Chapter 77

Developing Global Leaders: Utilizing the Intercultural Effectiveness Competencies Model

Pi-Chi Han
University of Missouri – St. Louis, USA

ABSTRACT

Although the need to develop global leaders with adequate intercultural competencies has become obvious (Morrison, 2000; Suutari, 2002), global leadership, as an emerging field, has not received a great deal of attention (Morrison, 2000). Literature of developing global leadership has been focused on partial evidence to generate simple universality with an American bias (Dickson, Hartog, & Mitchelson, 2003). This chapter attempts to propose an integrative Intercultural Effectiveness (ICE) model for Human Resource Development (HRD) professionals. The model evolves a theoretical conceptualization to link ICE and global leadership with the theory of transformative learning and the process of cross-cultural learning. It provides a series of process guidelines for HRD professionals in designing, developing, and conducting HRD programs for the development of global leadership.

INTRODUCTION

Today’s global economy has created an ever-changing environment in which most organizations must learn to cope with the change. Under the trend of globalization, the global environment has not only changed the way organization is conducted, it has also changed the criteria of effective leadership practices (Caligiuri & Tarique, 2009). Developing global leadership has become a critical issue discussed in much of international business literature (Brake, 1997; Bueno & Tubbs, 2004; Conner, 2000; Gregerson, Morrison & Black, 1998; Kets de Vries & Mead, 1992; Moran & Riesenberger, 1994; Rhinesmith, 1996; Rosen & Digh, 2000; Spreitzer, McCall & Mahoney, 1997; Srinivas, 1995; Suutari, 2002).
Literature reveals that finding talented global leaders is getting harder due to the lack of global talent (Bhasin & Cheng, 2001). The most challenging task many global organizations are facing is developing a cadre of global leaders for helping them survive and move forward (Pucik, 1984). Conner (2000) asserted that accelerating globalization, new technology, and intense competition strengthens the need to develop future global leaders who are equipped with international skills and knowledge that help them to face the ever-changing world. The need to develop global leaders with adequate intercultural competencies has become obvious (Morrison, 2000; Suutari, 2002). The implication has made a significant impact on the field of Human Resource Development (HRD) (Osman-Gani, 2000; Yaw, McGovern, & Budhwar, 2000). The purpose of this chapter, therefore, is to propose an integrative model of Intercultural Effectiveness (ICE) competencies, to conceptualize intercultural competencies, to identify the processes and the outcomes of cross-cultural learning, and to highlight guidelines for HRD to develop global leaders.

GLOBAL LEADERSHIP

Global leadership is an emerging topic that has received far less attention than the more common topic of domestic leadership (Morrison, 2000). Jokinen (2005) defined global leaders as those who take on more global responsibilities and who have more global duties. The development and management of a global organization requires individuals who possess a global mindset, global competencies, and who think, lead, and act from a global perspective (Kim, 1997).

However, the primary problem in defining global leaders and identifying the competencies required for their development have not reached consensus. Without agreement on the intercultural competencies required for global leaders (Johnson, Lenartowicz, & Apud, 2006), planning for their leadership development becomes problematic (Jokinen, 2005).

Gregerson et al.’s (1998) survey indicated that 85% of Fortune 500 firms reported limited numbers of global leaders. There are only eight percent of companies in Fortune 500 firms that report comprehensive systems for developing global leaders (Suutari, 2002). The shortage of global leaders has become a critical issue for many organizations to achieve success in the global arena (Shen, 2005). Therefore, it is necessary to explore the competencies that are required for developing global leaders in order to form a consensus for the area of global leadership.

Global Leadership Competencies

The competencies of global leaders empower them to perform jobs across cultures effectively. Caligiuri and Tarique (2009) pointed out that effectiveness of global leadership can be fostered by developing the intercultural competencies or facilitating the global mindset across the nations for leaders. Reviewing the literature, a summary of competencies for developing global leaders is presented in Table 1.

Similarly, Virjee (2004) asserted that the “single-most important skill to acquire in the 21st century is intercultural competence” (p. 35). Caligiuri and Tarique (2009) suggested by the practice of intercultural competencies, the effectiveness in global leadership activities can be facilitated.

Intercultural Effectiveness Competencies (ICE)

Intercultural competency is a concept that has been explored and researched under different terms, such as cross-cultural effectiveness (Kealey, 1989), cross-cultural adjustment (Benson, 1978), cross-cultural competence (Ruben 1989), cross-cultural communication effectiveness (Ruben, 1989), intercultural effectiveness (Cui & Van Den Berg, 1991; Hammer, Gudykunst, & Wiseman,