INTERNATIONAL LEADERSHIP AND ORGANIZATIONAL BEHAVIOR

#ILOB #Bocconi #SDABocconi

STUDY MATERIALS - Week1





Week 1 LEADERSHIP ACUMEN

- 1. THREE PRINCIPLES OF LEADERSHIP
- 2. FOCUS ON RESEARCH: Leadership from an International OB Perspective
- 3. FOCUS ON PRACTICE: Leadership Challenges
- 4. FOCUS ON PRACTICE: Leadership Opportunities
- 5. WRAP UP

PART 1

THREE PRINCIPLES OF LEADERSHIP

- What makes leaders "great" ?
- E.g. Napoleon, Steve Jobs, Mother Theresa, Kofi Anan etc.
 - Vision, charisma, emotional intelligence ...
 - They brought many VARIED talents to their roles, their organizations, and their followers
- But nobody can be all of those admirable characteristics at once
 - Steve Jobs was a visionary but not the most emotionally intelligent leader
- Common challenges are tackled with different responses
 - Leaders develop their own personal style

Principle #1

THERE IS NO STANDARD FORMULA FOR LEADERSHIP.
EVERY LEADER HAS THEIR OWN UNIQUE APPROACH.

- Great leaders have one thing in common: Followers
- Followers depend on their leaders:
 - Need direction, motivation, decisions etc.
 - Great leaders can harness and channel the talents of their followers
- Leaders depend on their followers:
 - rely on their support and talents to execute the decisions and accomplish goals, get input and feedback from them, need their eyes and ears

Principle #2

LEADERS AND FOLLOWERS HAVE AN INTERDEPENDENT RELATIONSHIP.

- Should leaders respond to all followers / situations the same way?
- Situational leadership focuses on the issues and the people
 - Different situations and people should be addressed differentially
- Leaders need a 'portfolio' of competences to tackle different situations (e.g. being inspiring vs. being strict etc.)

Principle #3

LEADERS NEED ADAPTIVE TO BE ABLE TO RESPOND TO A WIDE VARIETY OF CIRCUMSTANCES AND CHALLENGES.

PART 2

FOCUS ON RESEARCH: **Leadership from an Intern**ational OB **Perspective**

What is Organizational Behavior Research?

- Organizational Behavior (OB) scholars seek to explain individual and collective behavior in organizations with social science research
 - what drives behavior, the cognitive processes that go with it; a contrast to 'idealized' behavioral assumptions of neoclassical economics
- Comprises a number of scientific disciplines: social psychology, behavioral economics, sociology, communication studies, neuroscience, and others
- Based on scientific methods and (mostly) rigorous empirical research
- The OB literature covers many topics relevant to leadership (decision making, motivation, communication, conflict, social/professional networks, etc.)

POPULAR BOOKS on OB



- Blink: The Power Of Thinking Without Thinking (2007), by Malcolm Gladwell
- Nudge: Improving Decisions About Health, Wealth, and Happiness (2009), by Richard H. Thaler
- Leader-Member Exchange (LMX) and Performance: a Meta-Analytic Review, Martin, Guillaume et al. in Personnel Psychology, 2015

http://onlinelibrary.wiley.com/doi/10.1111/peps.12100/abstract

What is International OB Research?

- International OB identifies differences and commonalities in individual and collective behavior across countries or regions
- Research can be classified broadly into two groups:
 - macro level: focus on country-to-country (or region-to-region)
 differences in values and behavioral tendencies
 - micro level: examines cross-cultural differences in cognition, emotion and behavior at the individual level

MACRO approach to International OB

Example of MACRO research:

 Hofstede's study of IBM managers in 40 countries led to four proposed generalized dimensions of cultural differences between countries

Advantages:

Simple, and functional, easy to apply and explain

Disadvantages:

- "Ecological Fallacy": Hofstede pointed out errors and obstacles one encounters when assuming that a generalized cultural value orientation applies to all individuals within a given culture (the problem of "overgeneralization").
- Narrow research focus: culture is not only made of values, and values are not the only or the most important triggers for behavior



Hofstede, G. (1980). Culture's consequences: International differences in work-related values.

MICRO approach to International OB

Example of MICRO research:

 Valikangans and Okumura showed how Americans and Japanese employees evaluate their leaders, and the roles they play in change initiatives based on fundamentally different logics

Advantages:

- more nuanced and comprehensive explanation of how culture influences people's behavior in organizations
- provides insights into cognitive and interpretative processes in people's minds

Disadvantages:

- different studies are more difficult to compare since they often apply different distinctions and dimensions of cultures
- much smaller body of research than MACRO, that means less evidence to draw on for practical guidance



Valikangas, L.; Okumura, A. (1997). Why do people follow leaders? A study of a U.S. and a Japanese change program. Leadership Quarterly, Vol. 8, no. 3, Fall, 1997, pp. 313-333.

RECOMMENDED BOOKS on International OB



- Global Leadership Practices: A cross-cultural management perspective (2014), by Bettina Gehrke and Marie-Therese Claes (editors).
- Brain and Culture: Neurobiology, Ideology, and Social Change (2008), by Bruce E. Wexler

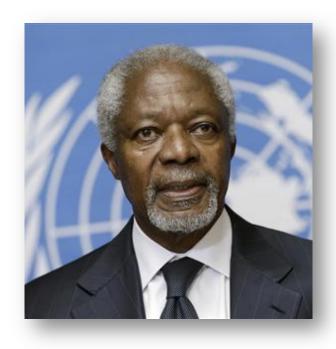
Usefulness of IOB research for Leaders

- Understanding cross-cultural commonalities and differences in followers' behavior allows leaders to:
 - Anticipate leadership situations where cultural differences need to be taken into account
 - Adapt their own behavior where necessary
- IOB can help leaders navigate the increasingly global context in which many organizations operate

PART 3

FOCUS ON PRACTICE: Leadership Challenges

Kofi Annan Challenges for an International Leader



Key achievements at the UN

- Management Reforms
- Millennium Development Goals
- Global Compact between business community and UN
- Global Fund to Fight AIDS, Tuberculosis, and Malaria

Some main leadership challenges

- Reconciling different agenda, different priorities of UN members states and stakeholders from business sector, civil society, etc.
- Connecting with others and earning their commitment to highly ambitious goals despite (initially) fundamentally different ways of understanding the world



Typical Challenges for International Leaders

- Complexity, complexity, complexity
- Intellectual and emotional challenges
 - Different ways of thinking, different mental models, different language, different cultures, different interests
 - Misinterpretations, misunderstandings, cognitive limitations; understatements or overstatements have different meaning, even humor is different
- Leaders need to create a common ground with different, often highly diverse followers, and ensure mutual understanding

PART 4

FOCUS ON PRACTICE: Leadership Opportunities

Opportunities for Personal Development

Working abroad, or working with people from different cultural and/or ethnic background provides opportunities for learning and personal development.

It allows leaders to:

- Gain perspective;
 - <u>Local level</u>: understand cross-cultural barriers and challenges, local particularities, different values and beliefs, histories, etc.;
 - Global level: systemic understanding of interdependencies and opportunities for mutual learning and collaboration
- Gain relationships;
 - Friendships, colleagues across boundaries and barriers
 - Develop a a sense of interdependence and mutual support and trust (despite differences)
- Gain capacity and skills;
 - demanding context in which leaders have to prove their mettle

Unique Opportunities for Contributing

- Due to their experiences international leaders can make unique contributions to their organizations and their communities;
- International leaders can:
 - Build perspective for others
 - Build relationships across boundaries and barriers
 - Build followers' capacity and skills

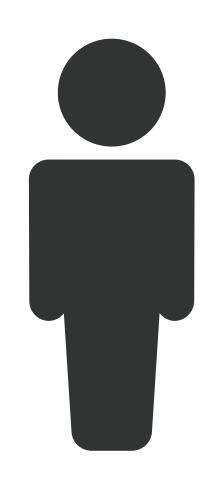
International Leaders as a Catalyst for Change

Opportunities for personal development

GAIN Perspective

GAIN Relationships

GAIN Capacity and Skills



Opportunities for unique contribution

BUILD Perspective

BUILD Relationships

BUILD Capacity & Skills

PART 5 WRAP UP

Key Takeaways

3 Principles of Leadership:

- 1 There is no standard formula for leadership. Every leader has their own unique approach.
- 2 Leaders and followers have an interdependent relationship.
- 3 Leaders need to be able to respond to a wide variety of circumstances and challenges by being adaptive.

Some Challenges for International Leaders

- ♦ Complex and diverse intellectual and emotional realities
- Need to create a common ground with followers, and foster mutual understanding

Some Opportunities for International Leaders

- ✓ Gain: perspective, relationships, capacity and skills
- ✓ Build: perspective, relationships, capacity and skills