingly multicultural. Thus, company leaders who operate only in Germany need to acquire new skills of interacting with and leading employees from other cultures which requires intercultural or global competency. For example, the skills of managing diversity and leading multicultural and remote teams are needed. Furthermore, the environment of global business can be characterised by volatility, ambiguity, rapid change and complexity and all leaders need skills to operate under these changed conditions - all the more reason why the outcomes of this study are significant.

Importantly, the outcomes of this research offer potential practical and effective solutions to MNCs for overcoming the existing skills shortage in the workforce by training and developing their global leaders using the Learning Development Framework for global leadership conceived. Additionally, the model developed for recruiting global leadership candidates has the capacity to identify and enhance the potential and quality of those selected. It is the first time such professional models for training and development and recruitment have been proposed for this kind of leadership.

It is hoped this research will be able to assist not only human resource departments in developing leaders but that it will also be able to assist in overcoming skills shortages of global leaders in different countries. Also, given the multicultural nature of many nations currently, the governments of these countries would do well to consider supporting programs which foster learning and development for global competency.

Finally, there is potential for the research to contribute new knowledge of very high significance to international business. In this sense it is hoped the study will be particularly helpful for MNCs worldwide and their leaders, consultants, leadership trainers and those who are motivated to become global leaders. It is hoped, too that other researchers can carry out similar studies with a larger number of participants in order to generalise from the findings and draw wider conclusions.

Suggested directions for future research

As this study centres on and is strongly influenced by the culture and practices of the German multinational company studied, it is necessary to emphasise the potential German-centric influence of the findings, limitations which need to be taken into account by future researchers. Follow up research to confirm the validity of the findings of this exploratory study is thus needed. It is hoped, therefore, that future researchers studying global leadership target a more diverse range of business contexts than what this study, given its limited scope, time available and funding, was not able to achieve.

Seven particular areas of global leadership that were considered important for future researchers to pursue are the following.

Communication. It is suggested that future researchers of global leadership might seek out more knowledge pertaining to some aspects of communication as a core competency. There appears to be a scarcity of information about the impact of technology on communication and in particular in international business. Also, more research could be carried out in the area of presenting, analysing and measuring business indicators in meetings. More research also needs to be carried out about facilitating communication through discursive dialogue and decision-making by leaders. More particularly, the literature is silent on the importance of employees criticising and questioning their superiors so that leaders might avoid mistakes and enhance innovation and improvement in their organisations.

Difficulties leaders face. There is a dearth of literature focusing on particular difficulties global leaders face in general and their weaknesses in dealing with more challenging situations to do with discursive dialogue and decision-making processes, for instance. Also, women as global leaders experience particular difficulties because some countries' business cultures exclude women from operating in positions of authority. Research could be carried out to investigate women leaders' exclusion from global leadership owing to cultural restrictions imposed on their behaviour as nothing had been found on this topic when reviewing the literature.

Data interpretation by leaders. There appears to be a dearth of published research focusing on important traits such as the ability of leaders to interpret numerical and statistical information, as well as the significance of efficiency and speed and making sense of the detail of operations. In addition, a gap has been identified in the literature about the importance of leaders to be able to see the 'big picture', the ability to project composure and calmness and to slow down reaction times in real or potential conflict situations. These traits were found to be important characteristics of the leaders examined in this research.

Empowering local employees. One area missing in the reviewed literature on MNC operations is the importance for these companies to realise that empowering local employees instead of working with expensive expatriate leaders, is one way to raise efficiency and effectiveness. Only Hofstede (2001) reports that managers from countries other than the MNCs' home countries would be less successful as they could not become sufficiently bicultural. It would be good to see more research carried out in this area. In the interviews it was reported that expatriates had difficulty reintegrating into the home country context but very little has been written on this issue. It has also been questioned if living abroad enhances effectiveness in leadership and this is an important issue for further investigation. It was claimed during interviewing that expatriates were too young and that international assignments should be carried out at an older age. So this represents another area that could be investigated.

Impact of working abroad. Another area that could be investigated is the outside perspective that employees develop when they are working abroad. It is well accepted that German leaders seem to be reluctant to adopt ideas and approaches which originated abroad. Understanding what different locations expect from headquarters and how aspects from one culture can be conflicting with another culture, can assist in avoiding those conflicting elements and thus improving cross-cultural communication and collaboration. Moreover, increased self-awareness, sensitivity and the importance of global leaders to be tactful and polite are essential traits for global leaders which are not stressed sufficiently in the literature. These represent other potential areas for future researchers to explore.

Gender issues. It was pointed out in this study that not only in the past but still today women have difficulty to work in certain cultures which exclude women from business operations. Thus, a question is raised to what extent women are disadvantaged as global leaders. No literature was found to address this important topic.

Danger of loss of national identity. It seems that global leaders of the future will hold global mindsets and identities which have the potential to jeopardise national identity. Although

Geppert and Williams (2006) highlight this phenomenon, more research could be carried out in this area.

On a final note, the world of CEOs in MNCs is immensely difficult to access for researchers. For this study, the researcher was privileged to be granted access to a German MNC which allowed her to examine in-depth what global leaders actually do on a day-to-day basis in their work locale. As a result, it is hoped that the new insights gained will aid in developing the emerging field of global leadership.

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Appendix

Appendix A: Emails CEO 1 and CEO 2

Betreff: Antwort: Ph.D Research Ms Cornelia Cohrs

Dear Dr McClenaghan

thanks a lot for your mail and sharing some information about Cornelia's work! I experienced "shadowing" for the first time - very interesting! I have nothing to add to Ms Cohrs findings, explanations and comments! Excellent work.

Best regards

(Name of CEO 2)

(Name of CEO 2)
Member of the Executive (Name of the overarching corporation)/
Member of the Executive Board (Name of the participating MNC)

To:
Peter McClenaghen
Cc:
Cornelia Cohrs;

Dear Dr. McClenaghan, thank you very much for sharing the results of Ms. Cohrs thesis concerning her time at our company.
I read through it and was especially intrigued by the comparison between our behaviour and how we should or could behave according to scientific literature.
It has been a pleasure to have Ms. Cohrs with us and am confident that the PHD Thesis will enrich the academic discussion on multicultural management.
thanks a lot and best wishes, (name of CEO 1)

Names of the participating organisation and the CEOs have been taken out of these emails in order to protect the informants' identity.

Appendix B: List of Interviews

Interview Number	Date	Years of leadership experience
1	December 4th, 2012	30
2	December 4th, 2012	22
3	December 6th, 2012	12
4	December 6th, 2012	13
5	December 6th, 2012	More than 15
6	December 7th, 2012	25
7	December 7th, 2012	18
8	December 7th, 2012	22
9	December 7th, 2012	11
10	December 10th, 2012	5
11	December 10th, 2012	11
12	December 10th, 2012	14
13	December 12th, 2012	6 years and 6 months
14	December 12th, 2012	11
15	December 13th, 2012	25
16	December 17th, 2012	13
17	December 17th, 2012	15
18	December 13th 2012	17
19	December 18th, 2012	6
20	December 17th, 2012	20
21	December 17th, 2012	6
22	January 11th, 2013	6 months
23	December 20th, 2012	11
24	January 7th, 2013	3
25	January 8th, 2013	20
26	January 9th, 2013	32
27	January 7th, 2013	14
28	January 18th, 2013	17

Appendix C: Interview Guide

<u>Interview No., Date</u>

1. How long have you been in a leadership position with a multinational corporation?
2. How many nationalities are employed in the parent organisation?
3. How many nationalities are employed in your department?
4. What ancillary organisations do you deal with and where are they located in the world?
5. What subsidiary organisations do you deal with and where are they located in the world?
6. Are there gender equity and nationality equity in senior positions with your organisation?
7. What is your educational background and what particular trait and/or competency helped you get your current position?
8. How many languages do you speak?
9. Where did you learn these languages?
10. In which countries / places have you lived?
11. Have you worked with people from other countries?
12. If so, which countries and in what capacity?

<u>Leadership</u>

13. In your own words, what is it that makes your leadership effective?
14. What do you believe you need to do better when it comes to exercising leadership?

<u>Global competency</u>

15. Which are the main challenges facing leaders in international business (multinational corporations)?
16. Which competencies and skills are needed to overcome these challenges?
17. How do you understand 'global competency' in the context of your organisation? How would you define it?

18. How do you measure and employ ‘global competency’ in your organisation? Are there any key performance indicators highlighting ‘global competence’?
19. How did you acquire ‘global competency’? What is important in that process of acquisition?

Communication

20. How do different cultures influence communication?
21. Which language do you use generally for communication in your parent company?

International teams

22. What are the difficulties in leading international teams?
23. How do you deal with these difficulties?
24. How did you learn to work with international teams?
25. Does the corporate culture of the parent organisation have an impact on the leading of international teams in other parts of the world?
26. How is the work divided up when working across cultures?

Appendix D: Approval Ethics Committee

University of New England

Ethics Office
Research Development & Integrity
Research Division
Armidale NSW 2351
Australia
Phone 02 6773 3449
Fax 02 6773 3543
jo-ann.sozou@une.edu.au
www.une.edu.au/research-services

HUMAN RESEARCH ETHICS COMMITTEE

MEMORANDUM TO: Dr Brian Denman & Dr Peter McClenaghan, Miss Cornelia Cohrs

School of Education

This is to advise you that the Human Research Ethics Committee has approved the following:

PROJECT TITLE:	'Global Competence' in Leadership: A case study of shadowing leaders in multi-national corporations
APPROVAL No.:	HE12-211
COMMENCEMENT DATE:	01 December, 2012
APPROVAL VALID TO:	01 December, 2013
COMMENTS:	Nil. Conditions met in full

The Human Research Ethics Committee may grant approval for up to a maximum of three years. For approval periods greater than 12 months, researchers are required to submit an application for renewal at each twelve-month period. All researchers are required to submit a Final Report at the completion of their project. The Progress/Final Report Form is available at the following web address: http://www.une.edu.au/research-services/researchdevelopmentintegrity/ethics/human-ethics/hrecforms.php

The NHMRC National Statement on Ethical Conduct in Research Involving Humans requires that researchers must report immediately to the Human Research Ethics Committee anything that might affect ethical acceptance of the protocol. This includes adverse reactions of participants, proposed changes in the protocol, and any other unforeseen events that might affect the continued ethical acceptability of the project.

In issuing this approval number, it is required that all data and consent forms are stored in a secure location for a minimum period of five years. These documents may be required for compliance audit processes during that time. If the location at which data and documentation are retained is changed within that five year period, the Research Ethics Officer should be advised of the new location.

[redacted]

Jo-Ann Sozou
Secretary/Research Ethics Officer

30/11/2012 A12/199

Appendix E: Information Sheet and Consent Form/Observation

School of Education
University of New England
Armidale NSW 2351
Australia
Phone 02 6773 2269
Fax 02 6773 2445
bdenman@une.edu.au
www.une.edu.au/

INFORMATION SHEET for PARTICIPANTS

Ms Cornelia Cohrs, a PhD candidate of the University of New England (Australia), requests your assistance to voluntarily participate in her research project involving leadership and global competence in multinational corporations. Please note that the privacy of information in this study will be secure to maintain confidentiality and anonymity. The overarching goal of this study is to explore how important global competence is required at leadership levels and to understand how such skills are acquired, developed, and utilised.

Research Project	**'Global Competence' in Leadership: A case study of leaders in multinational corporations** 'Global competency' for leaders in international business will be researched reviewing the literature, visiting institutes and attending conferences in Australia and abroad. The researcher will work on site at a host organization and will immerse herself in the day-to-day activities of the host organisation, working on the issues identified through previous research to learn about different models and practices of global leadership. Through observation in a corporate setting, the researcher intents to experience leadership behaviour at the top level, including key meetings and events, decision making and relationships among different levels of administrative officers. This aspect of the study is intentionally designed to help the researcher enhance concrete skills and acquire information that can then be take back upon completion of the on-site learning experience. This extended learning experience enables the participant to observe firsthand how the participating executives lead the host organisation and apply global competence.
Time requirements	Two weeks of observation and a face-to-face interview lasting approximately 30 minutes.
Aim of the research	The research aims to explore the core competencies and skills needed by leaders in international business, to understand how 'global competency' for such leaders can be acquired and developed and to propose a professional development model to assist leaders in international business to develop the 'global competencies' they require for success.
Observation	I would like to observe you during two weeks in your workday including decision making, meetings and other events or doing office

	work. It has to be mutually negotiated which events or meetings I can attend and also when it is allowed for me to take notes.
Interview	Moreover, I would like to conduct a face-to-face interview with you at ContiTech Techno-Chemie GmbH. The interview will take approximately 30 minutes. With your permission, I will make an audio recording of the interview to ensure that I accurately recall the information you provide. In my thesis I might quote the information you provide but you will not be identifiable as I will make use of pseudonyms. Following the interview, a transcript will be provided to you if you wish to see one.
Historical data sets	I would like to use some of the company's data which is relevant to my research. With your permission, I will access historical data sets.
Confidentiality	Any information or personal details gathered in the course of the study will remain confidential. No individual will be identified by name in any publication of the results. All names will be replaced by pseudonyms; this will ensure that you are not identifiable.
Participation is voluntary	Please understand that your involvement in this study is voluntary and I respect your right to withdraw from the study at any time. You may discontinue the observation and the interview at any time without consequence and you do not need to provide any explanation if you decide not to participate or withdraw at any time.
Questions	The interview questions will not be of a sensitive nature: rather they are general, aiming to enable you to enhance my knowledge of the challenges and opportunities of global leadership.
Use of information	I will use information from the interview as part of my doctoral thesis, which I expect to complete in April 2014. Information from the interview may also be used in journal articles and conference presentations before and after this date. At all time, I will safeguard your identity by presenting the information in a way that will not allow you to be identified.
Upsetting issues	It is unlikely that this research will raise any personal or upsetting issues but if it does you may wish to contact your local Community Health Centre (Bürgerhospital Frankfurt a. M.) at 069 15 000-0.
Storage of information	I will keep hardcopy recordings and notes of the interview in a locked cabinet at the researcher's office at the University of New England's School of Education. Any electronic data will be kept on a password protected computer in the same School. Only the research team will

School of Education
University of New England
Armidale NSW 2351
Australia
Phone 02 6773 2269
Fax 02 6773 2445
bdenman@une.edu.au
www.une.edu.au/

INFORMATION SHEET for PARTICIPANTS

have access to the data.

Disposal of information

All the data collected in this research will be kept for a minimum of five years after successful submission of my thesis, after which it will be disposed of by deleting relevant computer files, and destroying or shredding hardcopy materials.

Approval

This project has been approved by the Human Research Ethics Committee of the University of New England (Approval No HE12-211, Valid to 15/12/2013).

Contact details

Feel free to contact me with any questions about this research by email at ccohrs@une.edu.au or by phone on 0176 79726081.

You may also contact my supervisors. My Principal supervisors name is Dr Brian Denman and he can be contacted at bdenman@une.edu.au or 02 67 73 22 69 and my Co-supervisor's name is Dr Peter McClenaghan and he can be contacted at pmcclena@une.edu.au or 02 6773 2688.

Complaints

Should you have any complaints concerning the manner in which this research is conducted, please contact:

Professor Jürgen Bolten
Friedrich-Schiller-Universität Jena
Ernst-Abbe-Platz 8
07743 Jena
Germany
Tel: 03 64 19 44 37-1
Email: juergen.bolten@uni-jena.de

or the Research Ethics Officer at:
Research Services
University of New England
Armidale, NSW 2351
Tel: (02) 6773 3449 Fax: (02) 6773 3543
Email: ethics@une.edu.au

Thank you for considering this request and I look forward to further contact with you.

Regards,

Cornelia Cohrs

CONSENT FORM
for
PARTICIPANTS

Research Project: 'Global Competence' in Leadership: A case study of leaders of multinational corporations

---

I, ……………………………………………………………………………., have read the information contained in the Information Sheet for Participants and any questions I have asked have been answered to my satisfaction.	Yes/No
I agree to participate in this activity, realising that I may withdraw at any time.	Yes/No
I agree that observation and interview data gathered for the study may be published using a pseudonym.	Yes/No
I agree to the researcher's access and report of historical data sets	Yes/ No
I agree that I may be quoted using a pseudonym.	Yes/No
I agree to the interview having my audio recorded and transcribed.	Yes/No
I would like to receive a copy of the transcription of the interview.	Yes/No
I am older than18 years of age.	Yes/No
I understand that my identity will remain confidential and all the Information I provide will be treated anonymously.	Yes/No

……………………………………… ………………………………
Participant Date

……………………………………… ………………………………
Researcher Date

Appendix F: Information Sheet and Consent Form/Interviews

School of Education
University of New England
Armidale NSW 2351
Australia
Phone 02 6773 2269
Fax 02 6773 2445
bdenman@une.edu.au
www.une.edu.au/

INFORMATION SHEET for PARTICIPANTS

Ms Cornelia Cohrs, a PhD candidate of the University of New England (Australia), requests your assistance to voluntarily participate in her research project involving leadership and global competence in multinational corporations. Please note that the privacy of information in this study will be secure to maintain confidentiality and anonymity. The overarching goal of this study is to explore how important global competence is required at leadership levels and to understand how such skills are acquired, developed, and utilised.

Research Project	**'Global Competence' in Leadership: A case study of leaders in multinational corporations** 'Global competency' for leaders in international business will be researched reviewing the literature, visiting institutes and attending conferences in Australia and abroad. The researcher will work on site at a host organization and will immerse herself in the day-to-day activities of the host organisation, working on the issues identified through previous research to learn about different models and practices of global leadership. Through observation in a corporate setting, the researcher intents to experience leadership behaviour at the top level, including key meetings and events, decision making and relationships among different levels of administrative officers. This aspect of the study is intentionally designed to help the researcher enhance concrete skills and acquire information that can then be take back upon completion of the on-site learning experience. This extended learning experience enables the participant to observe firsthand how the participating executives lead the host organisation and apply global competence.
Time requirements	A face-to-face interview lasting approximately 30 minutes.
Aim of the research	The research aims to explore the core competencies and skills needed by leaders in international business, to understand how 'global competency' for such leaders can be acquired and developed and to propose a professional development model to assist leaders in international business to develop the 'global competencies' they require for success.

Interview	I would like to conduct a face-to-face interview with you at ContiTech Techno-Chemie GmbH. The interview will take approximately 30 minutes. With your permission, I will make an audio recording of the interview to ensure that I accurately recall the information you provide. In my thesis I might quote the information you provide but you will not be identifiable as I will make use of pseudonyms. Following the interview, a transcript will be provided to you if you wish to see one.
Confidentiality	Any information or personal details gathered in the course of the study will remain confidential. No individual will be identified by name in any publication of the results. All names will be replaced by pseudonyms; this will ensure that you are not identifiable.
Participation is Voluntary	Please understand that your involvement in this study is voluntary and I respect your right to withdraw from the study at any time. You may discontinue the interview at any time without consequence and you do not need to provide any explanation if you decide not to participate or withdraw at any time.
Questions	The interview questions will not be of a sensitive nature: rather they are general, aiming to enable you to enhance my knowledge of the challenges and opportunities of global leadership.
Use of information	I will use information from the interview as part of my doctoral thesis, which I expect to complete in April 2014. Information from the interview may also be used in journal articles and conference presentations before and after this date. At all time, I will safeguard your identity by presenting the information in a way that will not allow you to be identified.
Upsetting issues	It is unlikely that this research will raise any personal or upsetting issues but if it does you may wish to contact your local Community Health Centre (Bürgerhospital Frankfurt a. M.) at 069 15 000-0.
Storage of information	I will keep hardcopy recordings and notes of the interview in a locked cabinet at the researcher's office at the University of New England's School of Education. Any electronic data will be kept on a password protected computer in the same School. Only the research team will have access to the data.
Disposal of information	All the data collected in this research will be kept for a minimum of five years after successful submission of my thesis, after which it will be disposed of by deleting relevant computer files, and destroying or shredding hardcopy materials.

School of Education
University of New England
Armidale NSW 2351
Australia
Phone 02 6773 2269
Fax 02 6773 2445
bdenman@une.edu.au
www.une.edu.au/

INFORMATION SHEET for PARTICIPANTS

Approval

This project has been approved by the Human Research Ethics Committee of the University of New England (Approval No HE12-211, Valid to 15/12/2013).

Contact details

Feel free to contact me with any questions about this research by email at ccohrs@une.edu.au or by phone on 01 76 79 72 60 81.

You may also contact my supervisors. My principal supervisor's name is Dr Brian Denman and he can be contacted at bdenman@une.edu.au or 02 67 73 22 69 and my Co-supervisor's name is Dr Peter McClenaghan and he can be contacted at pmcclena@une.edu.au or 02 67 73 26 88.

Complaints

Should you have any complaints concerning the manner in which this research is conducted, please contact:

Professor Jürgen Bolten at:
Friedrich-Schiller-Universität Jena
Ernst-Abbe-Platz 8
07743 Jena
Germany
Tel: 03 64 94 437-1
Email: juergen.bolten@uni-jena.de

Or the Research Ethics Officer at:
Research Services
University of New England
Armidale, NSW 2351
Tel: (02) 6773 3449 Fax: (02) 6773 3543
Email: ethics@une.edu.au

Thank you for considering this request and I look forward to further contact with you.

Regards,

Cornelia Cohrs

CONSENT FORM
for
PARTICIPANTS

Research Project: 'Global Competence' in Leadership: A case study of leaders of multinational corporations

---

I, ..., have read the information contained in the Information Sheet for Participants and any questions I have asked have been answered to my satisfaction.	Yes/No
I agree to participate in this activity, realising that I may withdraw at any time.	Yes/No
I agree that interview data gathered for the study may be published using a pseudonym.	Yes/No
I agree that I may be quoted using a pseudonym.	Yes/No
I agree to the interview having my audio recorded and transcribed.	Yes/No
I would like to receive a copy of the transcription of the interview.	Yes/No
I am older than18 years of age.	Yes/No
I understand that my identity will remain confidential and all the information I provide will be treated anonymously.	Yes/No

....	....
Participant	Date

....	....
Researcher	Date

'Global Competence' in Leadership: A case study of shadowing leaders of multinational corporations

This research study is designed to explore how leaders of multinational organisations in Germany evaluate and prioritise aspects of leadership, 'global competency', communication and teamwork through personal observation (shadowing). The researcher will begin this exploratory study by interviewing key individuals who must work with ancillary operations and subsidiaries from around the world with the following introductory questions to form a base. All respondents will be provided an information sheet about this study and the researcher. Interviews will be kept confidential, and the data collected will be used for analysing common themes, patterns, and potential conflicts by the researcher and her PhD supervisors. The introductory survey questionnaire will be used to 'break the ice' and last approximately 30 minutes in duration. However, more data will be collected over time through means of personal observation and shadowing of key leaders. The questions are the same for the shadowed participant as for the other leaders.

<u>Open-ended and closed-ended interview questions</u>

1. How long have you been in a leadership position with a multinational corporation?
2. How many nationalities are employed in the parent organisation?
3. How many nationalities are employed in your department?
4. What ancillary organisations do you deal with and where are they located in the world?
5. What subsidiary organisations do you deal with and where are they located in the world?
6. Are there gender equity and nationality equity in senior positions with your organisation?
7. What is your educational background and what particular trait and/or competency helped you get your current position?
8. How many languages do you speak?
9. Where did you learn these languages?
10. In which countries / places have you lived?
11. Have you worked with people from other countries?
12. If so, which countries and in what capacity?

<u>Leadership</u>

13. In your own words, what is it that makes your leadership effective?
14. What do you believe you need to do better when it comes to exercising leadership?

Global competency

15. Which are the main challenges facing leaders in international business (multinational corporations)?
16. Which competencies and skills are needed to overcome these challenges?
17. How do you understand 'global competency' in the context of your organisation? How would you define it?
18. How do you measure and employ 'global competency' in your organisation? Are there any key performance indicators highlighting 'global competence'?
19. How did you acquire 'global competency'? What is important in that process of acquisition?

Communication

20. How do different cultures influence communication?
21. Which language do you use generally for communication in your company?

International teams

22. What are the difficulties in leading international teams?
23. How do you deal with these difficulties?
24. How did you learn to work with international teams?
25. Does the corporate culture of the parent organisation have an impact on the leading of international teams in other parts of the world?
26. How is the work divided up when working across cultures?

Appendix G: Job Description 1 and 2

	Positionsb schreibung	Bearbeitungs datum

I. BASISDATEN

Aktuelle Position		Funktionsberei: n	General Management
Employee Status	Active		
Vorname		Nachname	
Division	ContiTech	Geschäftseinhe t / Divisionale Fun tion	
Land	German	Standort	

Position

Mission / Stellenzweck	Directing the Business Unit to pr vide maximum p ofitability ar d the basis for long term success. Establishes short-term and long-r inge strategy, ob ectives and plans for the BU. Accountable of the co-o dination among CTA's B isiness Units, the management of the support functions, CTAs organization, its locations, policie s and processes. Represents CTA with its major customers, supplier , banks, competitors, go ernment agencie s, media and the community.		EUR
Dimension / Organisatic n/ Bezugsgröße	S les	BU Replac men	
Anzahl berichtende Ste len	16	davon direkt ber chtende Stellen	16
Direkte Führungskraft			
Vertreter für		Vertretung durc	
Interne Kontakte		Externe Kontakt	rs,

Verantwortungsbere che / Aufgaben

Aufgabenbereich	Hauptau gaben	Verantwortung (voll/verteilt/unterstützend)
Organization	Maintains a sound plan of organiz tion and propose s and implemer ts changes in organizati n structure as re uired by the development and growth of the bu iness. Ensures hat organization policies are uniformly und rstood and properly nterpreted and administe ed. Reviews ar d approves internal policies and controls that romote the comr unication o reliable management operating in ormation, and the eby solidifying the management control and dire tion of the enterp ise.	full
HR	Ensures adequate management d velopment practices and processes in order to provide cap ble management succession. Leads, d rects and coordinates th efforts of subord nate executive personnel. Reviews and approve the appointmen employment, transfer or termination of all key e ecutives. Resolv es any conflicts arising between operating group and staff units.	shared
Leadership	Leads the BU and the supporting entral functions, o the realization of its objectives	shared
Business Unit Managem nt	Direct the BU to achieve budgete profitability and ther planned financ al and non-financial results and to preserve a d build the return of capital invested in the B	full
Face of the company	Represe ts the BU and its compa ies as appropria e in its relations ips with major custome , suppliers, comp etitors, ban ers, commun ties, government agenc es, media and si ilar groups.	full
Compliance	Ensures that all operations are pe formed in compli nce with relevent ocal, state and federal l ws and regulatior s.	full
Strategy for BU	Directs the development and prep aration of both ta tical and strategic plans and budgets base upon broad orga ization goa s and grow i objectives. Periodically presents such pl ns for general review and approval by the Execut ve Board of Divis on and Corporatic n	full

IV. KOMPETENZEN (Wissen, Erfahrungen, BIG SIX Fähigkeiten)

Art des Wissens (technisch, spezifisch und/oder methodisch)	Bereich (z.B. Prozess, Markt, Land)	Stufe (B / A / E)
		Advanced
Product and Production know how (Technical)	leading remotely a worldwide team	Expert
Leadership skills (Methodical)	Business operations, ww	Expert
General Management understanding, business acumen (Methodical)	controlling knowledge	Advanced
Financial accumen (Methodical)		

Erforderliche Erfahrungen (Minimum)

Ausbildung / Zertifizierungen	Graduate Degree
Fachliche Erfahrungen (Funktionsbereiche, Geschäftsbereiche, Linien-Management Erfahrungen)	At least 10 to 15 years of progressively increasing management responsibility. Turn around experience. At least 5 years of General Management responsibility with Proft/Loss accountability.
Projekt- und/oder Prozess-Erfahrungen	
Führungserfahrungen	experienced with leading remote and on-site teams.
Interkulturelle / Internationale Erfahrungen	3 years International experience

Wichtigste erforderliche BIG SIX Fähigkeiten

Bitte wählen Sie die 5 bis 7 wichtigsten BIG SIX Fähigkeiten, die für diese Position erforderlich sind

VISION	UNTERNEHMERTUM	UMSETZUNGSSTÄRKE
Visionäres Denken	Kundenorientierung	Problemlösungsfähigkeit
Strategische Orientierung	Gewinnorientierung	Entscheidungsfähigkeit
Innovationskraft	Qualitätsorientierung	Ergebnisse erzielen
Veränderungen leben	Integrität	Durchsetzungsvermögen

AKTION	LERNEN	INTERAKTION
Initiative	Geschäftsverständnis aufbauen	Klare und offene Kommunikation
Leiten und Steuern	Selbstreflexion	Networking
Selbstbestimmung	Umgang mit Feedback	Zusammenarbeit im Team
Leidenschaft/Einsatzbereitschaft	Coachen Anderer	Motivation Anderer
		Interkulturelle Kompetenz
		Verschiedenheit fördern

ZUSÄTZLICHE KOMMENTARE

VI. Unterschriften

Datum	Positionsinhaber	Datum	Direkte Führungskraft

Profile Data at Time of Signing

Standort	
Division	
Geschäftseinheit / Divisionale Funktion	

Direkte Führungskraft	
Indirekte Führungskraft	
Aktuelle Position	

Name: nn	**Date:**

Principal Accountabilities (Cont.) / Hauptaufgaben (Fortsetzung):

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• Sicherstellung und Steuerung der Unterstützung von lokalen Managern in ihren Führungsaufgaben sowie der Beratung in Fragen des individuellen Personaleinsatzes, des Vergütungsmanagements, Personalentwicklung, Vertragsmanagements sowie disziplinarischer Maßnahmen.

•Sicherstellen der individuelle Mitarbeiterbetreuung, -beratung und –förderung durch die BU-internen lokalen HR-Organisationen.

• Steuerung der Personalentwicklungsprozesse innerhalb der BU sowie Sicherstellung der festgelegten Personalentwicklungsmaßnahmen, einschließlich der Maßnahmen zur vorausschauenden Rekrutierung, Ausbildung bzw. Förderung von Nachwuchskräften.

• Sicherstellen, der Einhaltung von gesetzlichen und kollektivrechtlichen Regelungen sowie internen Verfahrensanweisungen. Initiieren, mitwirken bzw. steuern der wettbewerbsgerechten Weiterentwicklung von internen kollektiven Regelungen in Abstimmung mit dem BU-Management und den zuständigen Stellen der Divisions- u./o. Corporateorganisationen.

• Steuerung der personellen und arbeitsrechtlichen Maßnahmen im Zusammenhang mit beschäftigungsabhängigen oder betrieblich veranlassten Personal- und Organisationveränderungen.

• Inhaltlich-strategische Koordination der Verhandlungen mit den lokalen betrieblichen Mitbestimmungsgremien.

• Unterstützung und Zusammenarbeit mit den Konzernstellen insbesondere auf dem Feldern des Arbeitsschutzes und betrieblichen Gesundheitsmanagements.

• Vertretung des Unternehmens gegenüber externen Stellen, z.B. Arbeitsgericht, Gewerbeaufsichtsamt, Arbeitsamt etc.

• Mitarbeit in Divisions- und Corporateprojekten, internen Gremien/ Arbeitskreisen.

Additional Comments / zusätzliche Bemerkungen:

page 2

Status of Form: 4 September 2006

Position Description
Stellenbeschreibung

Date / Datum: (DD.MM.YYYY) ____________

Position Title / Stellenbezeichnung: Leitung Personal BU nnnnn

Position Holder / Stelleninhaber: nn

Organizational Unit / Organisationseinheit:

Division / Division:	Cost Center / Kostenstelle: BU nnn	Position ID / Stellen-ID:

I. Function, Purpose of Position / Funktion, Stellenzweck:
Mitwirkung bei der Realisierung der strategischen und operativen Ziele der Business Unit durch jederzeitige Sicherstellung der notwendigen Personalausstattung durch ein vorausschauendes und nachhaltiges Personalmanagement unter Beachtung der Divisions- u./o. Konzernstrategien.

II. Principal Accountabilities / Hauptaufgaben:

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- Ausrichtung und Leitung der operativen HR-Organisation der BU auf der Basis der Konzern und Divisions HR Strategien. Ausbau der Business-Partner-Rolle der HR Organisation durch qualitative Stärkung der HR-Teams und Weiterentwicklung der BU-HR-Organisation und Prozesse an allen Standorten der BU. Aktive Mitwirkung an der Weiterentwicklung der HR Strategien sowie Sicherstellung der Umsetzung von strategischen HR Themen und Projekten.

- Beratung, Mitwirkung und Unterstützung des BU Managements beim Ausbau der internationalen BU-Organisation sowie bei der Durchführung OE-Prozessen und M & A - Projekten. Steuerung des Personalplanungsprozesse auf der Grundlage der Strategien und Businesspläne und Initiieren der erforderlichen HR-Prozesse, -Initiativen oder –Maßnahmen unter Beachtung der Divisions- u./o. Konzernstrategien.

- Sicherstellen und Steuerung der ordnungsgemäßen und qualifizierten HR –Kernprozesse (Employer Branding, Personalbeschaffung, Entgeltabrechnung, Anwesenheitsmanagements und Personalentwicklung) durch die BU-internen lokalen Organisationen und /oder durch die enge Zusammenarbeit mit Shared- Service Centern oder Centers of Expertise. Initiieren und/ oder aktive Mitwirkung bei der Weiterentwicklung der HR-Business-Prozesse sowohl auf BU als auch auf Divisions- und Corporateebenen. **(Fortsetzung Seite 2)**

☐ (Continuation on additional page if required / Fortsetzung ggf. 2. Seite)

III. Requirements / Anforderungsprofil

Education, Certification / Ausbildung / Zertifizierung:	abgeschlossenes Hochschulstudium; BWL, Recht oder MINT
Vocational Experience / Berufliche Erfahrung:	10-jährige Berufserfahrung im Bereich Personal, davon 5 Jahre in Managementverantwortung, internationale Auslandserfahrung wünschenswert
Other Competencies / weitere Kompetenzen:	Arbeits- und Sozialrecht, Durchsetzungsvermögen, Konfliktfähigkeit,Teamfähigkeit, Gute Kommunikationsfähigkeit, fließende Englisch-Kenntnisse, MS-Office

IV. Organization / Organisation

Superior / Vorgesetzter: Head BU NNN

Number of reporting positions / Anzahl berichtende Stellen: 20

Of which report directly / Anzahl direkt berichtender Stellen: 7

V. Magnitude / Bezugsgöße (in Mill. €)

VI. Contacts / Kontakte

Internal / intern:

External / extern:

Date & Signatures / Datum & Unterschriften

Superior / Vorgesetzter

Position Holder / Stelleninhaber

page: 1

Status of Form: 4 September 2006

Appendix H: Summary/Job Description 1

General Global Leadership

The first job description offers general information about the holder of the position.

Further, it defines the purpose of the job description indicating the number of reports and direct reports, identifies substitution and internal and external contacts. Moreover, it mentions the specific areas for the principal job responsibilities stating the degree of accountability:

- Organisation
- HR
- Leadership
- Business Unit Management
- Face of the company
- Compliance
- Strategy of the Business Unit

The job description than lists competencies (Knowledge, experience and capabilities) specifying the type of knowledge required, the area and the required level. Furthermore, the minimum length of experiences is provided in regard to education and training, professional experience (functional areas, business areas, line-management experience), experience with project and processes, leadership experience and intercultural or international experience.

Finally, the most important capabilities for the job are highlighted: Visionary thinking, entrepreneurship with customer orientation, implementation with achieving results, action with leading and steering, learning with building up business acumen and interaction with clear and open communication and networking.

No additional comments are made. There is a section where the position holder and the direct superior can sign and the profile data at the time of signing includes for the position holder the location, division, the divisional function and then the direct superior, the indirect superior and the current position.

Appendix I: Summary/Job Description 2

Functional Global Leadership
(Human Resources)

The job description offers general information about the holder of the position and defines the purpose of the position as collaboration with the implementation of the strategic and operative objectives of the Business Unit by the ongoing ensuring of the required provision with personnel through foresighted and sustainable personnel management in compliance with divisional and corporate strategies.

Principal accountabilities are listed:

- Alignment and leadership of the operative HR-organisation of the BU on the basis of the corporation's and the division's strategies. Building up the business partner role of the HR organisation through qualitative strengthening of the HR team and a further development of the BU-HR Organisation and processes in all locations of the BU. Active engagement in the development of the HR strategies and ensuring the implementation of strategic HR topics and projects.
- Consultation, collaboration and support for the BU management in the extension of the international BU organisation as well as for the execution of OE-processes and M & A projects. Steering of the planning processes for personnel on the basis of strategies and business plans and the initiation of the required HR processes, initiatives or measures in following corporate and division strategies.
- Securing and steering of the qualified HR core processes in accordance to the regulation (employer branding, acquisition of personnel, remuneration management, attendant management and personnel development.) through the local internal BU organisations and / or through the close collaboration with shared service centres or centres of expertise. Initiation and / or active collaboration in the further development of the HR business processes on the BU, divisional and corporate level.
- Securing and steering of support for local managers in their leadership tasks and consulting in questions of individual employment, remuneration management, personnel development, contract management and disciplinary measures.
- Securing the individual care, support and consulting of employees through the internal local HR organisations of the BU.

- Steering of the personnel development processes within the BU and securing the fixed measures for personnel development including the measures of fore-sighted recruitment, training or support of talents.
- Securing the compliance of law, collective legal regulations and internal procedural rules. Initiating, collaborating and steering the development of internal collective regulations in agreement with the BU management and the responsible parties of the BU and / or corporate organisations meeting the competition's requirements.
- Steering of personnel and industrial law concerning measures in connection with employment related or company arranged changes in regard to human resources and the organization.
- Content-strategic coordination of negotiations with the local company committees of worker participation.
- Support and collaboration within the group's stakeholders especially in the areas of health and safety protection at the workplace and the company's health management.
- Representation of the company with external stakeholders, for example, the industrial tribunal the trade supervisory office, the job centre etcetera.
- Collaboration with projects of the division and corporation and with internal committees or working groups.

<u>In addition, requirements for the job are indicated:</u>

Education, Certification:	graduate degree in business, law, mathematics, engineering, in the natural sciences or technology
Vocational experience:	10 years of professional experience in the area of human resources, from that 5 years with management responsibility, international experience is desirable
Other competencies:	Labour and social law, assertiveness, ability to deal with conflict, ability to work well in a team, good communicative competencies, fluency in the English language, MS-office

Then the superior of this position holder is named, the number of reporting positons and the directly reporting positions are determined. The magnitude of the salary is also indicated. Finally, there is a section where the internal and external contacts are given and the position holder and the direct superior can sign.

Appendix J: Comparison/Data Sources

Literature Review	Interviews	CEO 1	CEO 2	Documents
Experience				
Global leadership				
				Turnaround experience
		Experience in general management for at least five years with profit/loss accountability	Experience in general management for at least five years with profit/loss experience	Experience in general management for at least five years with profit/loss experience
Long and broad experience	Long and broad experience	Long and broad experience	Long and broad experience	
Knowledge				
Baseline Leadership				
Reading current publications		Reading current publications	Reading current publications	
	Business acumen	Business acumen	Business acumen	Business acumen
Financial or controlling acumen	Financial or controlling acumen	Financial or controlling acumen	Financial or controlling acumen	Financial or controlling acumen
Specific or technical knowledge in regard to product or production	Specific or technical knowledge in regard to product and production			Specific or technical knowledge in regard to product and production
Business intelligence	Business intelligence	Business intelligence	Business intelligence	Business intelligence
International Leadership				
Knowing about country conditions to adapt behaviour	Knowing about country conditions to adapt behaviour	Knowing about country conditions to adapt behaviour	Knowing about country conditions to adapt behaviour	
Knowledgeable of culture specific attributes	Knowledgeable of culture specific attributes	Knowledgeable of culture specific attributes		
Global Leadership				
	Broad knowledge	Broad knowledge	Broad knowledge	Broad knowledge

	acquired by experience in different functions	acquired by experience in different functions	acquired by experience in different functions	acquired by experience in different functions
A wide range of knowledge	A wide range of knowledge	A wide range of knowledge	A wide range of knowledge	A wide range of knowledge
Competencies				
Baseline Leadership				
Communicating clearly and concisely	Communicating clearly and concisely	Communicating clearly and concisely	Communicating clearly and concisely	Communicating clearly and concisely
Sensitive communication skills	Sensitive communication skills	Sensitive communication skills	Sensitive communication skills	
A higher degree of interpersonal competency	A higher degree of interpersonal competency	A higher degree of interpersonal competency	A higher degree of interpersonal competency	
Intercultural experience	Intercultural experience	Intercultural experience	Intercultural experience	Intercultural experience
Foreign / English language competency	Foreign / English language competency	Foreign / English language competency	Foreign / English language competency	
Emotional intelligence		Emotional intelligence	Emotional intelligence	
Successful alignment of employees through vision, core values and strategy	Successful alignment of employees through vision, core values and strategy	Successful alignment of employees through vision, core values and strategy	Successful alignment of employees through vision, core values and strategy	Successful alignment of employees through vision, core values and strategy
Effectively directing the development and preparation of tactical and strategic plans and budgets based upon the broad organisational goals		Effectively directing the development and preparation of tactical and strategic plans and budgets based upon the broad organisational goals	Effectively directing the development and preparation of tactical and strategic plans and budgets based upon the broad organisational goals	Effectively directing the development and preparation of tactical and strategic plans and budgets based upon the broad organisational goals
Skills for changing the organisational culture and implementing structural changes which lead to	Skills for changing the organisational culture and implementing	Skills for changing the organisational culture and implementing	Skills for changing the organisational culture and implementing	Skills for changing the organisational culture and implementing structural changes which

development and growth	structural changes which lead to development and growth	structural changes which lead to development and growth	structural changes which lead to development and growth	lead to development and growth
Competently analysing and interpreting situations comparing experiences and future expectations		Competently analysing and interpreting situations comparing experiences and future expectations	Competently analysing and interpreting situations comparing experiences and future expectations	
Effectively scanning the environment to adapt strategies, processes and leadership style to diverse stakeholders‘ needs and to the particular context	Effectively scanning the environment to adapt strategies, processes and leadership style to diverse stakeholders‘ needs and to the particular context	Effectively scanning the environment to adapt strategies, processes and leadership style to diverse stakeholders‘ needs and to the particular context	Effectively scanning the environment to adapt strategies, processes and leadership style to diverse stakeholders‘ needs and to the particular context	Effectively scanning the environment to adapt strategies, processes and leadership style to diverse stakeholders‘ needs and to the particular context
Successfully enhancing innovation and improving processes, sharing best practices in meetings		Successfully enhancing innovation and improving processes, sharing best practices in meetings	Successfully enhancing innovation and improving processes, sharing best practices in meetings	Successfully enhancing innovation and improving processes, sharing best practices in meetings
			Competently reviewing and approving internal policies making sure that they are understood in the same way, properly interpreted and administered	Competently reviewing and approving internal policies making sure that policies are understood in the same way, properly interpreted and administered
Capability for discovering, identifying and assessing risk		Capability for discovering, identifying and assessing risk	Capability for discovering, identifying and assessing risk	
		Approving and reviewing the appointment, employment, transfer and	Approving and reviewing the appointment, employment, transfer and	Approving and reviewing the appointment, employment, transfer and termination of all

		termination of all key executives	termination of all key executives	key executives
Ensuring appropriate management development practices and processes for the provision of capable management succession			Ensuring appropriate management development practices and processes for the provision of capable management succession	Ensuring appropriate management development practices and processes for the provision of capable management succession
	Competently analysing and interpreting business indicators	Competently analysing and interpreting business indicators	Competently analysing and interpreting business indicators	
Building effective teams	Building effective teams	Building effective teams	Building effective teams	
		Successfully directing, coordinating and leading the efforts of subordinate executive personnel	Successfully directing, coordinating and leading the efforts of subordinate executive personnel	Successfully directing, coordinating and leading the efforts of subordinate executive personnel
Constructively solving conflict		Constructively solving conflict		Constructively solving conflict
		Competently directing to achieve budgeted profitability and other planned financial and non-financial results and to preserve and build the return of capital invested	Competently directing to achieve budgeted profitability and other planned financial and non-financial results and to preserve and build the return of capital invested	Competently directing to achieve budgeted profitability and other planned financial and non-financial results and to preserve and build the return of capital invested
Successfully defining action by drawing upon experience, global knowledge, imagination and other factors		Successfully defining action by drawing upon experience, global knowledge, imagination and other factors	Successfully defining action by drawing upon experience, global knowledge, imagination and other factors	

Getting the right thing done and solving problems		Getting the right thing done and solving problems	Getting the right thing done and solving problems	Getting the right thing done and solving problems
Leading and steering	Leading and steering	Leading and steering	Leading and steering	Leading and steering
Effectively representing the MNC with customers and stakeholders				Effectively representing the MNC with customers and stakeholders
Successfully fostering knowledge transfer and implementing ideas		Fostering knowledge transfer and implementing ideas	Fostering knowledge transfer and implementing ideas	
Ensuring the compliance with relevant local, state and federal laws and regulations for all operations		Ensuring the compliance with relevant local, state and federal laws and regulations for all operations	Ensuring the compliance with relevant local, state and federal laws and regulations for all operations	Ensuring the compliance with relevant local, state and federal laws and regulations for all operations
People skills	People skills	People skills	People skills	People skills
Ability for discovering and deploying opportunities of learning for oneself and others		Ability for discovering and deploying opportunities of learning for oneself and others	Ability for discovering and deploying opportunities of learning for oneself and others	Ability for discovering and deploying opportunities of learning for oneself and others
See the big picture	See the big picture	See the big picture	See the big picture	See the big picture
Multicultural Leadership				
	Expert leadership skills for remote team leading	Expert leadership skills for remote team leading	Expert leadership skills for remote team leading	Expert leadership skills for remote team leading
Competently managing diversity	Competently managing diversity	Competently managing diversity	Competently managing diversity	Competently managing diversity
Effectively adapting behaviour, tone and competence to various professional, organisational and national cultures	Effectively adapting behaviour, tone and competence to various professional, organisational and national cultures	Effectively adapting behaviour, tone and competence to various professional, organisational and national cultures	Effectively adapting behaviour, tone and competence to various professional, organisational and national cultures	Effectively adapting behaviour, tone and competence to various professional, organisational and national cultures
Successfully managing	Successfully	Successfully	Successfully	Successfully managing

various cultures simultaneously	managing various cultures simultaneously	managing various cultures simultaneously	managing various cultures simultaneously	various cultures simultaneously
Proficiently speaking another language at work other than their mother tongue	Proficiently speaking another language at work other than their mother tongue	Proficiently speaking another language at work other than their mother tongue	Proficiently speaking another language at work other than their mother tongue	Proficiently speaking another language at work other than their mother tongue
Effectively organising exchange between team members from different locations	Effectively organising exchange between team members from different locations	Effectively organising exchange between team members from different locations		
Successfully establishing environments in which people can meet and mix as equals	Establishing environments in which people can meet and mix as equals	Establishing environments in which people can meet and mix as equals		
Competently adapting awards, evaluations of performance and appraisal to cultural differences				
Cultural awareness	Cultural awareness	Cultural awareness	Cultural awareness	Cultural awareness
Cultural intelligence	Cultural intelligence	Cultural intelligence	Cultural intelligence	
Cultural sensitivity	Cultural sensitivity	Cultural sensitivity	Cultural sensitivity	Cultural sensitivity
Cross-cultural skills	Cross-cultural skills	Cross-cultural skills		
International Leadership				
Establishing trustworthy relationships	Establishing trustworthy relationships	Establishing trustworthy relationships	Establishing trustworthy relationships	Establishing trustworthy relationships
Effectively involve teams to make sense of vague situations and find direction		Effectively involve teams to make sense of vague situations and find direction	Effectively involve teams to make sense of vague situations and find direction	
Competently dealing with paradoxes as it contributes to developing cognitive complexity, the ability to manage uncertainty and				

behavioural flexibility				
Taking into account national cultures and conditions to identify cultural, political or economic factors could be hindering change		Taking into account national cultures and conditions to identify cultural, political or economic factors could be hindering change	Taking into account national cultures and conditions to identify cultural, political or economic factors could be hindering change	
Successfully finding a middle way between moral, legal or cultural conditions of the host country and Germany				
A higher degree of partnership skills	A higher degree of partnership skills	A higher degree of partnership skills	A higher degree of partnership skills	
A higher degree of emotional stability				
Global Leadership				
Competently taking up multifaceted roles and a higher degree of competence and responsibility	Competently taking up multifaceted roles and a higher degree of competence and responsibility	Competently taking up multifaceted roles and a higher degree of competence and responsibility	Competently taking up multifaceted roles and a higher degree of competence and responsibility	Competently taking up multifaceted roles and a higher degree of competence and responsibility
Effectively dealing with more politics and a higher level of complexity	Effectively dealing with more politics and a higher level of complexity	Effectively dealing with more politics and a higher level of complexity	Effectively dealing with more politics and a higher level of complexity	Effectively dealing with more politics and a higher level of complexity
Excellent learning skills	Excellent learning skills	Excellent learning skills	Excellent learning skills	Excellent learning skills
Behaviours				
Baseline Leadership				
Being a role model	Being a role model	Being a role model	Being a role model	Being a role model
Giving support	Giving support	Giving support	Giving support	
Networking	Networking	Networking	Networking	Networking
Visiting team members in their locations	Visiting team members in their	Visiting team members in their	Visiting team members in their	Visiting team members in their locations

	locations	locations	locations	
Motivating and winning others, influencing and convincing people	Motivating and winning others, influencing and convincing people	Motivating and winning others, influencing and convincing people	Motivating and winning others, influencing and convincing people	Motivating and winning others, influencing and convincing people
Being sensitive to others' interests and needs, listening to and appreciating others' opinions	Being sensitive to others' interests and needs, listening to and appreciating others' opinions	Being sensitive to others' interests and needs, listening to and appreciating others' opinions	Being sensitive to others' interests and needs, listening to and appreciating others' opinions	
Giving praise and thank to followers		Giving praise and thank to followers	Giving praise and thank to followers	
Fostering trust, confidentiality and openness	Fostering trust, confidentiality and openness	Fostering trust, confidentiality and openness	Fostering trust, confidentiality and openness	Fostering trust, confidentiality and openness
Following a trial and error method for innovation				
Taking calculated risks	Taking calculated risks	Taking calculated risks	Taking calculated risks	Taking calculated risks
Taking the lead and initiating activities		Taking the lead and initiating activities	Taking the lead and initiating activities	Taking the lead and initiating activities
Multicultural Leadership				
Non-judgemental behaviours	Non-judgemental behaviours	Non-judgemental behaviours	Non-judgemental behaviours	Non-judgemental behaviours
Visiting team members in their foreign locations	Visiting team members in their foreign locations			Visiting team members in their foreign locations
Inquiring to discover underlying interests	Inquiring to discover underlying interests	Inquiring to discover underlying interests	Inquiring to discover underlying interests	
Not violating ethics or social responsibilities		Not violating ethics or social responsibilities	Not violating ethics or social responsibilities	
Collaborating across time zones and across national and organisational boundaries	Collaborating across time zones and across national and organisational boundaries	Collaborating across time zones and across national and organisational boundaries	Collaborating across time zones and across national and organisational boundaries	Collaborating across time zones and across national and organisational boundaries
Seeking to understand	Seeking to	Seeking to	Seeking to	Seeking to understand

cultural norms and expectations of others to leverage this gained knowledge to interact, communicate and work effectively outside one's environment	understand cultural norms and expectations of others to leverage this gained knowledge to interact, communicate and work effectively outside one's environment	understand cultural norms and expectations of others to leverage this gained knowledge to interact, communicate and work effectively outside one's environment	understand cultural norms and expectations of others to leverage this gained knowledge to interact, communicate and work effectively outside one's environment	cultural norms and expectations of others to leverage this gained knowledge to interact, communicate and work effectively outside one's environment
International Leadership				
Spending time with people to understand their views and concerns	Spending time with people to understand their views and concerns	Spending time with people to understand their views and concerns	Spending time with people to understand their views and concerns	
Relying on relationships with locals to compensate the lack of local knowledge and skills, for example, in decision making	Relying on relationships with locals to compensate the lack of local knowledge and skills, for example, in decision making	Relying on relationships with locals to compensate the lack of local knowledge and skills, for example, in decision making	Relying on relationships with locals to compensate the lack of local knowledge and skills, for example, in decision making	
Global Leadership				
Taking into account the culture of employees and consumers all over the world and also conditions and differences of other stakeholders such as governments or legal bodies	Taking into account the culture of employees and consumers all over the world and also conditions and differences of other stakeholders such as governments or legal bodies	Taking into account the culture of employees and consumers all over the world and also conditions and differences of other stakeholders such as governments or legal bodies	Taking into account the culture of employees and consumers all over the world and also conditions and differences of other stakeholders such as governments or legal bodies	
Making sure that assumptions about the underlying conditions are correct	Making sure that assumptions about the underlying conditions are correct	Making sure that assumptions about the underlying conditions are correct	Making sure that assumptions about the underlying conditions are correct	
Giving freedom to make decisions locally	Giving freedom to make decisions locally	Giving freedom to make decisions locally	Giving freedom to make decisions locally	Giving freedom to make decisions locally

Traits				
Baseline Leadership				
Empathy	Empathy	Empathy	Empathy	
Visionary thinking		Visionary thinking	Visionary thinking	Visionary thinking
Customer orientation	Customer orientation			Customer orientation
Politeness and consideration	Politeness and consideration	Politeness and consideration	Politeness and consideration	
Charisma		Charisma	Charisma	
Highest standards of quality and personal integrity	Highest standards of quality and personal integrity	Highest standards of quality and personal integrity	Highest standards of quality and personal integrity	Highest standards of quality and personal integrity
Self-confidence	Self-confidence	Self-confidence	Self-confidence	
Extroversion	Extroversion	Extroversion	Extroversion	
Conscientiousness		Conscientiousness	Conscientiousness	
Low neuroticism	Low neuroticism	Low neuroticism	Low neuroticism	
Openness	Openness	Openness	Openness	Openness
Agreeableness	Agreeableness	Agreeableness	Agreeableness	
Humour		Humour	Humour	
Optimism	Optimism	Optimism	Optimism	
Honesty		Honesty	Honesty	Honesty
Trustworthiness	Trustworthiness	Trustworthiness	Trustworthiness	Trustworthiness
	Calmness, composure and relaxedness	Calmness, composure and relaxedness	Calmness, composure and relaxedness	
	Be structured, tidy and organised	Be structured, tidy and organised	Be structured, tidy and organised	
Reflexivity	Reflexivity	Reflexivity	Reflexivity	Reflectivity
Humility		Humility	Humility	
Having an internal locus of control				
A strong commitment/work	A strong	A strong	A strong	A strong commitment/

ethic and passion	commitment/work ethic and passion	commitment/work ethic and passion	commitment/ work ethic and passion	work ethic and passion
Multicultural Leadership				
Global mindset	Global mindset	Global mindset	Global mindset	
No ethnocentric perspectives	No ethnocentric perspectives	No ethnocentric perspectives	No ethnocentric perspectives	No ethnocentric perspectives
International Leadership				
Sensitivity to the environment	Sensitivity to the environment	Sensitivity to the environment	Sensitivity to the environment	
Global Leadership				
Curiosity	Curiosity	Curiosity	Curiosity	Curiosity
Acceptance of complexity and its contradictions	Acceptance of complexity and its contradictions	Acceptance of complexity and its contradictions	Acceptance of complexity and its contradictions	
Motivation				
Multicultural leadership				
Having an intrinsic motivation to engage with culturally different partners	Having an intrinsic motivation to engage with culturally different partners	Having an intrinsic motivation to engage with culturally different partners		

Appendix K: Traits/Baseline Leadership

Intellectual ability	The intellectual ability, quick-wittedness and cognitive capacity of leaders needs to be high which reflected in strong communication abilities, reasoning and perceptual skills (Northouse, 2013). Analytical and logical skills as well as reason are needed to tackle complex tasks (Dunn, Lafferty, & Alford, 2012). A high capacity for analyze data is required (Berard, 2013). Leaders have to "rapidly make sense of tremendous amounts of information in shorter and shorter time frames and decision-making windows"(Berard, 2013:31).
Business intelligence	Business intelligence enables the leader to understand business and take into account multiple stakeholders when making decisions (Sharkey, Razi, & Cooke, 2012).
Emotional intelligence	A key competence for leadership is emotional intelligence; the ability to adequately perceive emotions, to use emotions to facilitate thinking, to understand and reason with emotions, and to regulate emotions within oneself and in relationships with others (Franken, 2010). It has been argued that the positive attitude of emotionally intelligent leaders enhances management techniques and interpersonal skills (Dunn et al., 2012). Organisational functions can be improved by the effective use of emotions (Gardner & Stough, 2002). Goleman (2002) designed a competency-based model of emotional intelligence for leadership in the workplace and has determined four major social or emotional competencies: self-awareness, self-management, social awareness and relationship management. Self-awareness refers to an ability to know one's emotions and use them effectively in decision making and being able to assess one's abilities, which results in a "well-grounded sense of self-confidence" (Jasper & Jumaa, 2008:162). Self–management consists of self-control, transparency, adaptability, achievement, initiative and optimism (Goleman, 2002). Leaders with high levels of self-control stay calm under pressure and do not react in an angry way (DuBrin & Dalglish, 2003). Transparent leaders show their values and are authentic (Kouzes & Posner, 2002); they admit mistakes and stand up to unethical behaviour. Leaders have to stay focused when handling multiple tasks, they can adapt to change and ambiguity. Leaders who show high levels of achievement seek continuous improvement through learning and teaching (Goleman, 2002). People with initiative are proactive. They "identify opportunities and act on them … and persevere until they bring about meaningful change. They transform their organization's mission, find and solve problems, and take it upon themselves to have an impact on the world" (Crant & Bateman, 2000:65). 3. Social awareness consists of empathy, organisational awareness and service (Goleman, 2002). Empathy is the ability to recognise or share unspoken feelings of others and to react appropriately (DuBrin & Dalglish, 2003). This includes listening to others and understanding their perspective (Kouzes & Posner, 2002). A leader who is organisationally aware understands unspoken rules, power relationships and underlying

	values. Leaders with a service mentality are available, they emphasise client satisfaction and promote a climate of customer service. 4. Relationship management includes inspiration, influence, developing others, change catalysts, conflict management and collaboration (Goleman, 2002). Leaders make people excited about their work (Kouzes & Posner, 2002) and convince people to change their viewpoint (Higgs, 2002). Leaders know how to get support from others for their ideas and how to find the right appeal for listeners (Goleman, 2002).
Five-factor personality model	It has been found that the so called five-factor personality model is strongly related to leadership. Extroversion, conscientiousness, openness, low neuroticism, and agreeableness are seen as the factors of success and are described here below. The factor which has the highest impact on leadership is said to be extroversion (Northouse, 2013). However, research has shown that the five-factor personality model and its correlations to transformational leadership can be different for other cultures, for example, the Chinese culture (Shao & Webber, 2006:943).
Strong work ethic	Leaders possess a strong drive for achievement which have an impact on their effectiveness (Locke, 1999; Tosi, Mero, & Rizzo, 2000). Leaders are persistent and try to influence others to change their viewpoints (Northouse, 2013). Leaders are driven by ambition which assists in reaching challenging objectives and growth by working long hours over extended periods of time (Locke, 1999).
Extroversion	Outgoing people are likely to actively participate in team activities and take on leadership roles. Extroverts "tend to be social, active, and upbeat and seek out change" (Godzyk, 2008:45). Bernard (2013:27) reports that they tend to be proactive and have a strong motivation for development which results in "amassed work experience". Extroverted leaders experience positive emotions and seek excitement. They are "articulate, expressive and dramatic" (Judge & Bono, 2000:752-753).
Conscientiousness	Conscientiousness has a strong impact on performance and its principal facets are self-discipline and achievement (Judge & Bono, 2000:752, 754). Achievement and self-determination are also part of conscientiousness (Shao & Webber, 2006:938).
Openness to experience	Can be correlated to divergent thinking and refers to a tendency to be creative, thoughtful, perceptive and imaginative. Therefore, openness *to experience* has a strong impact on innovation. To trigger change leaders stimulate subordinates intellectually for questioning existing conditions and bringing about improvement (Judge & Bono, 2000:752-753; Shao & Webber, 2006:937).
Low neuroticism	Neurotic leaders exhibit depression, anxiety, moodiness or fear. Leaders who score high on neuroticism generally have less self-esteem and self-confidence which are crucial dimensions of transformational leadership. Therefore, neurotic individuals are ineffective as leaders. Self-confidence is important for establishing trusting relationships with followers and for portraying a positive image of the future (Judge & Bono, 2000:752-753).
Agreeableness	Agreeableness is often seen by subordinates as the most important trait for leaders. Agreeable leaders are empathetic of their followers' needs and concerned for their conditions. Furthermore, agreeable leaders are sociable, warm, trusting and trustworthy, kind, friendly, courteous and

	easily approachable (Judge & Bono, 2000:752; Shao & Webber, 2006:938).
Charisma	Leaders with charisma are perceived to have an extraordinary mind and abilities (Ensari & Murphy, 2003). This is reflected in their communication which can transmit positive emotions to followers. Such mood contagion has an impact on followers' well-being, performance, creativity, cooperation, motivation and job satisfaction (Bono & Ilies, 2006).
Integrity	Personal integrity is significant as it fosters credibility (Franken, 2010). Followers expect their leaders to do what they say, and so demonstrate their commitment to the values they espouse (Hering, Schuppener, & Schuppener, 2010). Dynamism, trustworthiness and expertise seem to make a person believable (Kouzes & Posner, 2002). Because people who show integrity are seen as ethical, trustworthy, honest, dependable, loyal and adhering to a strong set of principles they inspire confidence in others (Yukl 2013). Integrity is the foundation of character and enables leaders to build relationships (Bird and Osland 2006). The leader's integrity is significant for followers' trust as integrity is "the perceived degree of congruence between espoused and enacted values" (Joseph & Winston, 2005:7). The correlation between the character of leaders and their performance is strong (Gomibuchi, 2004).
Determination	People who exhibit determination are results oriented and want to get the job done. However, this can result in dominance towards subordinates in situations when they struggle and need direction. Drive, persistence and initiative are characteristic of determination (Northouse, 2013).
Humour	Interestingly, humour can help to reduce tension and to overcome boredom. As it defuses conflict it can help to maintain power, and leaders who use humour are often more people-oriented and easier to approach (DuBrin & Dalglish, 2003).
Tolerance of frustration	Leaders are constantly confronted with failure so the ability to tolerate frustration is significant (Hering et al., 2010). Learning and the promotion of learning need a tolerance for error as learning requires letting people try new things and fail (Kouzes & Posner, 2002).
Warmth	Warmth makes leadership more effective, improving rapport with team members, fostering *charisma* and giving *support* to group members (DuBrin & Dalglish, 2003).
Enthusiasm	Enthusiasm is an important tool for inspiration. If the leader does not project enthusiasm about challenges nobody else will be motivated (Cohen, 2007). Followers often perceive enthusiasm as rewarding constructive behaviour. Moreover, enthusiasm has a positive effect on relationships (DuBrin & Dalglish, 2003). Especially in times of difficulty enthusiastic leaders can give hope to followers (Kouzes & Posner, 2002).
Optimism	Optimists believe "if they did what they should do, the environment would respond positively (Chemers, Watson, & May, 2000). Such leaders focus on opportunity rather than on threat. Positive expectations often have a positive effect on outcomes (Goleman, 2002).A positive disposition in general is significant in leadership as this can motivate

	followers (Berard, 2013).
Courage	Effective leadership requires courage to overcome obstacles, taking risks and initiative. Leaders often need to voice unpopular opinions. They also have to project *self-esteem* when communicating visions and realising them, especially in situations of crisis (Walston, 2003). Furthermore, courage is needed in decision making, handling mistakes, introducing change and innovation or taking difficult actions (Hering et al., 2010). Courage is the ability to handle situations of fear with confidence. It has been claimed that leadership … is about having the guts, nerves and heart to do things that foster and support progress. And that begins with the realisation that: 1) improvement won't be found on the path of least resistance known as conformity, and 2) status quo is the archenemy of progress (Cottrell & Harvey, 2004:8).
Passion	Good leaders are passionate about their work. A strong commitment to accomplish the organisation's goals is needed to put in maximum effort (DuBrin & Dalglish, 2003). By communicating passion the leader motivates followers (Bennis, 2003).
Assertiveness	Assertiveness, the capacity of letting others know where one stands in relation to expressing opinion, demands, attitudes or emotions, is important in leadership. Assertive leaders reach objectives easier (DuBrin & Dalglish, 2003).
Flexibility	Effective leaders also need flexibility to change and face different situations in which they have to adapt their behaviour and leadership style (DuBrin & Dalglish, 2003).
Internal locus of control	People with an internal locus of control believe that their experiences are determined by their actions or personal traits; whereas persons with an external locus of control think that chance or other circumstances contribute to what is happening. An internal locus of control impacts positively on leaders' judgment of being able to bring about change (Paglis & Green, 2002), the capacity to be in charge of problem solving and possess a strong self-confidence for bringing about positive results (Yukl, 2013).
Self-confidence	Leaders who are self-confident trust themselves, and can inspire feelings of reassurance (Carroll, 2007). So it is not only important that the leader is self-assured but also that he or she can project this confidence to others (Brown, 2007). High self-confidence leads to better problem solving and the introduction of positive change. It has been found that self-confident persons can stay calm in crisis situations (Yukl, 2013).
A strong ego and a set of core values	A strong ego and a set of core values guide leaders through uncertainty, in complex environments and when making decisions (Schneider & Barsoux, 2003).
People skills	Leadership is now about facilitating teamwork and interacting with people so that leaders need to understand their impact on people (Berard, 2013). People skills are fundamental as leadership activities all evolve around people (Alimo-Metcalfe & Lawler, 2001). Managerial socio-emotional competency is crucial and a set of skills such as "listening and understanding, empathy, correctly perceiving others' emotional states, etc." (Morand, 2001:30). People skills are especially important for networking (Schneider & Barsoux, 2003). Leaders spend much time

	engaging in “deep-seated communication, dialogue, and negotiation” (Zhao, 2012).
Trustworthy	Leaders must find opportunities to demonstrate their trustworthiness (Sharkie, 2009), which seems to depend on three characteristics: competence, integrity and benevolence or the showing of concern (Whitener & Stahl, 2006).
Has foresight and plans ahead	Leaders with foresight plan ahead and create and maintain a forward perspective anticipating opportunities, threats or risks scanning the environment. They follow a long-term approach when planning “and have high level of peripheral vision and sensory acuity” (O'Brien & Robertson, 2009:376).
Team builder	Leaders are responsible for forming, shaping and maintaining cohesive work groups with a common goal and facilitate their collaboration. Team building can take place through the interaction and consequent learning of team members in their everyday work or through structured and planned activities planned and facilitated by the leader or an external provider (Stanzma, 2014).
See the big picture	Leaders have to be able to look through complexity recognising connections with the system. This assists in understanding how parts of the organisation influence each other or how the environment impacts on an organisation (DuBrin & Dalglish, 2003).
Have specific/technical knowledge	Whereas in the 1990s generalist managers were preferred to lead companies the trend is changing now to expert leaders as CEOs. These leaders are expected to have deep and specialised knowledge (Nicholson & Nairn, 2006).
Show politeness	Leaders need to show politeness, diplomacy and tact at any time (Berard, 2013).

Appendix L: Traits/Expatriate Leadership

Emotionally stable	A person who is secure, calm and well-adjusted is emotionally stable (Franken 2010). Emotionally stable leaders can deal well with stress and accept criticism. Daft and Lane (2007:101) point out that "leaders who have a low degree of emotional stability are likely to become tense, anxious, or depressed. They generally have lower self-confidence and may explode in emotional outbursts when stressed or criticized". The display of positive emotions contributes to the perception of a leader, and the worst reaction a manager can demonstrate is losing control which could result in subordinates losing respect (Johnson & Oberwise, 2012; Trichas & Schynes, 2012). Emotional stability is a determinant factor for expatriate adaptability (Bird and Stevens 2013).
Cultural awareness	Being aware an conscious of differences in other cultures and one's own culture (Konopaske & Ivancevich, 2004).
Knowledge of the own culture	Understanding one's own culture makes leaders self-reflective and open to feedback. It is important to transmit knowledge about the own culture to followers and discuss cultural differences (Lang, 2010). Moreover, knowledge of the own culture assists in understanding context (Wibbeke, 2009). Being aware of one's own values fosters a comfortable interaction with others (Schneider & Barsoux, 2003).
Cultural intelligence	Cultural intelligence is fostered through experiential learning and depends on the extent to which individuals engage in grasping the new situation, reflection and transforming, observing and acting (Ming 2009). This leads to the accurate interpretation and expectation in cross-cultural contexts which results in appropriate behaviour (Ng, Van Dyne et al. 2009). Executives with cultural intelligence are more likely to establish trustworthy relationships, to communicate more effectively and have a better understanding of others (Mannor 2008).
Cultural sensitivity	Cultural sensitivity is the understanding of the differences in the behaviour and the thinking of other cultures (Sharkey, Razi, & Cooke, 2012). It is supported by a global mindset and leads to the appreciation of and successful communication with other cultures (Moran, Harris, & Moran, 2011; Thomas & Osland, 2006). Leaders with cultural sensitivity can perceive the world through the eyes of others (Sharkey et al., 2012). They not only have the capacity to understand what their foreign counterparts say but also get the right meaning of the message (Johnson & Oberwise, 2012). Cultural sensitivity brings about the ability to adapt leadership styles to other cultures and can be seen as the most important competency for multicultural leadership (Gundling, Hogan, & Cvitkovic, 2011).
A higher degree of openness to experience and foreign cultures	An interest in new experiences can contribute to effectiveness (Schneider & Barsoux, 2003). A deep interest in cultural differences or the environment are paramount in the adaptation process of global leaders (Ng, Van Dyne, & Ang, 2009)

A higher degree of agreeableness	It has been found that agreeable leaders are easier to approach and demonstrate a concern and sensitivity for others' needs. Empathy which is part of agreeableness is crucial in mentoring and establishing positive relations with followers. "Agreeableness is positively related to transformational leadership behaviour"(Judge & Bono, 2000:754).
A higher degree of adaptability	Not adapting patterns of behaviour, mental models, pacing or issues relating to timing to the other culture is likely to result in failure (Gundling, Hogan et al. 2011).Thus, a higher degree of adaptability is required when leading people from other cultures in international environments. Especially in dealing with developing countries fixed plans are often not working out and thus, it is better to accept volatility and adjust actions to unexpected situations (Johnson & Oberwise, 2012). Values, regulations and rules need to be adapted to conditions, which require working informally and with unwritten norms and not being dogmatic. Frequently, personal values have to be adjusted to cultural situations in order to get the job done. International leaders need openness even if they are dealing with issues which they feel strongly about (Sharkey, Razi et al. 2012).
Adaptable family	It is important that spouses and children are adaptable to global assignments (GMAC Global Relocation Services, 2008). It assists in the development of global competency if the family is moveable and can support the executive while abroad (Osland & Bird, 2013).
Cross-cultural skills	The success of foreign assignments depends especially of cross-cultural communication skills but also cultural awareness and knowledge about and adaptation to culture specific attributes (Tung, 1981).
A higher degree of partnership skills	It is even more significant for international leaders than for baseline or generic and multicultural leaders to establish networks and trusting relationships in a foreign environment as the leader has to rely on these relations to compensate the lack of local knowledge and skills (Gundling, Hogan et al. 2011). Executives with cultural intelligence are more likely to establish trustworthy relationships with the right allies, to communicate more effectively and have a better understanding of their partners (Mannor 2008).
Awareness of own behaviour and leadership style	Expatriate leaders can effectively deal with differences if they first have an awareness of their own behaviour and leadership style (Gundling, Hogan et al. 2011).
Hardiness and resilience	Hardiness and resilience is needed by international leaders to survive stressful situations. Leaders who see such circumstances as energising and meaningful challenges and embrace change, good health, courage and a positive self-regard are required (Bird and Osland 2006). It is the difficult nature of overseas assignments which brings about the questioning and

	modification of mental models and then builds up a global mindset (Osland, 2013). Kets de Vries and Mead (1993:191) note that they also must be able to cope with stress from “regular travel through different time zones, massive exposure to information, long hours and so on”.
Sensitive communications	Multicultural leaders need to be sensitive communicators. Not only do they have to send clear messages and use language which everybody can understand (Thomas and Osland 2006; Brown 2007). It has been recommended to not impose ideas, respect should be shown and responses need to be non-evaluational (Moran, Harris et al. 2011). Multicultural leaders listen more than they talk (Sharkey, Razi et al. 2012). Requests for clarification have to be made repeatedly, which requires patience (Johnson and Oberwise 2012). It is important for multicultural leaders to take into account body language which can give them clues (Brown 2007). In written communication it is even more important to be clear and abbreviations and acronyms should not be used. Communication style has to be adapted to the audience and the specific context and culture. Thomas and Osland (2006:97) emphasise that “Expert intercultural communicators are better at diagnosing messages and more skilled at choosing and enacting effective scripts”.
No ethnocentric perspectives	It could be detrimental to perceive what is going on from an ethnocentric perspective, which means through the lenses of one’s own culture. So leaders have to develop a critical view of their assumptions (Dunn, Lafferty et al. 2012).
Non-judgmental behaviour	Differences between cultures and behaviours from other countries may appear illogical and even wrong. They might be the opposite of behaviours practiced in one’s own culture. It is important that leaders who encounter such situations and behaviours are non-judgmental (Johnson and Oberwise 2012).
Patience	Expatriate leaders need patience as time perception and decision-making processes are different between cultures and leaders might become frustrated by delays (Tucker, Bonial, Vanhove, & Kedharnath, 2014).
Empathy	Empathy has been defined by Hojat (2009:413) as “a predominantly cognitive (rather than emotional) attribute that involves an understanding (rather than feeling) of experiences, concerns, and perspectives of [an individual], combined with the capacity to communicate this understanding
Sensitivity to the environment	Expatriates can cause severe damage if they are culturally insensitive (Hofstede 1997). Insensitivity to their environment as well as not adapting and understanding local culture can become expensive to organisations (Earley, Ang et al. 2006). Expatriate failure can lead to the loss of market and image (Kets de Vries and Mead 1993).
Linguistic competence	Linguistic competence, is crucial to leaders in intercultural

	contexts, defined as the ability to effectively communicate in a foreign language (DuBrin & Dalglish, 2003; OECD, 2008). For international leaders it is essential to use their host country's language to network and build relationships (Gundling, Hogan et al. 2011). Hofstede (2001) points out that language has an impact on intercultural situations which is often underestimated. Not only can language proficiency avoid misunderstandings but it leads to a deeper understanding. These shape the reality and truth of groups of people sharing one language. Language is shaped by the interaction of people as concepts and patterns are developed by the use of language. Not simply words but a whole understanding of the world is contained in concepts and patterns of language. It has been said that only what can be expressed by the use of language exists in the reality of people (Bloor 1996).
Cosmopolitanism	Cosmopolitanism has been defined by Gunesch (2004:256) as "feeling at home in the world … This feeling at home in the world could be specified as interest in or engagement with cultural diversity by straddling the global and the local spheres in terms of personal identity. Straddling in this sense means having one foot in each sphere,and finding a balance in which the global is decisive without necessarily dominating all the time.
Culture specific attributes	It has been suggested that interculturally competent leaders not only need universally effective characteristics and skills but simultaneously have to possess culture specific attributes (Lang, 2010). Leadership success with one culture does not indicate effective leadership with another culture (Engle Sr, Mendenhall, Powers, & Stedham, 2001).

Appendix M: Traits/Multicultural Leadership

Intercultural experience and English (+ another foreign) language competency	Having lived for longer periods of time abroad (Konopaske & Ivancevich, 2004). Experience has shown that leaders who have not been abroad and have never acquired a foreign language seem to be ineffective as multicultural leaders (Gundling, Hogan, & Cvitkovic, 2011).
Ability to work with high levels of uncertainty	Being able to work with different levels of meaning, contrasting and conflicting views and methods (Schneider & Barsoux, 2003).
Higher degree of interpersonal competency	Bird and Osland (2006) argue that the leading of diverse individuals requires a higher degree of interpersonal competency than traditional forms of leadership.
A higher degree of integrity and honesty	Honesty and integrity are especially important to the success of leadership in multicultural contexts (Lang, 2010).
Culture specific attributes	It has been suggested that interculturally competent leaders not only need universally effective characteristics and skills but simultaneously have to possess culture specific attributes (Lang, 2010). Leadership success with one culture does not indicate effective leadership with another culture (Engle Sr, Mendenhall, Powers, & Stedham, 2001).
Global mindset	To understand and influence diverse individuals, groups or organisations it is necessary to have a *global mindset*. This can assist in implementing the organisation's objectives (Javidan, 2012). Javidan, Teagarden (2010:3) et al. mention that a global mindset can be measured at three levels: • 'Global Intellectual Capital' (i.e. general knowledge and capacity to learn global business savvy, cognitive complexity, cosmopolitan outlook) • 'Global Psychological Capital' (openness for differences and capacity for change) • 'Global Social Capital' (i.e. ability to build trusting relationships with and among people who are different to you)
High level of openness	If leaders are *open* their subordinates can approach them easily and share information; a willingness to learn from others is especially important in multicultural contexts (Bird & Osland, 2006; Brown, 2007). Multicultural leaders need to be transparent in terms of their assumptions and expectations. Conflict could occur if these stay implicit (Gundling, Hogan et al. 2011).
Reflexivity	Reflexivity is seen as the fundamental meta-ability for learning in multicultural leadership. Leaders have to think about their thinking and how to acquire skills and ways of thinking. They have to question why and how things happen and appreciate different perspectives (Ming 2009).

Appendix N: Traits/Global Leadership

A wide range of knowledge	A wide range of knowledge is required not only about country conditions and functions but also on how to accomplish work tasks, specific work related expertise, knowledge about the organisation or its strategy, and social capital which can provide resources. This is necessary to adequately assess global situations taking into account legal, political, social and cultural realities. Further, ethical issues and a high level of ambiguity have to be considered for taking appropriate action (Bird & Osland, 2006; Sharkey, Razi, & Cooke, 2012).
Global strategic thinking	In global dynamic environment strategic planning can become outdated over short periods of time (Mendenhall, Kuehlmann, & Stahl, 2001). Therefore global leaders constantly have to scan the environment to adapt strategies, processes and leadership styles to diverse global stakeholders' needs (Gundling, Hogan, & Cvitkovic, 2011).
Excellent learner with curiosity	Global leaders need to be excellent learners with the motivation to acquire new knowledge and skills (S. Zhao, 2008). Global leaders need curiosity to learn about the organisation's situation and follow up relevant themes (Bird & Osland, 2006). It has been recommended to pay attention to unexpected information (Gundling et al., 2011). They can adapt to any context as they love to learn and discover (Sharkey et al., 2012).
A holistic perspective	Effective global leaders adopt a holistic perspective to track and measure not only financial but also other indicators holding leaders responsible for these issues. A holistic perspective is needed for constantly adapting strategy to improve performance and deliver the desired results (Sharkey et al., 2012).
Acceptance of complexity and its contradictions	Leaders should make long-term strategies with a systematic perspective because of the complexity of the enterprise itself and the stakeholders (S. Zhao, 2001, 2004).
Humility	It has been argued that humility has a positive impact on organisational resilience and learning and thus can enhance organisational effectiveness. Humble leaders lead "quietly by maintaining a low profile and acting with modesty, restraint, patience, mutuality, and care" (Morris, Brotheridge, & Urbanski, 2005:1327). These leaders see their own limitations, strengths and weaknesses in a realistic way recognising "how dependent they are on forces outside themselves. Such individuals appreciate that they do not have all the answers and, as a result, actively seek out the contributions of others as a means of overcoming their individual limitations" (Morris

	et al., 2005:1332)
A higher degree of inquisitiveness	Inquisitiveness assists global leaders to learn "about unfamiliar environments. Inquisitive leaders create opportunities to learn and ask questions about what they see" (Black, 2005).
A higher degree of flexibility	An inflexible global leader who followed precise rules would be highly ineffective (Gundling et al., 2011).

Appendix O: GLOBE Culture Dimensions

Performance Orientation. The degree to which a collective encourages and rewards (and should encourage and reward) group members for performance improvement and excellence. In countries like the United States and Singapore that score high on this cultural practice, businesses are likely to emphasize training and development; in countries that score low, such as Russia and Greece, family and background count for more.
Assertiveness. The degree to which individuals are (and should be) assertive, confrontational, and aggressive in their relationships with others. People in highly assertive countries such as the United States and Austria tend to have can-do attitudes and enjoy competition in business; those in less assertive countries such as Sweden and New Zealand prefer harmony in relationships and emphasize loyalty and solidarity.
Future Orientation. The extent to which individuals engage (and should engage) in future-oriented behaviors such as delaying gratification, planning, and investing in the future. Organizations in countries with high future oriented practices like Singapore and Switzerland tend t have longer term horizons and more systematic planning processes, but they tend to be averse to risk taking and opportunistic decision making. In contrast, corporations in the least future oriented countries like Russia and Argentina tend to be less systematic and more opportunistic in their actions.
Humane Orientation. The degree to which a collective encourages and rewards (and should encourage and reward) individuals for being fair, altruistic, generous, caring, and kind to others. Countries like Egypt and Malaysia rank very high on this cultural practice and countries like France and Germany rank low.
Institutional Collectivism. The degree to which organizational and societal institutional practices encourage and reward (and should encourage and reward) collective distribution of resources and collective action. Organizations in collectivistic countries like Singapore and Sweden tend to emphasize group performance and rewards, whereas those in the more individualistic countries like Greece and Brazil tend to emphasize individual achievement and rewards.
In-Group Collectivism. The degree to which individuals express (and should express) pride, loyalty, and cohesiveness in their organizations or families. Societies like Egypt and Russia

take pride in their families and also take pride in the organizations that employ them.
Gender Egalitarianism. The degree to which a collective minimizes (and should minimize) gender inequality. Not surprisingly, European countries generally had the highest scores on gender egalitarianism practices. Egypt and South Korea were among the most male dominated societies in GLOBE. Organizations operating in gender egalitarian societies tend to encourage tolerance for diversity of ideas and individuals.
Power Distance. The degree to which members of a collective expect (and should expect) power to be distributed equally. A high power distance score reflects unequal power distribution in a society. Countries that scored high on this cultural practice are more stratified economically, socially, and politically; those in positions of authority expect, and receive, obedience. Firms in high power distance countries like Thailand, Brazil, and France tend to have hierarchical decision making processes with limited one-way participation and communication.
Uncertainty Avoidance. The extent to which a society, organization, or group relies (and should rely) on social norms, rules, and procedures to alleviate unpredictability of future events. The greater the desire to avoid uncertainty, the more people seek orderliness, consistency, structure, formal procedures, and laws to covers situations in their daily lives. Organizations in high uncertainty avoidance countries like Singapore and Switzerland tend to establish elaborate processes and procedures and prefer formal detailed strategies. In contrast, firms in low uncertainty avoidance countries like Russia and Greece tend to prefer simple processes and broadly stated strategies. They are also opportunistic and enjoy risk taking.

(Javidan, Dorfman et al. 2006)

Appendix P: Global Mindset

A) Intellectual Capital consists of three key elements:

1) **Global business savvy**
2) **Cognitive complexity**
3) **Cosmopolitan outlook**

1) Global business savvy:

- Knowledge of global industry
- Knowledge of global competitive business and marketing strategies
- Knowledge of how to transact business and manage risk in other countries
- Knowledge of supplier options in other parts of the world

2) Cosmopolitan outlook:

- Knowledge of cultures in different parts of the world
- Knowledge of geography, history, and important persons of several countries
- Knowledge of economic and political issues, concerns, hot topics, etc. of major regions of the world

3) Cognitive complexity:

- Ability to grasp complex concepts quickly
- Strong analytical and problem solving skills
- Ability to take complex issues and explain the main points simply and understandably

B) Psychological Capital consists of three key elements:

1) **Passion for diversity**
2) **Quest for adventure**
3) **Self-assurance**

1) Passion for diversity

- Interest in exploring other parts of the world
- Interest in getting to know people from other parts of the world
- Interest in living in another country
- Interest in variety

2) Quest for adventure

- Interest in dealing with challenging situations
- Willingness to take risks
- Willingness to test one's abilities
- Interest in dealing with unpredictable situations

3) **Self-assurance**
   - Energetic
   - Self-confident
   - Comfortable in uncomfortable situations
   - Witty in tough situations

C) Social Capital consists of three key elements:

1) **Intercultural empathy**
2) **Interpersonal impact**
3) **Diplomacy**

1) **Intercultural empathy**
   - Ability to work well with people from other parts of the world
   - Ability to understand nonverbal expressions of people from other cultures
   - Ability to emotionally connect to people from other cultures
   - Ability to engage with people from other parts of the world to work together

2) **Interpersonal impact**
   - Experience in negotiating contracts in other cultures
   - Strong networks with people from other cultures and with influential people
   - Reputation as a leader
   - Credibility

3) **Diplomacy**
   - Ease of starting a conversation with a stranger
   - Ability to integrate diverse perspectives
   - Ability to listen to what others have to say
   - Willingness to collaborate (Javidan 2012:66-68)

Appendix Q: Interview Guide for Global Leadership

Questions	What It Probes For	Red Flags
1. Describe your interests and hobbies. What do you enjoy most outside of work?	Diversity in learning and preference for team versus individual activities	Preference for non-team sports and events; lack of passion for extracurricular activities
2. Do you discuss your interests and hobbies with others? Provide examples of how you have learned from such sharing.	Desire to socialise, share, and learn from a wide variety of people	Overly reserved behaviour; difficulty adjusting to or learning from others
3. Provide an example of when you modified your view of the world as a result of new and different information or opinions	Willingness to flex opinions based on information from others	See the world mainly in their unique way
4. Do you find yourself following a schedule, or do you alter your course as you go along?	Ability to deal with change and uncertainty	Rigid, structured, or linear behaviour and thinking
5. Do you base your decisions and priorities on long-term strategy or on short-term demands and issues?	Willingness to invest in the future, while keeping short-term goals in check	Propensity to micromanage; tactical approach to work
6. Do you prefer projects and are more satisfied with long-term results or those that are quick hits and produce instant results?	Future orientation; willingness to delay short-term gratification to achieve long-term gains	Present orientation; want immediate gratification
7. What types of books and other reading materials do you enjoy the most?	Depth and breadth of interests and knowledge; openness to reading materials that transcend cultural boundaries	Mainly focused on a single genre or type of reading materials
8. Do you learn mostly form books and the Internet or from people?	Type of learning and learning style	Dogmatic approach to learning; getting information mostly from impersonal sources
9. What types of travel do you enjoy most? What destinations have given you the most satisfaction or sense of fulfilment?	Interest in people and places of historical, political, and cultural interest	Lack of interest in other cultures; mostly vacation for relaxation versus learning; staying in the hotel rather than mingling with locals
10. Describe how you learn from and adapt to new surroundings.	Adaptability and flexibility	Difficulty moving out of their comfort zone
11. Provide examples of when you have promoted solutions, products, or services that transcend geographical boundaries.	Interest in cross-geographical and cross-cultural ideas and concepts	Higher preoccupation in local markets
12. Describe a situation in which you had to make adjustments to your thinking or communication style as a result of cultural or other differences of your	Perceptive enough to change their way of thinking and behaving in response to situations or	Uncompromising; emphasis on personal beliefs and standards and not open to those of others

audience.	people outside their normal frame of reference	
13. Describe the composition of the teams you select or how you select your team members.	Priority on diversity in creating teams and seeking out global talent	Lack of global diversity in team composition
14. As a child, did you travel outside your home country? At what age did you first experience another culture? Did you do other things to learn about people in other countries?	Cross-cultural experiences or curiosity; exposure to diverse groups during formative years	Lack of interest or knowledge about other cultures
15. Do you bend rules and values as required by the situation, or do you refuse to compromise on principles (even if they conflict with local norms)?	Moral intelligence; examples demonstrate if "bending" the rules constitutes flexibility or crosses the line	Reluctance to bend rules even when situation may warrant an exception; respond more favourably to rules and rigid behaviors
16. How do you as well as other people evaluate your success?	Focus of evaluation: individual versus team performance	Imbalance in team versus individual, with individual performance being the dominating influence
17. If you could invite anyone to a dinner party, whom would you invite?	Value differences and cultural or global diversity	Prefer people with similar backgrounds and experiences
18. How do you reward people for performancing well?	Use of customised awards	Insensitivity to people's personal needs and values in providing reinforcement

Appendix Q Transglobal Leadership Interview Protocol (Sharkey, Razi, & Cooke, 2012:223-225)

Appendix R: Traditional and Systems Thinking

Comparison between the traditional and systems thinking

Systems thinking skills

- Dynamic Thinking: framing a problem in terms of pattern of behaviour over time
- System-as-cause thinking: placing responsibility for a behaviour on internal actors who manage the policies and plumbing of the system
- Forest thinking: believing that, to know something, one must understand the context of relationships
- Operational thinking: concentrating on getting at causality and understanding how a behavior is actually generated
- Closed-loop thinking: viewing causality as an ongoing process with the "effect" feeding back to influence the causes, and the causes affecting one another
- Quantitative thinking: accepting that one can always quantify, but not always measure
- Scientific thinking: recognising that all models are working hypotheses that always have limited applicability

Traditional thinking skills

- Static thinking: focusing on particular events
- System-as-effect thinking: viewing behavior generated by a system as driven by external forces
- Tree-by-tree thinking: believing that really knowing something means focusing on the details
- Factors thinking: listing factors that influence or are correlated with some result
- Straight-line thinking: viewing causality as running one way, with each cause independent from all other causes
- Measurement thinking: searching for perfectly measured data
- Proving-truth thinking: seeking to prove models to be true by validating with historical data

Source: Adapted from Skarzauskiene (2010) from Richmond (2001)

Appendix S: Life-long Learning for Global Leadership

Life-long Learning for Global Leadership

Childhood
- Bicultural/bilingual upbringing
- Coming from multiple ethnic and cultural backgrounds
- Exposure to other cultures and new and varied experiences

Secondary education
- Language learning
- Exchange programs
- International school
- Intercultural role plays
- Leadership development (for example Round-Square Schools)
- International camps
- International projects
- International Baccalaureate
- Development projects abroad
- Outdoor experiences
- Videos, films and books
- Case studies and social media
- Discussion
- Telling of anecdotes
- Exchange of experiences
- Team work
- Reflection
- Travel
- World geography

Tertiary education
- Lectures combined with incorporate and experienced-based methods in real-world settings
- Specific and general culture trainings
- Language learning
- Study abroad (ideally the whole degree)
- Culturally diverse student body and professors from different cultures
- Experiential projects
- Field work
- Internships abroad
- Culture shock
- Action learning
- Intercultural role plays
- Case study
- Videos/Films and Books
- Assimilations
- Practice scenarios
- Leadership training focusing on new realities
- Videos, case studies and social media
- Discussion and telling of anecdotes
- Meetings with global executives
- Reflection
- Hardship experiences
- Travel
- Work experience in multicultural teams

Early career
- Self-directed learning
- Language learning
- Work abroad
- Culture shock
- Work in different departments, functions, companies and countries
- Specific culture training
- Intercultural role plays
- Mentoring
- Shadowing
- Coaching
- Action learning
- International project teams/task forces and virtual teams
- Short and long expatriate assignments
- 360 degree feedback
- Networking
- Reflection based on personalised cultural profiles
- Swap jobs and international job rotation
- Advice by experienced leaders
- Informal dialogue
- Repatriation
- Leadership training courses focusing on new realities
- Discussion and telling of anecdotes
- Exchange of experiences
- Reflection
- Hardship experiences
- Business travel
- International business seminars
- Leading multicultural teams
- Being responsible for multinational products and services
- Leading a business unit in another country
- Global assessment centres

Mid-career
- Self-directed learning
- Language learning
- Experiential development programs
- Increased exposure to foreign cultures through travel, short and long expatriate assignments
- Culture shock
- Intercultural training
- Shadowing
- Coaching
- 360 degree feedback
- Networking
- International forums for business and management
- Informal dialogue
- Repatriation
- Leadership training courses focusing on new realities
- Discussion and telling of anecdotes
- Exchange of experiences
- Reflection
- Global vision training
- Hardship experiences
- Business travel
- International business seminars
- Leading multicultural teams/ task forces and virtual teams
- Being responsible for multinational products or services
- Leading a business unit in another country
- Global assessment centres

Appendix T: Official letter of invitation

Cornelia Cohrs
UNE Business School
University of New England

Armidale NSW 2351

Australia

Tel 49 511 851967

September 10th, 2012

Name of CEO1

Name of participating MNC
Address

Research Project

Dear (name of CEO1),

I wish to invite you to participate in my research on 'Global Competence' in Leadership: A case study of shadowing leaders of multi-national corporations. Shadowing implies accompanying and observing and will be used to understand the experience through the participants' eyes.

The aims of this study are to identify the core competencies and skills needed by leaders in international business, to understand how 'global competency' for leaders in international business can be acquired and developed and to propose a professional development model to assist leaders in international business to develop the 'global competencies' they require for success.

I am conducting this research project for my PhD at the University of New England and would like you to participate in my research because of your wide experience as a global business leader in a multinational corporation. The (name of industry) has been selected for this study because of its global operations. You can find the details of the study here attached and I hope you will consider being involved.

Yours sincerely,

Cornelia Cohrs

PhD Candidate