Global Leadership in Emerging Countries
– Focusing on China

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ABSTRACT

The emerging countries attract more worldwide attention thanks to their strong upward economic growth nowadays. Especially with the progress of globalization, well-managed companies in emerging economies begin to win chances of international exposure on the global business stage. However, there are not so many familiar names turning up when we mention global leaders from China. This paradox inspires our curiosity and passion to explore the answer of this issue. Thus, this thesis aims to probe this phenomenon and draw lessons from this situation for future improvements. It both benefits the present business leaders in booming Chinese companies, and high potential talents who will compete globally now or in the near future.

This research is conducted under guidelines of qualitative methodology; with interviews, questionnaire and a case study to understand the phenomenon. Based on our research, with frequent reflection incorporating our empirical data, the conclusive result is as follows:

a) Chinese business executives are actually well competent managers in terms of business performance.

b) An open-minded global mindset and vision emphasizing on core organization value are imperative to be an effective global leader.

c) The whole of society’s welfare can be reliant and dependent on recognition of its global leaders.

Key Works: global leadership, Chinese global leader, leadership competencies, culture, global mindset
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The authors of the thesis, Yan Chen (Chinese) and Phetrada Eadthongsai (Thai) are master students at Linnaeus University (2010-2011), studying in Leadership and Management in International Context program. The thesis is part of the program at School of Business and Economics, Linnaeus University.

First of all, the authors would like to express the gratitude to our library staff for providing material since this thesis started from December 2010 and experienced several brainstorming and discussions between authors. In the researching process, we contacted Electrolux, Clarus, Deloitte, Trelleborg and IKEA for collecting empirical data. Their willingness and sincerity of sharing their knowledge and understanding to this topic give us much inspiration. MBA students in East China University of Science and Technology also provided their ideas by answering our questionnaire, which helped us gain more and a deeper insight of this topic. We would like to express our gratitude to all these participants and interviewees in helping us collect and understand our research topic.

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Gratefully yours,

Yan Chen and Phetrada Eadthongsai

23 May 2010, Kalmar, Sweden
1.0 INTRODUCTION

Since the end of the Second World War, globalization has been an inevitable trend in many fields, especially in business due to the dramatic changes of social and economic factors. It has increased the competitiveness of business opportunity and opened up many opportunities for businesses to compete world-wide. It has also impacted the lives of people because globalization involves changes in economic structure, relative price and consumption possibility and patterns. All of which in succession affect people’s jobs, livelihood, and income (The world commission on the social dimension of globalization, 2004). In regard to leaders and management, the trend towards globalization has also affected them in several ways. It has not only led employees to relocate their jobs to trans-national locations, but it has also affected leaders personally since a good leader in one country may not be a good leader in another country. Moreover, some characteristic of a leader may not be appreciated as a good leadership characteristic in another country due to cultural differences. This can be considered as one of the major challenges for leaders in expanding business to other countries. Since different countries have different ways of doing business, as well as culture expectations, leadership styles will vary from culture to culture, and organization to organization (Marshall, 2003). This leads us to question that what competencies are crucial for leaders in helping them to go global. However, there is another question which persuades us to think further that why we have not heard names of Chinese leaders as global leaders. It is interesting that China’s economy has been doing well since 1978. It is the world’s second largest economy after United States of America (Bloomberg news, 2010). Moreover, it is predicted that China is likely to overtake the US as the world's largest economy within the next 25 years (PwC, 2011). If we consider from this information, we can say that there are many successful Chinese leaders in China but why we have not heard those names compared to American leaders and Western leaders. As far as we have learned from various consulting reports, those show that China is now facing the shortage of leaders who have multicultural understanding and global vision. It is increasingly becoming one of the greatest barriers to globalization effort of Chinese companies (Dietz, Orr, and Xing, 2008). It is similar issue as Li Lihui, President of Bank of China points out “A top priority in our HR strategy is to
develop more financial management talent enhanced with international experience to the extent possible, to support the Bank's future global development (PwC report, 2011).” Thus, high quality human capital with international experience is fundamental for Chinese enterprises to succeed in globalization. Supporting this idea, an executive at a high-tech company also mentioned that “We have a shortage of global talents in every department—especially those who can negotiate with partners and those who have a profound understanding of European and American markets (McKinsey Quarterly, 2010)”. Continued strong economic growth in China over the next several years will further demand for good people. Leading multinational companies in these countries therefore increasingly compete globally to find the talent (Dietz, Orr, and Xing, 2008). Nevertheless, identifying and developing high-potential talents are nothing if organizations cannot retain top talents in hyper-competitive talent market (PwC report, 2011).

Leaders agree that they are not sure what competencies are the most important for Chinese leaders of the future. In regard to this thesis, we will therefore make our efforts to understand and explore the concept of “tomorrow’s Chinese global leadership competencies” because it is necessary to find out what are the critical skills for potential leaders to possess and develop. Therefore, this thesis will also serve as the exploratory research study of issue related to the need of global leadership competencies for tomorrow’s Chinese leaders.

1.1 Problem Statement

A Chinese consulting survey indicates that among the ten index affecting employees’ loyalty in China, the last one is leadership. This means Chinese leaders need to develop the leadership competencies and improve their strategy in order to gain respect and loyalty from employees. Even though there are many successful Chinese companies, for example Huawei and Haier, who are performing well in Europe and North America, the names of leaders from these two companies are still not well known globally. Lenevo, the proud Chinese national enterprise, has become well known globally after acquisition with IBM since 2004. However it had not performed well until Mr. Chuanzhi Lui, a Lenovo founder, returned to be a chairman in February 2009 (Time magazine, 2010). It can be seen that these companies’ strategies and development are greatly influenced by the leaders’ vision and leadership competencies. Thus, how to
strengthen competencies of global leaders is an urgent issue for companies in China. Moreover, developing and retaining high-potential talents is one of the greatest challenges for Chinese companies as well. It is found that some Chinese companies, for example Lenovo, looked for expatriates employees and leaders to lead companies and fill the capability gap (Dietz, Orr, and Xing, 2008). It is the same strategy as Zhou Zhongshu, President of China Minmetals Corporation. He explains, “We use foreign managers to manage foreign companies because they have the best management team already; it's totally impossible for us to go over there and manage them well. We have learnt some lessons in this regard (PwC, 2011)”, whereas its strategy is totally different from John V. Faraci, Chairman and CEO of the US-based firm. He does not think that company can run a global business with expatriates (PwC, 2011). So we are curious that the small size of world famous global leaders from China can be explained by the difference of competencies, or vision.

In recruiting and retaining foreign managers, Chinese companies face a challenge of global inexperience. Instead of recruiting expatriates in manage team, we believe that developing local talent is sustained success and helps the company to succeed in the long run. Therefore, this thesis also focuses on exploring the global leadership competencies which would help Chinese organizations develop and retain tomorrow’s Chinese leaders for sustainable achievement.

1.2 Objective

This thesis aims to understand why there are not many Chinese business leaders well known globally by exploring the critical competencies, as well as developing these competencies from real successful global leaders. To clarify the structure of this thesis, the figure 1 depicted below is what we are going to explore in order to answer our main questions. It is divided into three categories; A: successful global leaders; B: Chinese business leaders; C: Chinese high-potential talents. In regard to category A: successful global leaders, we mostly recognize the name of successful Western leaders on the global stage than Chinese leaders. There should be some leadership elements which category B: Chinese leaders need to develop in order to fill the gap. We are therefore seeking to understand what makes the successful global leaders by finding their key competencies and gap between Western leaders and Chinese leaders. After doing this, we
move to category C: Chinese high-potential talents where we will be able to identify what critical competencies Chinese potential talents need to develop in order to become successful global leaders. In order to develop potential talents, we will explore further how they perceive the approaches of leadership development, how to develop competencies through the approaches, and the challenges that they face when being in the process of development.

![Diagram of Competency Gap]

We hope that our thesis will benefit Chinese people who want to become real global leaders someday.

**1.3 Research Question**

The general research’s questions have been framed out of the above considerations are

- Why there are not many Chinese leaders well known globally?
- What are the critical competences they should possess to be able to go global?
- How do global leaders develop the critical competences?
- What are the challenges of identifying, developing and retaining high potential talents?

**1.4 Structure of Study**

Firstly, we will present literature chapter relevant to global leadership competencies and development. Then, methodology chapter including qualitative approach, personal interview and
questionnaire, will be introduced. The next chapter will be presented by the research finding and research analysis of those questions outlined in objective section. Finally, further study and limitation of this research will be introduced after reaching the conclusion part.
2.0 GLOBAL LEADERSHIP THEORETICAL FRAMEWORK

The aim of this chapter is to provide the theoretical foundation for the exploration of how previous scholars conceive the global leadership meaning, the critical leadership competencies, and development of global leadership in both international and Chinese context. Since this thesis focuses on the global leadership in China, it is vital to provide the basis understanding of Chinese contextual leadership and current situation of global leadership development in China. To be more concrete, we will introduce the theories related to global leadership in international context, identify the required competences for leaders to successfully lead across culture, and the need of global mindset due to globalization. Then, the global leadership in Chinese context which includes leadership situation in China and Chinese theory influenced leadership style in China will be presented. Finally, literature regarding the comparison of global leadership competencies between Chinese context and international context will be presented as a conclusion from academic perspective.

2.1 What is Global Leadership?

There are myriad of global leadership definitions that scholars describe its meaning. However, to provide the basic understanding of global leadership in the narrowest definition, three words: global, management, and leader can be introduced as the majority of its definition. Jokinen (2005) states that term of “global” can also refer to the terms “international”, “multinational”, and “transnational.” When combined with “management” which refers to accomplish tasks, and “leadership” which refers to influence and to guide the direction (Rost, 1991). The term of global leadership, therefore, can be described as being goal-direct, process-based, and influence-oriented, which is aimed at influencing other people to achieve organizational goal (Khiliji, Elizabeth, Davis, and Cseh, 2010). However, the term of global means international and multinational. What makes global leaders differ from domestic leaders is the diversity in the world community. In addition, a global leader involves the process that requires he or she to develop proficiency in conducting mutual relationship with other leaders, governments, organizations, employees, customers, suppliers, stockholders, local citizens, and many other
stakeholders with various interests and concerns (Clark and Matze, 1999). However, there is no agreement upon the real definition of global leadership because the concept of leadership itself is not clear (Gessner, Val Arnold, and Mobley, 1999). As Bennis and Nanus (1985) state, “Decade of academic analysis have given us more than 350 definitions of leadership. Literally thousands of empirical investigations of leaders have been conducted in the last 75 years alone, but no clear and unequivocal understanding exists as to what distinguishes effective leaders.” It is because most of leadership theories commonly describe the behavior of leaders in one particular country, which differs from leadership approaches in other countries (Boyaigiller & Adler, 1991, 1996). Global leadership theory concerns the interaction of people and ideas among cultures (Adler, 1999). On one hand, it focuses on a broader set of relationship between the leader and stakeholders inside and outside global organization. To successfully influence people from different cultures towards a goal, global leaders therefore need to understand the frame of references and should not force their culture’s needs onto other cultures (Goldsmith, 2003).

2.2 Global Leadership Competencies

Global leadership competencies are seen as those universal qualities that enable individuals to perform their job outside their own national as well as organizational culture, no matter what their educational or ethnical background is, what functional area their job description represents, what organizations they are from. Jokinen (2005) states that “competencies have been defined with terms describing certain personal traits, behaviors, skills, values, and knowledge, and existing frameworks are combination of these.” When combined with the terms of global and leadership, global leadership competence can be defined as “capabilities that enable individuals to perform their job outside their countries.” However, there are two questions seeking answers that “Are leadership competencies for global operation are different from those needed in domestic operation?” and “what are competencies required for global context?” In regard to these two questions, Barlett and Ghoshal (1992) argue that there is no such thing as a global manager or any universal criteria for global managers.

According to Jokinen (2005), there are 3 fundamental categories to be developed in order to be an effective global leader. The first category is “core global leadership competencies”, which
includes self-awareness, engagement in personal transformation and inquisitiveness. The second category is “desired mental characteristics of global leader”. They are the characteristics that affect the way individuals attempt to influence other and approach a certain task. These characteristics consist of optimism, self-regulation, social judgment skills, acceptance of complexity, and its contradiction. The third category is “desired behavioral competences of global leaders”. They are the outcomes of those two categories and more explicit in nature. They consist of social skills, networking skills, knowledge. Besides those three categories, there are also fourteen dimensions which define competencies and characteristics of global leaders. However, only five dimensions will be especially important for future's global leaders (Goldsmith, 2003). Competencies of each dimension are described as following:

1) Thinking globally: it is about adaptability, gaining necessary global experience, understanding impact of globalization.

2) Appreciating diversity: it is ability to see difference and diverse opinions as an advantage and to help others to perceive this. It also expands cultural knowledge and effectively motivates people from other cultures.

3) Developing technological savvy: it acquires necessarily technological knowledge and people with technological expertise. It also helps global leaders use technology to increase productivity.

4) Building partnerships and alliances: it acquires social and networking skill.

5) Sharing leadership: it is ability to create environment in which other people, who subscribe to the common vision and purpose, are able to collaborate to make effective decision together. In order to do that, future leaders will strive for integration, instead of control; develop social architecture that encourages people to work together successfully.

Additionally, Goldsmith (2003) points out that sharing leadership will be the key to sustain successful business. However, the research of McCall and Hollenbeck (2002) argues the cultural matter is more necessary than any other business dimensions of global jobs. Cultural differences can define how effective global leaders are, as McCall and Hollenbeck describe the challenge of
global work, relating to different culture and multiple geographies. To be able to realize how to lead effectively in situations where cultural differences play a role, how to act to those situations, and how to interact with diverse people, global leaders also acquire global mindset and the capability to appreciate diverse cultures to help them deal with complexity (Sendelbach and McGrath, 2006).

2.1.1 Going global: the need of global mindset

We encountered a definition surrounding the global mindset concept. Nevertheless, this concept is becoming an increasingly sought-after leadership attribute by MNCs seeking sustainable competitive advantage. Global mindset is “an individual's ability to influence individuals, groups, organizations, and systems that are unlike him or her or his or her own.” Additionally, global mindset can be described as “state of mind” that is able to understand a business, an industry sector, or particular market on a global basis (Jeannet, 2000). It is also viewed as “a toolkit” to help global companies discover new market opportunities and establish presence in key market and convert presence into global competitive advantages. One global leadership competency that is essential to develop mindset is appreciating the cultural diversity. It means cultural perspective is identified by the study of mindset (Shaista et al., 2010). It is similar view as Beechler and Javidan (2007). As Goldsmith (2003), McCall and Hollenback (2002) agree that appreciating the cultural diversity is the vital competency for being effective global leaders. Developing global mindset therefore is unavoidable. However, it is quite difficult to develop global mindset because individuals develop mindset based on their experiences (Sendelback and McGrath, 2006).

2.1.2 Managing across culture: the need of CI (Cultural Intelligence)

Global leaders involve complexity process of communicating and influencing others in the world community to achieve towards a goal. This process consists of the interaction of leaders, followers, and situations where cultural differences play a role. Mannor (2008) claims that in globalization era, global leaders require not only an understanding of the technical dimensions of executing business strategies (IQ), but also an acute understanding of the nature of international business and culture (EQ). To effectively handle the global situations, interaction and complexity
tasks, a high of IQ (Intellectual intelligence) and EQ (Emotional intelligence) may not be adequate. Global leaders also need CI (Cultural intelligence) to be capable of dealing with cultural complexity. Therefore, having CI also helps global leaders be able to use culture as a tool to create the mutual understanding in diverse team. Earley and Ang (2003) indicate CI is “an individuals' capability to function and manage effectively in culturally diverse settings, affect the leader's experiential learning cycle”. Additionally, CI implies “the ability to make oneself understood and the ability to create a fruitful collaboration in situations where cultural differences play a role (Plum, 2011).” It is increasingly required as a necessary skill for global leaders to effectively lead people who come from different background.

According CI dimension, it consists of three dimensions that correspond to the classical division between emotion, understanding, and action (Plum, 2011). The given information shows the combination of these three dimensions which influence each other.

1) The emotional dimension (intercultural engagement): This dimension is touch paper in intercultural encounter. It relates to emotion, feeling component of situation and the motivation to the situations. It includes motivation from both internal and external drivers, such as curiosity and an attraction to things and people who are different, to learn new things in new environments.

2) The cognitive dimension (cultural understanding): The cognitive element is the objective and rational element. It is based on reason and capable of developing mentality structure to understand the encounter, to think what is going on, and to make judgment based on conceptual framework and language. It consists of understanding oneself’s culture as well as people who have different cultural background. It also consists of cognitive flexibility and ability to transfer experience from one kind of cultural encounter to another.

3) The action dimension (intercultural communication): This dimension is about what happens during encounter. What we decide to do based on our judgment about the situations coming from the emotional and rational data we have collected. It consists of various types of interpersonal communication; what we are doing during cultural encounter for example, listening, questioning,
agreeing, or disagreeing, as well as skills what we have learned manage relationship.

2.3 Chinese Leadership Theory

Chinese leadership theory is different from Western theories of leadership due to different tradition, values and perceptions. Western theories are not very effective when directly transposed to Chinese people (Ling and Fang, 2003). “It has been demonstrated in the Chinese cultural context that the Chinese still attach key importance to the moral character of their leaders and their behavior (Ling and Fang, 2003).”

The more a leader displays his or her moral uprightness, the more likely subordinates are to feel positive about the organization and its management as a whole (Hui and Tan, 1999). Additionally, outcome of research of Ling and Fang shows in the direction that the Chinese participants expect a leader to be willing to be a public servant, to have integrity and honesty, to be consistent in thought and word, to be willing to search for truth, to be fair, to serve as a role model, and to be willing to accept criticism from others and from him – or herself (Ling and Fang, 2003). It can be said that morality is the most informative attribute when Chinese subordinates appraise their relationship with their leaders.

2.3.1 The concept of Guanxi

We recognize that Chinese social system and leadership style have been influenced by the concept of Guanxi. In Chinese culture, Guanxi concept is embedded in Chinese business decision making, even though decisions are by business people who have been exposed to Western cultures (Wong and Thomas, 2001). The definition of Guanxi is referred to relationships built on preexisting relationships (Pye 1986; Tai 1988; Osland 1989). It is viewed as “one's existence is largely influenced by one's relationships with others, and that one cannot change the environment but must harmonize with it (Wong and Thomas, 2001)”. In regard to relationship, Guanxi has much more involved connotation than relationship. Hui and Graen (1997) claim “Guanxi ties people together according to the specific relationship between these people.” Generally Guanxi is a hierarchically structured network of relations in Chinese culture. The actor in the relationship network is confined by mutual obligations. Over time, these obligations occur
through a conscious manipulation of Renqing (favor), and Mianzi (face). Chinese people usually regard those three elements: Renqing, Guanxi, and Mianzi as weapons in a power game. They are used to influence people or to obtain social resources controlled by them (Pye 1986; Tai 1988; Osland 1989, cited by Wong and Thomas, 2001). It is normal in Guanxi that when one uses Guanxi to obtain a favor, one is expected to repay the favor at a later stage (Pye 1986; Tai 1988; Osland 1989, cited by Wong and Thomas, 2001). Nevertheless, Guanxi is still so important in China since this country is “ruled by people” instead of law and the predefined nature of Guanxi dictates the behavior (Jagdeep et al., 2008).

2.3.2 Current situation of leadership in China

The report from Development Dimensions International company in China (DDI, 2005) focuses on these issues: leadership skills, the culture of leadership, and leaders’ ability to identify and select talent. Data is collected by survey from HR professionals and 394 leaders in 43 organizations in China. In regard to leadership skills, there are three findings which will guide Chinese leaders to work successfully in trans-national locations. The first is “leadership skill”. It is found that the most critical skills for Chinese leaders are motivating others, building trust, retaining talent, and leading high-performance. However, almost one-quarter of Chinese leaders are weak in those skills. Only 11 percent of leaders are “strong” in skills of retaining talent. This shows Chinese leaders need to devote more attention to developing this skill which is important for long-term business. The second is “the culture of leadership”. It shows that more than one-half of Chinese leaders are inadequately prepared for their roles in the new leading position. This means if new leaders want to be successful, they need to receive support and development opportunities before assuming a leading position. Therefore, they must have development opportunities that allow them to nurture and refine their skills. If leaders are not given the opportunity to develop, then their teams and the organization will suffer from a failure to adapt to grow. The third is “Ability to identify and select talent”. It is found that nearly half of Chinese leaders have poor or fair interviewing skills. Leaders need help in selecting new employees to help implement their plans and strategies. Effective interviewers gather complete knowledge, motivation, and relevant skills that candidates have demonstrated. If leaders can conduct
effective interviews and select the right people, team and organization will perform more effectively.

2.4 Global Leadership Development in International Context

In this thesis, what can be learnt from the western global leaders is crucial for Chinese leaders to successfully go global. Thus, finding the effective way to develop leaders themselves and high potential talents deserve higher and higher attention nowadays. When it comes to the global leadership development part, there are two general categories: theoretical principle guidelines and practical approach applications. The literatures linked to the theoretical rules are trying to understand and address the question “why” organizations need global leadership development and the meaning of such development programs.

2.4.1 Theoretical principle guidelines

Sloan et al.(2003) “create a guiding framework for managing global leadership talent strategically”, which “addresses three primary phases of global talent planning and development: clarifying the globalization strategy (why do need global leaders), defining global leadership roles and requirements (what kinds of global leaders do we need), and designing the talent management system (how will we develop our global leadership portfolio).” Undoubtedly, the authors also express the concerns of its complexity when applied to an international or transnational organization. Thus, the talent management system is influenced by “the broader organization environment and cultural context”. “These contextual factors include the governance and ownership framework of the organization (e.g. public sector, private sector, family-owned), political and legal systems (e.g. labor and tax laws), cultural mores (work ethic and family values), and organization history and culture (e.g. norms around differentiating performance and recognizing individual achievement).”

DiStefano and Maznevski (2003) argue that educators of today’s global managers “must combine multiple methods carefully to achieve their objective.” They aimed to “illustrate how to mix concepts, data, projects and behavioral exercises to help global managers develop team and leadership skills.” Thus, in their article, the first transition MBI (Map-Bridge-Integrate)
organizing principles guide their development work. The mapping activities initiative the understanding among differences and the bridging process provides the communication means across the differences. The integrating part help manage the difference in order to achieve high performance. The second transition “helps them transfer what they have learned and adapt it to their own situations.”

Based on their research, Gonin et al.(2011) reveal that “effective leadership development is suggested to build on experiential learning approaches rooted in real life, real time and allowing for more immediate impact and providing for considerably higher relevance and motivation.” Gonin et al.(2011) also present several methods for practical leadership development process such as “coaching, leaders teaching leaders, stretch assignments, action learning, peer networking, customer insights and selective use of technology”. The most powerful leadership development activity falls on “individual support for learning and development by coaching and mentoring”, in the contrast, the least effective practice is “instructor or teacher-led ‘academic’ classroom training”.

Based on the empirical research on “a sample of leaders at a global organization”, Gerrard (2011) presents “three principles for directing global assignment strategies to maximize effectiveness”. Without citing specific examples, Gerrard (2011) states the general sense under the three principles. “First, effective global assignments are powerful sources of leader development and can be implemented to maximize this outcome.” “Second, assignments differ in their developmental value with some assignments providing significantly more value than others.” “Dealing with diversity emerged as a significant predictor, with a rather large effect for the developmental value of an assignment.” “Third, individuals differ in their ability to perform on assignment.” Regarding to our research goal at global leaders, especially Chinese, the research about the third principle is quite valuable to us. Gerrard (2011) states that in current study, there are mainly two models accounting for the explanation of the individual differences. One is “Big Five model of personality”, including “conscientiousness, emotional stability, agreeableness, openness, and extraversion (Brody and Erlichman, 1988, cited by Gerrard, 2011)”. The other one is cultural intelligence (CQ).
Sloan et al. (2003) believe that “in today’s global market, as the best and the brightest seek out career opportunities that offer the best value exchange, companies that view their most valuable talent as “free agents” or even “corporate volunteers” will have an advantage.” there is similar meaning in this attitude to the contemporary high potential global leaders and in Hall’s (1990, volume 2) article “developing global leaders: to hold on them, to let them go!”.

2.4.2 Practical approach applications

In the practical area, kinds of models are established on various understanding and interpretation of global leadership essence, or different business strategies in different companies or industries, or other emphasizes. However, these models or programs are all designed into details, thus they can be practiced in the real business world if the organizations follow the rules and processes. Three models are presented as follows.

Sendelbach and McGrath (2006) describes a “competing values model (CVM)” (adapted from Quinn, Faerman, Thompson, and McGrath 2003), which is “a culturally neutral, non-normative framework that helps individual leaders understand the value of different leadership behaviors and when they might be applied.” The competing values model (CVM) “emphasize the competition amongst the values, and not the conflict, the CVM allows leaders to understand the critical elements of a situation with as little value judgments as possible and to consider the appropriate balance among the values in defining what effective leadership behavior requires in a given situation or circumstance.” This model describes “two dimensions distinguishing four perspectives on organization effectives” from Fig.2 below. Thus, “from a global leadership development perspective, the CVM is culturally neutral.” It presents equal opportunities to every participant to assess “other’s behaviors” as well as “industry types” and “geographic cultural differences” comprehensively.
Admitting the importance of developing global leaders for global companies, Oliver et al. (2009) present a development framework, based on “several key principles and includes the use of assessment tools, 70-20-10 development tactics, external coaching, and an emphasis on critical experiences”. In the development stage, the 70-20-10 principle is regarded as the most effective as “70% of development occurs from on-the-job and hands-on learning through critical experiences; 20% of development is from coaching, mentoring, and feedback; the final 10% of development is acquired through more formal learning situations (e.g., classroom, books, e-modules).” Besides these practical procedures, it is important to “create talent development culture” within the organization.

“Based on experiential learning theory (ELT)”, Ng et al. (2009) “propose that cultural intelligence (CQ) is an essential learning capability that leaders can use to translate their international experiences into effective experiential learning in culturally diverse contexts.” There are four stages to combine or apply CQ and ELT into practice according to Ng et al. (2009). “Experiential learning begins with a concrete experience.” Then people initiate...
“reflective observation” on the experience critically. “The third stage of experiential learning requires learners to distill their reflections into more general concepts that can guide their future actions”, which is called “abstract conceptualization”. Finally, the “active experimentation” means “actively testing and experimenting to see if enhanced understanding fits reality.” Regarding how to develop cultural intelligence of global leader, Li (2009) also conducts research on “of the impact of Experiential Learning Theory on the development of cultural intelligence”.

2.5 Global Leadership Development in Chinese Context

About how to develop global leadership in China, there are researches focusing on high potentials working in the Chinese branch of a foreign company or the Chinese party of a joint venture. But there is not so much study about how to develop global leader in Chinese local organizations. However, we still benefit a lot and are enlightened from the current literature.

Regarding our research methods, by comparing global leadership both in Western countries and emerging countries, we perceive there would be cultural differences influencing leadership styles.

Tjosvold and Hui (2001) test the “Deutsch’s theory of cooperation and competition” in Chinese context and find that “open minded, two-way and cooperative relationships” and “Chinese values” all contribute significantly to lead and build leadership capabilities. “Leaders can be consistent in working with both Asians and Westerners in their commitment to develop these relationships.” Thus, the result reaffirms our attitude about culture-neutral attribute of global leadership development in China. It means, both western and eastern people, possess the similar core competencies to become successful global leaders. When it comes to the question of leadership development, they should keep objective to the deeply rooted indigenous culture and watch the context where the development is conducted. The subject of the leadership development program- the Chinese leader- is suggested to jump out of the traditional Chinese culture background and only treat traditional culture as a tool to see the whole picture of business. At the same time, they are advised to pay attention to the Chinese context where the
development theories are applied or development practices are conducted, so that they can fit in the unique Chinese characterized stakeholders’ expectations. Just as Dickson et al. (2001) say, “though none of these theories (leadership theories) have specifically focused on culture, several studies have examined the generalizability and robustness of these theories across cultures.

Laddin (2003) cites lots of interesting phenomenon and arguments according to her several years of living and working experiences in Asia. She puts forward a question deserving deep reflection: “so we have many young Asians looking to the West for education and training, and Western companies recruiting new Asian graduates here and abroad who have attended famous Western universities. The question is, why do so few of these talented and well-educated people rise to the top of their organizations in Asia and elsewhere?” One reason may be that “Asian managers are evaluated according to standards that don’t fit their culture or their ways of doing business.” “While American management and leadership methods and styles have much to offer, they may not always be the most effective ways to get desired results outside the U.S.”

Sun and Wang(2009) verified “a five-factor structure of servant leadership in Chinese culture, including altruistic calling, emotional healing, persuasive mapping, wisdom, and community stewardship.” However, how to develop such servant leadership for Chinese leaders still remains an open question for further study.

Woo(2011) describes a coaching case in which “Kegan’s constructive-developmental theory of an individual’s meaning-making” is used as a “conceptual basis for better understanding of how mid-career Chinese business executives working in multinational firms are dealing with the complexity and speed of change in China.”

The theories and practices of global leadership development based on western reality are flourishing, however, those in connection with Chinese reality is still not complete or mature. Thus, the generalization of these theories and their applications, represented by effective development procedures and approaches in China, deserve our further efforts.
2.6 Summary

In this literature review part, we gain a lot of knowledge and enlightenments in the areas as “definition of global leaders and leadership”, “global leaders’ competencies”, “Chinese unique context for global leaders emerging” and “how to develop global leaders”.

The treasure house of the previous wisdom endows us with valuable enlightenments and triggers our reflection back and forth on our research questions. With the accumulation of the absorbed knowledge from the literature, we try to grab the essence of our research. There are actually a great amount of definitions of global leadership and development programs for global leadership which are very helpful. However, we try to understand the reason “why” these definitions or programs are prevalent rather than “what” these programs on earth are. Incorporating our interpretations from empirical data, we try to answer our research questions more conscientiously and consciously on the base of literatures.
3.0 METHODOLOGY

In this part, we present the main research methods adopted in this thesis. We begin with our ultimate presumptions of reality, which is the foundation of our research and determines our research direction. Base on that, we provide the methodological view, as well as the criteria for data collection which we use in thesis. Finally, we offer the justification and limitation for our research methods.

3.1 Research Approach

3.1.1 Ultimate presumption

With regard to our thesis, we perceive that leader is partly born and partly cultivated. There are internal and external factors influencing a global leader’s competencies. Internal factors such as personality, traits are hard to change for a leader, while external factors such as strategic thinking, communicating ability, managerial behavior, can be developed in certain context. Besides, environmental factors such as international circumstances, family tradition and political connections deeply rooted in a specific national culture, greatly shape a leader’s vision but can be alerted in the following career path.

Secondly, global leadership is never an isolate concept. It involves certain relations and interactions among leaders themselves, followers, economic environment. All of them evolve into an organic system. This system is open and dynamic instead of close and stationary. As we believe the elements are actively interact with the external environment, the system is reconstructed continuously.

Thirdly, one global leader is distinctive with another, thus there is never a universal system where every leader can be developed in the same model. Nevertheless, we believe there must be some similar points in each system, such as essential traits and mindset. Apart from these similar points, each system has its own traits and mechanism for a specific leader.
3.1.2 Qualitative research

According to qualitative method, Denzin and Lincoln (2005) claim that “qualitative research is a situated activity that locates the observer in the world”. That means we attempt to make sense of uncovering the phenomenon in terms of the meaning people bring to them (Merriam 2009, p.7). Moreover, Peter (2000) also claims that qualitative research is what researchers understand people’s subjective meaning for doing what they do, and it is one tool to define the reality of their experience. It could be said that we try to understand how people interpret their experience, how they construct their world, and what meaning they attribute to their experience. It is more than determining cause and effect, predict, or describing the amount of population (Merriam 2009, p.7). Therefore, we select the qualitative research to understand what make global leaders effective, and what factors Chinese leaders need to develop in order to succeed globally.

According to Strauss and Corbin (1999), one of the major purposes of qualitative research is to discover concepts and relationships in nonmathematical raw data, then organize them into a theoretical explanatory scheme (Strauss and Corbin, 1999). Thus, grounded theory is adopted here to guide the overall research process. According to Strauss (1987), “grounded theory is a detailed grounding by systematically and intensively analyzing data, often sentence by sentence, or phrase by phrase of the field note, interview, or other document; by constant comparison, data are extensively collected and coded, using the operations touched on in the previous section, thus producing a well-constructed theory.”

Therefore, we start this thesis by gathering raw data from various resources in global leadership area; for example, global leadership competencies and global leadership development, to gain better understanding of this area. The various resources cover theories both old and new in order to be comprehensive, valid and reliable, and updated journal and interviews resource in order to trace the latest perspectives and development trends of global leadership. When we arrange these materials, we found: (1) the niche area attracts us most; (2) some misunderstanding from our previous interpretation; (3) more interesting questions which need deepening exploration of theories for support.
3.1.3 Methodological view

In this thesis, systems view is selected to discover the meaning of global leadership phenomenon. By discovering the reality of what make the global leaders’ successful and what competencies Chinese leaders need to develop to become successful global leaders, it is crucial to understand other components in business systems influencing the leaders. Arbnor and Bjerke (2008) states that “the systems view looks at reality as consisting of fact filled systems structures in the objective reality and of subjective opinion of such structures, which are treated as facts as well”. Moreover, they also states that “we will not study only the isolate individual, we are going to study the reality of whole system and pattern which influence each other”. We therefore need to understand the relation between leaders and followers, how they interact with each other, and what external environmental factors influence global leaders as a whole picture. As a result, we can establish the bridge connecting the internal factors and environment in the system. Since stakeholders in different cultures and economic power are the components in a business system, those will lead us to get the meaning of successful global leaders. In our system picture, there are four components we are going to study: (1) followers who are promising tomorrow’s leaders; (2) cultural diversity in western and eastern business world; (3) economic power; and (4) leader’s competencies. Those will give us the better understanding of what make the successful global leaders.

3.1.4 Operative paradigm

This part plays an important role as a bridge to connect the methodological view we choose and the research we do in our study area. As we mentioned above, we adopt the system view, which regards the global leadership as an organic and open system. Our study area is global leadership, where we focus on what is wrong with the system in emerging countries. Therefore, we can obviously see the leadership characteristics in China and what Chinese leaders need to develop to go global.

“A methodical procedure refers to the way the creator of knowledge incorporates, develops, and/or modifies some previously given technique in a methodological view. (Arbnor and Bjerke,
The techniques for selecting cases, for collecting data, for analyzing data, and for reporting results will be employed, under the system view. The techniques are made into specific types of methods suitable to our study area in this stage. The detailed description of these methods will be elaborated in the following part.

3.2 Main Methods of Qualitative Research

Under the assumptions and principles stated above, there are two criteria for us to select units to study. We admit that single case is not adequate and each style of effective global leaders is unique due to the distinct context. In order to keep diversity and therefore detect the common points more easily, as well as enhance validity, we plan to select companies ranging from well recognized multinational enterprises to companies without good recognition on international business stage; from the CEO to junior employees. The other criterion is choosing the most relevant and available cases to study. By doing case study, we try to figure out the possibility of relating their result to our research, so as to improve the ultimate system’s credibility. In interview part, we also take it into consideration that what companies we can access.

According to Sudman and Bradburn (1982), the guiding principle to design the questions both for interviews and high-potential talents is: firstly, “analyzing the concepts involved in the research question”; secondly, “formulating specific questions, which, when combined and analyzed, will be the measures of those concepts”. Thus, our list of questions is divided into three parts: general perception of global leadership, leading across culture, and tomorrow’s global leader development. Under each part, there are four to five specific questions that “helps to clarify the research question” (Sudman and Bradburn, 1982).

Once the principles and criteria to do research are established, our research methods are navigated to interview, questionnaire and case study. The detailed techniques of selecting research units, targeting respondents, collecting data, analyzing data, and limitations are applied under each method’s context in the following part.
3.2.1 Interview

Regarding interview, we determine a face-to-face semi-structured interview is the most suitable approach since it relates to our ultimate presumption—there is subjective business reality out there. The subjective business reality is represented by global leadership effectiveness, for example feelings, opinions, personalities, and even strategic thinking, etc. What we should do in the interview is acting as a “discussion partner” (Arbnor and Bjerke, 2008) and an active observer to help the interviewee dig out the subjective reality. Moreover, we also want to get perceptual knowledge of a global leader by his/her facial expression or body language. This can only be done by face-to-face interview.

In regard to the first category, we believe, through interviews with CEO, the direct primary empirical data can be collected for themes of our research questions, for instance, one of which is the essential competencies to be an effective global leader. The other category of interviewees is future potential leaders within a company, including department heads and young potential talents. We try to explore their opinions and expectations to a global leader, as well as their expectations about the development of their own global leadership skills. Thus through the interview with them we can get primary data to our research questions. The questions for interview are enclosed as Appendix I.

In order to raise the response rate to our invitations of interview, the alternatives as phone interview, email interview and instant messaging interview are prepared to complement face-to-face interviews. The participants of this part are listed after the whole process is completed.

According to Kvale and Brinkmann (2009), we refer to the lessons include “to clarify inaudible answer during an interview; to pose clear questions that interview subjects understand; to listen carefully to what is said and how it is said; to pay attention to the voice, the pause, the signs and the like, as indications that a topic may be important, and possibly also too sensitive pursue; to become sensitive to the possible ethical transgressions when questioning too privately or critically; to follow up an interview statement with a second question; to prevent the interview
from becoming filled with small talk; to notice interviewer variations in questioning styles, their advantages and their drawbacks; to become aware of the differences between oral and written language, and the need of guidelines for translation from oral to written language; to notice how new interpretations of the meanings may spontaneously arise when working closely with the oral recording.” We applied almost all these guidelines in our interviews. Therefore, we stick to the principle of “interacting with interviewees to a proper extent to ensure their thoughts is not led by our subjective clues” (Kvale and Brinkmann, 2009) and we benefit a lot from the rule. We give most of the time to the interviewees to express their ideas thoroughly, as well as put forward follow-up questions to interact with them, because this topic is quite profound and philosophical. Consequently, we get lots of qualified information.

### 3.2.2 Questionnaire

One of our important supportive theories is followership, which emphasizes the followers’ influence to a leader’s performances. To become an effective global leader, it is important to learn followers’ real opinions and expectations. Thus, this form of collecting data is chosen for its operability and better data accessibility. A large amount of targets can be reached at the same time.

In the sampling process, the target of our questionnaire is MBA students in East China University of Science and Technology in Shanghai. The first reason of choosing respondents as MBA students is that their qualifications meet our research requirements. In this part, we plan to gain the knowledge about global leaders through followers’ perspective. MBA students are mostly familiar with academic theories and possess working experiences not too long and not too short. Additionally, most of the positions of the respondents are middle managers. Thus they are a good target to answer our specific research questions in followers’ perspective. The second reason is that classes of MBA students are arranged randomly by students from different companies, industries, positions and education background, which greatly increase the reliability of our sample.

The questions in the questionnaire are enclosed as Appendix II.
3.2.3 Case study

According to Yin (2009), there are five important elements for case study: “a study’s question; its proposition, if any; its unit(s) of analysis; the logic linking the data to the propositions; and the criteria for interpreting the findings.”

The aim of our case study is to look for typical answers rather than averages, which fit our ultimate presumption that each effective global leader has distinct characteristics and unique context to act within. Thus we choose one case to do deep investigation and cite others as illustrations. Regarding our research questions, which focus on why there are not many successful and effective global leaders coming from China under a brilliant momentum of economic growth, we choose one case closely relating to Chinese leaders and companies. So Lenovo who mergers IBM’s laptop business is selected as our research target. Another reason why we choose case study is that it’s a good way to involve grounded theory and secondary empirical data together for creating our own interpretations and systems.

Referred to HBS case interview guide, “It (the case study) is about the questions you raise, the assumptions you make, the issues you identify, the areas of exploration you prioritize, the frameworks you use, the creativity involved, the logical solution you recommend, and the confidence and poise you present.” Thus, we adopt the following a general structure.

In the first step, a general description of the background information and main research problems is given in the specific case context.

The solution is recommended as the following procedures:

- High level plan: formulation of overall questions, for instance, an effective global leader’s competence;
- Middle level plan: formulation of specific research questions, for instance, how global leaders behave in different cultural contexts;
- Lay out thoughts: statement of framework and formulation sensitizing concepts where
theory support is needed, for instance, how to define an effective/successful global leader; the measurement for the performances of global leaders; and the special focus in each case.

- Dig deeper: gathering facts and data about the process of merging in case of Lenovo-IBM, strategies before and after the acquisition process; different leaders during this specific period; each leader’s competency, traits, and skill; and old and young generations of Chinese leaders;

### 3.3 Coding and Analytical Procedure

Strauss (1987) claims, “making sense of complex data means three things”. “First, it means both the complex interpretations and the data collection are guided by successively evolving interpretations made during the course of the study”; “The second point is that a theory, to avoid simplistic rendering of the phenomena under study, must be conceptually dense- ther are many concepts, and many linkages among them”; “The third point: It is necessary to do detailed, intensive, microscopic examination of the data in order to bring out the amazing complexity of what lies in, behind, and beyond those data.”

Thus, when it comes to analyze data, we navigate our study departing from the system view for understanding. The hermeneutics study is quite fit our research ideas, which means we will fuse the particular understanding generated from the empirical data we gathered and the established theories in order to create our own theory. Analyzing data is an evolving process with continuous adjustment and reconstruct of our system.

### 3.4 Critique and Limitation

Under the constraints of time and the authors’ knowledge scope, there are indispensably flaws and limitations in this research. Firstly, because of the subjective tendency of qualitative research, there would be misunderstandings and improper interpretations of the real opinions of respondents in interviews and questionnaire. Even between authors of this paper, there must be different understanding to the same issue.

Secondly, due to the time limit, we cannot reach adequate interviewees. Thus the outcome
coming out of a relative small sample may not be so representative of the general ideas of global leaders.

Thirdly, besides face-to-face interviews, we prepare optional methods as phone interviews, email interviews, etc. as alternatives so as to raise the response rate. However, the latter methods lack the advantages of face-to-face interview. We cannot get communication with the target person thus we cannot verify our understanding to their answers.
4.0 RESEARCH FINDINGS

The interviewees of our research have a quite diversified background, which will be elaborated in the following part. As our findings show, a good global leader can come from various industries, countries and functions. However, limited by our research time and capability, we decide to focus on people from Swedish-based companies, who are easily to get in contact with in order to raise our respondent rate. Thus, before starting collecting empirical data, several distinguished Swedish companies, covering different industries but with world-wide fame, were selected as our targets to send interview requirements to. In the end, we were able to schedule seven interviews in different forms including face-to-face and telephone interviews.

The lists of questions for the interviews were designed on the base of the basic information gleaned from literature and our own interest in future understanding our topic. To establish our research questions, we research first some basic questions concerned with our own interest mixed with questions that would take into account and consideration for the interviewees field’s of work. Then, incorporating these questions with our literature about global leadership, and question-design guidelines, we finalized our questionnaires as Appendix I and II. To our delight, our questions inspired interviewees’ interest and reflection, as they try to present more information to us than initially requested; thus the conversations are fairly beneficial to us.

4.1 IKEA

4.1.1 Company and interviewee introduction

IKEA is a Swedish-based home products company that designs and sells ready-to-assemble furniture. Famous for its simple design style and concern of people’s lives. “The IKEA vision is to create a better everyday life for the many people. We make this possible by offering a wide range of well-designed, functional home furnishing products at process so low that as many people as possible will be able to afford them”. (IKEA, 2011)

Mr. Mikael Ohlsson, “started his career in the carpet department in the Linköping store and has now been with IKEA for 30 years.”(IKEA, 2011) According to Göran Grosskopf, Chairman of
Ingka Holding BV, the parent company of the IKEA Group, “Mikael Ohlsson has strong implementation skills and is a great ambassador of the IKEA Culture.” In the two-hour conversation with Mikael, we are mostly impressed by his humbleness and willingness and readiness to offer help. His point of view is of great help to us, adding a new perspective to understand our research topic.

4.1.2 Data Description

Research question 1: Why there are not many Chinese leaders are well known on the global stage?

Mikael reflected that there are a lot of successful Chinese leaders in China, who are focusing the long-term perspective. Considered from information taken from IKEA suppliers in China, they are good at deploying and entrepreneurial skill and very fast in progressing forward.

He also mentioned that the product of China itself cannot go global. This is because they produce their product through other companies: for example, IKEA.

“It may be a backdrop of only 10 more years, then they will have their own brands which are well known globally.”

Research question 2: What critical competencies should they possess to be a global leader?

Mikael noted that “global” should be put in brackets. Leadership is about person; who we are, what we are looking for, what we stand for. It generates vision, and having this, it also stimulate and influences people to achieve the task at hand. To influence people, leaders should be able to know and change themselves as he noted:

“You cannot change others, you can change yourself. By changing yourself, you can influence others. In order to influence others, you need to have the direction of that in mind. That is why a vision or idea is important.”

From his idea of leadership, it is obvious that self-awareness is the critical competency for being a leader. Having an insight about oneself is important for working with people and thereby they are becoming leaders. Other competencies, which are very important from his point of view, are of
understanding and seeing opportunities world-wide, building trust, accepting complexity, and developing talents. He explained:

“I think it is more and more important. Be aware and see things that are happening in the world and how they are affecting people because that opens new opportunities. If you said that the market works in a way that you can define what people need, wish or dream, how it is affecting people that opens us new opportunity. You need to have an interest of what is happening in society around you and what affects you. Then, if you are offering the solution you need to see in what way we can do the best and what can be used like skills independent of its local or global. I think this way to see the world widely is also important.”

“Building trust, I think all successful companies in the long run need to build trust; those from customers, suppliers, some from society at large. Building trust is large degree of leadership.”

“Accepting global business and environment, I would say there are more and more opportunities in global business environment than complexity. Maybe it is the business idea. If you mean a vision or idea, the team provides a lot.”

“Developing talents is important in all businesses and in all organizations. In what way you stimulate the best people to want to work with idea, with company, or with organization that you are in. And in what way people see they contribute and develop in the organization. I think it is one of important leadership assets.”

“Visionary thinking of global strategy is normal leadership thinking. In IKEA, we have this formulated by our company to create the better daily life for many people. It is very powerful when you have a vision-based company, a vision that a lot of people are motivated by. That itself generates the direction and it generates extreme interest.

Mikael also pointed out that having international experience is important because it helps leaders to see the opportunities, and also appreciate people who have diverse backgrounds.

“If you meet people in many different environments, there is the tendency that you open up more. Then it is much easier to appreciate
people independent of ethnic background or age or culture or country where they are from. If you are in your own environment with the same people in your life, of course it is more difficult to reach out and stretch out.”

Research question 3: How do global leaders develop the critical competencies?

When it comes to the forms of developing leadership skills, Mikael emphasized development of critical competencies should come from reflection, from desire, from feedback by listening to people. “Reflection is important. That is my learning as well, to reflect from what happened.” is what he told us. Workshops and program are important but they are complementary for developing the critical skill.

“Workshops, listen to others, and reflection can be useful as a mirror because sometimes you don't see yourself and it is good that you can learn from that”. “Also, you have trust. Leadership is built on trust where you have been asked by people that you work together with. Trust environment is also treated as a mirror to get more honest and feedback. Then you also have workshops as a mirror. You have people around you to give you a feedback.”(---) “I think the biggest part is your own development and learning from reality and reflection. I think it is basically from your own desire, and openness to learn. In regard to workshops, it can be an oasis to help you focus on attention, which sometimes can be hard in everyday life. In IKEA, we have been doing that, and I am doing that as well, but I don't think that the big development comes from it. I see it as a complement. Sometimes, people have profound, influenced workshops like that. But the big part of learning comes from the reality.”

Research question 4: What are the challenges of identifying, developing, and retaining high-potential talents?

In regard to the development of tomorrow’s global leaders, IKEA recruits people based on the company value. Then, IKEA will identify the high-potential talents by offering programs to work in store. When high-potential talents have been identified, IKEA will provide them with the leadership programs. One of them is called backpacker program as Mikael explained:
“First of all, we recruit people based on value. Then, we want them to have the first experience in meeting our customers and our range in the stores or in the purchase office. We have management review process in every unit and it is done every year. Then we look at potential talents and performance. We then put people in there and develop people once a year. Then we identify talents and promote them. It is good for them to work in the stores since they can take a leadership quite early. They will get a lot of leadership and management knowledge and skill trained in the store level. Some of them move on from the store to purchasing to distribution or to the service office which is called head office.”

“We have a leadership program as well as professional programs and so on and all levels of manager programs and shopkeepers program. (---). Since last year, we have run the program which is called backpacker program. It simplifies the mobility program for young people who are 25 to 30 years old that have a talent. They are still employed at home in home organization. Then they have one year divided into six months and six months where they are, in the first period, in the same sector like store but in another country. Another half year, they are in another country again but in another part of IKEA. (---). When they are still relatively young, they already possess experience of two countries or at least one store of IKEA and over time we have more people who have broader knowledge and broader perspective. What we do is we have about 500 people who are working outside their home countries and being developed by being in another environment and learning from it and from people. It also benefits those people since they can stretch themselves. A lot of people are developed by knowing themselves in IKEA. It is fantastic to live abroad.”

Mikael pointed out IKEA retains people by offering the working environment where people are stimulated. It is more than the simple issue of money, as he stated:

“We give working environment that many people think it is stimulated. Sometimes people leave because they have been offered higher salary and very often they come back to IKEA because life is more than money if it is not stimulated environment to work in. That is why we try to emphasize the value so much.”
Summary

Mr. Mikael Ohlsson emphasizes on organizational culture and values, which is the foundation of business idea and sustainable prosperity. It is also the glue uniting people with diversified backgrounds in the company and the best solution to possible problems in international teams and organizations. Thus the national cultural differences are weakened and employees hold the same values to make the company and the people’s lives better by the core IKEA culture. There is no difference in leading an international team and a local team.

Chinese leaders are no different than Western leaders. Giving them time, there will be more leaders going global. About the developing of leadership, Mikael believed that learning is mostly from oneself, the programs designed by others are only the complement. International experiences are important to employees’ open-mindedness.

4.2 ELECTROLUX

4.2.1 Company and interviewees introduction

Electrolux Group is a Swedish-based home appliance maker. According to Forbes Magazine, “Electrolux has been named one of 130 Global High Performers and named in the top 5 companies in consumer durables.” “Electrolux aims at implementing strict norms and efficient processes to ensure that all operations create long-term value for shareholders and other stakeholders”. This group policy can be observed when we did interviews with the employees. “The Electrolux People Vision is to have an innovative culture with diverse, outstanding employees that drive changes and go beyond in delivering on the Group’s strategy and performance objectives. The Electrolux culture features diversity and innovation.” (Electrolux, 2011) This people vision is deeply rooted in their employees and a strong organizational culture can be felt because our interviewees from Electrolux show the same idea about their company culture and values.

Mr. Franklin Morales is the Global AIESEC Coordinator and works in Talent Management and coordinating the global internship program of Electrolux in Stockholm. AIESEC (Association Internationale des Étudiants en Sciences Économiques et Commerciales) has over 60 years of
experiences in developing high-potential youth into globally-minded responsible leaders. His team constitutes of 18 members with 14 nationalities when he worked for AIESEC International. He also has working experiences in India. Mr. Franklin Morales’s international experiences of working with the global leadership development programs are quite valuable to our research. We did a face-to-face interview with Mr. Franklin Morales in Electrolux’s office in Stockholm on 5th April, 2011.

**Ms. Zanda Garanča** is Senior Talent, Learning & Development specialist for Europe, currently based in Poland. In past, she has taken different positions in Electrolux in Belgium and Sweden. Her nationality is Latvian and during her last assignment as Global AIESEC Coordinator in Sweden, she “enjoyed the truly global scope of the position as I worked with managers from all functions and regions from China to Brazil”. (Electrolux, 2011) Thus her frontline working experience with diversity of co-workers is valuable and helpful to our research. Limited by the geography, we did a phone interview with her on 8th April, 2011.

**Mr. Kristoffer Ljungfelt** is a Swedish. He is presently working as Operations Development Manager of Electrolux Major Appliances Asia Pacific, based in Singapore. He “originally joined Electrolux as Controller for Electrolux Professional Laundry Systems in Copenhagen, after studying Business Administration at Lund University.” (Electrolux, 2011) “Having worked for two different functions in four countries over the past seven years” (Electrolux, 2011), especially his present working experiences in Asian culture environment helps us understand the difference of leading company and doing business in different cultures. The same reason with Zanda, we did a phone interview with Kristoffer on 13th April, 2011.

4.2.2 Data Description

**Research question 1: Why there are not many Chinese leaders are well known on the global stage?**

Realistically, Chinese leaders are very successful but they are not good at communicating what they are doing now and their vision to the world as Kristoffer pointed out:

“Chinese leaders are currently very successful in capturing Global
market shares, and have been very successful in the way they drive their business. But they are not as successful in promoting themselves to the General public as Western leaders are.” “I believe that Chinese companies are less good at communicating their long term visions and their beliefs of future trends. Thus they are giving less inspiration to the general public on how the world, will look like in the next 20 years. It is very rare to hear Chinese leaders talk to media about the future.”

Additionally, Franklin elaborated that it is a possibility that society paradigms may influence Chinese people in their aspirations of becoming leaders or change makers. He took one example of Chinese girl in his team to explain this circumstance:

“She was given a situation that if you were the leader of this team, what you will do. Suddenly, on this blank page, you can steer and lead this team to anywhere. However, this Chinese girl has never really thought that she could change the system. This girl never jumped out of the box or questioned the system. In her view, system should be changed by others in high position. It’s not in the mindset that she can change the system.”

This idea is similar to Zanda's idea, she explained:

“I have limited experience working with Chinese leader, but probably the main reason goes to the political environment in China. Since last century China is quite closed society, so it’s much harder to go out and to show yourself externally, to grow and become more internationally recognized.”

Research question 2: What critical competencies should they possess to be a global leader?

Franklin believed a global leader should be aware of “people knowledge and skill”, which is an important part of emotional intelligence; a global leader should be aware of “cultural differences” as well, since cultural intelligence plays a big role in doing business internationally nowadays. Moreover, a broad arrange of knowledge and experiences, including personal and professional, in order to be able to understand different angles of the world, other than single perspective. Whereas, Kristoffer mentioned inspiring both internal and external stakeholders and having the clear direction are the critical competencies.

When asked Franklin, and Kristoffer, whether Chinese leaders should possess the similar
competencies as Western leaders in order to go global. They agree that they should possess the same competencies. Frasnkin pointed the interesting idea that:

“Excellent leaders don’t need much different competences. In the end, the competence is just a hammer, a tool. What you do with the hammer in Asia or in Latin America is up to you. You can use it to fix something nicely or destroy something. People do behave differently, but in the end the competence are the same.”

In contrast to Zanda, she explained that competencies should be different because:

“The competence of a leader needed in a Chinese enterprise and Swedish enterprise might be quite different as key leadership competencies depends on the context.” But she doesn’t think leaders from emerging countries would lack something.

As we asked them to rank the most critical competencies for being global leaders, hereunder is their point of view for this question.

“Self-awareness of global leaders”, “building trust among stakeholders including external communication with stakeholders, government, and media” and “network skill” are important. Good global leaders should also possess inspiration and patience in his opinion.” - Kristoffer

Visionary thinking is important in the future. Network skills and leading change and accepting the complexity of global business environment which are becoming more and more complex.- Zanda

“A broad and comprehensive life experiences in other areas or other cultures can help the leader see a big picture.” - Franklin

To deal with diversity issues, being opened-mind, understanding and appreciating cultural differences and communication skill are top three issues that they emphasized:

“A global leader should be open-minded and be aware of the cultural differences. A leader in an international team should be
aware of how to deal with different cultures and personalities.” - Zanda

“Regarding the biggest challenge for being a global leader, firstly, it is rather challenging to gain a helicopter view in the complex business environment. How to deal with situation where decision should be made and there is incomplete information is the second challenge. A third one is how to communicate effectively with all employees in order to mobilize and activate them to business bottom line.” - Zanda

“You just need to be able to inspire everyone in organization with the extremely diversified background.” [How do you clearly communicate your strategy to people with such the diversified background? ] “It’s not easy to communicate long-term vision to employee. First of all, the message should be simple. You cannot with very complex information, financial number, and extensive strategy.” - Zanda

In addition to international experience, it is another way to help a global leader to get better understanding different culture and why people act differently as Kristoffer pointed out:

*Having international experience when you are young can help you broadening your mindset. You actually manage to understand why people think differently.* “Having international experience will help you to handle the diversity.”

However, Franklin add some idea that having international experience is good but if people do not sit back and think what they have experienced, which is called “reflection”. They will not get much benefit from international experience as he explained:

*“Everybody can go abroad, but if you cannot stop and see back what is happening here, get feedback and reflection from your experiences, you could not realize what you experienced. It is the reflection that changes you.”*

**Research question 3: How do global leaders develop the critical competencies?**

When asked the question whether leaders are born or made. Mostly, they answer that they are partly born and partly made as Zanda believed:

*“For sure there are some leaders that are born, but others can be developed. Everyone is born with certain traits and it is easier to*
develop on something that is one’s strength. Thus if one has some leadership potential, it is easier and faster to flourish. If one does not have natural leadership skills, it will take more time and energy to develop them.”

All agree that everybody can be a leader by both choosing their own development and taking the program designed by others as Kristoffer strongly believed:

“I am convinced that everyone can be a leader as long as there is will and passion to become a leader. You have to have patient, you have to work hard, and you have the right mindset. However, a person with the right set of strengths during childhood will most likely have an ability to become a leader in a shorter period of time than those that need to build up the right strengths over time.”

“It is important that you early on stretch your life, and have an opportunity to try out a large verity of jobs. I am a strong believer that it is beneficial to anyone to have diversified experiences. Therefore you should always strive to get as much experience as you can. Go abroad, learn cultures, and find your own way on how to best interact in different environments. Set up your own goals, build your own path and fill your gaps with training, courses, workshops, and other programs. But you need to set up your own development path and know where you want to go.”

Regarding the choosing an own development, Franklin stated that it should come experience, feedback, and reflection. As he explained:

“Leadership development is an integrated process. It can grow from continuous feedback. To develop a leader, the best way is a practical approach by feedback through listening to people....To develop a leader, firstly probably you should have different experiences in your life in general. But some people do have the same experiences but they don’t get to the same point. It depends on how you take through that experience and learn from that.”

Research question 4: What are the challenges of identifying, developing, and retaining high-potential talents?

Franklin told us that when his team recruits people, they know at the beginning that who is a leader. That person just needs the space to grow his or her leadership skills. If she or he is a leader, they
can find their way to be up there. He suggested:

“Management trainee program is not so useful. A company should attract these people and let these people grow organically rather than trying to force leadership on people who have no experiences.”

According to Zanda, Electrolux has a global structured process to identify high-potential talents, i.e. talent management. The high potential is assessed based on working performance, then there is an action plan how to develop and enhance their skills, and promote them to be a leader. Table 1 is shown the process of Electrolux Poland identifying, developing, high-potential talents.

<table>
<thead>
<tr>
<th>Identifying, developing process for high-potential talents</th>
<th>Description</th>
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</table>
| Identifying                                               | • There is an appraisal talk or performance evaluation meeting between a line manager and an employee where a line manager assesses the performance and both sides agree on next steps and development actions.  
  • Every management team runs a talent review where they identify the high potential employees in the organization and agree on action plan to develop and retain them on a wider level. |
| Developing                                                 | • Based on an appraisal talk and talent review, develop individual development plans.  
  • Involve an employee in the training as identified for personal and business needs.  
  • Offer any other development action: a coaching session, short-term assignment, change of position. |

Table 1: Process of identifying and developing in Zanda team, Electrolux Poland

To retain the talents, it depends on what motivates people. Zanda mentioned:

“How to retain depends on an individual and what is the motivator for an individual. For one person, it can be compensation and pay. In other cases, motivation is development.”

However, Kristoffer mentioned that company should offer job rotation for high-potential talents in order for them to develop their performance.

“In order to retain talented you need to consider how to engage them in different training, like workshops and short/long term programs. Further, it is very important to support the talent rotating job positions and continuously give new and exciting challenges to your talents.”
Summary

Mr. Franklin Morales’s main points are summaries by this:

About the global leadership in general, he believed a leader is someone who moves people to objectives and create shared leadership. The leaders should possess people skill to connect them and ability to cope with incomplete information, uncertainty, and ambiguity. The leaders are not born, but they can develop it. The leadership is the learning process that comes from long-term mistake making, correcting and reflection on them. Self-reflection ability can be guided, developed but it takes a relative long time. "International experiences are important, however, the way of reflection on them is more significant."

The competence of global leader in emerging country and western are similar, for example emotionally intelligence and entrepreneurship. But the way they are applied is differently. We should understand people as the personality not as the nationality. The leaders should use the national culture as “tool” to construct something nicely.

Ms. Zanda Garanča’s main points:

For being a global leader, one should be open-minded and tolerant. Leader can be born and made. Everybody is different, and everybody has different strengths. The development approaches should be established based on person’s distinctive strength. To develop a global leader, she prefers mixture of standard programs and personal coaching sessions on the balance of investment and added values. The big challenge for leading across culture is communication barrier especially for language and emotion.

Mr. Kristoffer Ljungfelt’s main points:

A global leader should have long-term vision and be patient about sustainable development. They should possess the ability to communicate with diverse stakeholders, including internal and external, and inspire them. It is about inspiring people no matter where they lead in international team, or local team. Top manager should start from simple and concrete message. The necessary competencies for global leaders are leading change, accepting of complexity of global business
environment, social and networking skill. Just like any other global leader, the Chinese leader is able to perform on the global stage if they possess these skills and actively use media and networks to communicate visions and future trends.

He is convinced that everybody can develop into be a leader as long as the “will power” and “passion” and “faith” persist. Short term and long term development projects are important throughout the career, as well as international experiences, on the job training and the possibility to rotate jobs within the organization.

4.3 DELOITTE

4.3.1 Company and interviewee introduction

Deloitte is a notable “brand under which tens of thousands of dedicated professionals in independent firms throughout the world collaborate to provide audit, consulting, financial advisory, risk management, and tax services to selected clients.”(Deloitte, 2011) The company’s distinguished knowledge and experience in HR consulting area is beneficial to our research. Our interviewee, Mr. Mattias Kanold is the HR manager in Stockholm office of Deloitte. His experiences in HR department in a consulting company provide good points to us.

4.3.2 Data Description

Research question 1: Why there are not many Chinese leaders are well known on the global stage?

From his point of view, Mattias mentioned that Chinese leader may not have enough global experiences. Additionally, it is difficult for Chinese leaders to apply their leadership style in Western countries. As he mentioned:

“It is difficult for Chinese leadership style to be applied in western countries or even the global environment. In the other way around, applying western leadership style in China might be easier. In the West, the employees are part of decision making and strong unions compared to the situation in China. In China, there is different working culture, for example much more authority.”
He also suggested the solution to encounter this situation:

"Chinese leaders should “learn more about other western European and American leadership style and adapt it in China. Probably Chinese society has to change first. Then, a new style of leadership could be applied.”

Research question 2: What critical competencies should they possess to be a global leader?

He perceived a global leader as the person who is capable of being aware of what is happening globally and cultural differences; therefore, most of the global skills we listed are important for a global leader. He explained:

“The acceptance of complexity of global business environment, the networking skills and social skills are extremely important to most leaders. The inquisitiveness to opportunities world-wide, you should be aware of what’s happening on the larger scale. To be able to lead change in a globalized world, you have to be aware of what’s going on and cultural differences; otherwise you would never be able to work in another country if you don’t know the culture there.”

“Leading change is especially important to top management. You have to motivate and explain to people what they can gain through the change. You have to have all the people with you. You have to explain why this change in the long-run, otherwise you won’t be able to make change happen. Compared to decades ago, there are so many swift changes nowadays, thus it’s important for companies to deal with changes in order to keep competitive. You have to be able to see change, make the change happen and adapt to changes within the company.”

From his point of view, one of the challenges for being an effective global leader is the ability to be open to cultural differences. He explained that a global leader should be able to recognize it and use it to their advantage. He also stated that a global leader has to be extremely sensitive to what is affecting people in different parts of the world. From his point of view, having an international experience will help a global leader to gain the better understanding of cultural differences but it is less important than having the attitude to accept help from local people who can guide them to solve the specific situation as he explained:
“International experience is important but you cannot possess the knowledge of every part of the world even you travel a lot and meet a lot of people and live in another country. However, the question is the attitude to what you don’t know there. You could not just take it for granted how it works here, but you have to find out the solution for specific situation; for example, Thailand and Vietnam are geographically located next to each other but their cultures are different. You have to realize what you don’t know. The right attitude is more important than international experiences. With this right attitude and being ready to accept help from a lot of people, even a domestic leader without international experiences can succeed on global stage.”

Research question 3: How do global leaders develop the critical competencies?

He strongly believed that everybody can be developed to be a leader by taking programs designed by others. He reasoned:

“You can’t be aware of your own weakness. You need someone to help you to see your strength and weakness. In Deloitte, it is believed that 70% learning is through on-the-job training and working and 10% learning comes from the training programs. The programs should not be chosen by yourself but should be chosen by someone else such as your manager and according to the goals that you set. According to the program for top management, it will be more individual. It should be based on what your weaknesses are and what you really need to develop. It’s difficult to tell yourself what you are good at and what you are not good at, thus you need someone else to tell you.”

Research question 4: What are the challenges of identifying, developing, and retaining high-potential talents?

The challenge in connection with developing potential leaders is firstly the tension. The second one is work life balance. Regarding the retention of high-potential talents, he mentioned “we try to keep the high potential talent through education, training and compensation systems.”

Summary

He emphasizes leader’s ability of leading change and ability to be open and sensitive to people from different cultures. He perceives the right attitude is more important than international
experience. Leaders need to be close to people because individual context is different.

Leaders can be made. They need development programs to develop their competencies. Middle managers need programs designed by others. However, top executives heavily rely on their self-reflection. Therefore, the development should be connected to the company’s business strategy.

Chinese social status plays an important role in Chinese leadership styles, which do not fit in globalization process. Cultural differences and imperfect economic environment are the main challenges when doing business in China.

4.4 TRELLEBORG

4.4.1 Company and interviewee introduction

“Trelleborg is a global engineering group whose leading positions are based on advanced polymer technology and in-depth applications know-how.” (Trelleborg website, 2011) Their core values are “customer focus, performance, innovation and responsibility”, according to the president and CEO, Mr. Peter Nilsson. The interviewee from this company is Mr. Stefan Ek, who works in Trelleborg for almost 15 years in different positions, countries and plants. He started as a mechanic engineer and has working experiences in Shanghai for 7 years in different positions of two plants there. His smart understanding of unique Chinese culture offers a lot of valuable information. We did a face-to-face interview on 16th April, 2011.

4.4.2 Data Description

Research question 1: Why there are not many Chinese leaders are well known on the global stage?

From his point of view, there are so many Chinese companies abroad that are successful. He observed:

“If you go to Singapore and Indonesia, there’re so many businessmen doing business there. The problem may be China is such a huge market itself. Now they begin to export and buy companies abroad such as Volvo cars. In the next ten years, maybe
there are global leaders from China.”

Research question 2: What critical competencies should they possess to be a global leader?

He perceived a global leadership competency as the personal relationship to inspire the organization. He believed Chinese leaders should possess the similar skills as Western leaders.

“The basics should be the same. If it doesn’t matter when and where you work, the leaders should have the same skills.”

There are several skills required for a good global leader as he pointed out:

“You need to have the ability to step back and have this overview. If you are too task-oriented and quite look into all the details, it’s easy that you don’t delegate to others. You think you can manage everything, then you dig into the micro management. A leader should have the ability to delegate to others. Afterwards, you can create a good team. You trust the team and delegate to the team. Then you can step back and work on the strategies. Moreover, it’s important that you listen and are open-minded, especially when you are in other countries or cultures.”

Additionally, understanding the cultural differences is very important for a global leader, and followed by networking and social skills, building trust among stakeholders, and accepting complexity respectively. He emphasized the importance of having these competencies:

“If you have some knowledge in advance, it’s much easier to understand why people act in the way they do. Social skill and building network are also extremely important, especially when a person is exposed to the new environment. He/she can resort to the network to solve problems of lacking initial knowledge of this country. Additionally, accepting of complexity is important. When doing business in a foreign country, you cannot take it for granted. The business is not done the same way as in your home country. For example, if you get stuck in customs in China or India, you should treat them in a different way compared to in Sweden. Due to globalization, some cities like Shanghai are emerging so fast, so such situation is improved a lot nowadays compared to decades ago.”
Research question 3: How do global leaders develop the critical competencies?

Taking part programs designed by others is sometimes not so good as he mentioned:

“There are so many companies which offer training of global leadership skills but they don’t really understand the local culture. The basic understanding of the culture and how to do business in that country could be in workshops and programs designed by others, but it’s important if you go there and spend time there. You try to understand yourself and experience yourself.”

Research question 4: What are the challenges of identifying, developing, and retaining high-potential talents?

When it comes to identify, develop and retain people, there is an international management program in Trelleborg. In the Table 2, it is the description of identifying, developing high-potential talents.

<table>
<thead>
<tr>
<th>The process of identifying and developing high-potential talents</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identifying</td>
<td>• HR sends out nominations first, and it’s up to the BA (business area) presidents to identify people.</td>
</tr>
<tr>
<td>Developing</td>
<td>• 20 people are selected from 20,000 employees world-wide every year to participate.</td>
</tr>
<tr>
<td></td>
<td>• Selected candidates attend program which contains four blocks. Each block is one week, but it lasts for a year. They do one week first and they have project work to do back home.</td>
</tr>
<tr>
<td></td>
<td>• Selected candidates meet each quarter to present what has been done and receive feedback.</td>
</tr>
<tr>
<td></td>
<td>• Selected candidates meet each other four times a year.</td>
</tr>
</tbody>
</table>

Table 2: The process of identifying and developing high-potential talents

However, the challenge is that when people are developed and they have already had a good skill, they decide to go to work with another company which can offer them the better benefit. Therefore, retaining talents is the challenge from his point of view. He commented:

“To retain them, benefit package is one thing. Salary is important...
but not everything. What’s also very important is you create a good culture in your company so that people are proud of working for this company. You should offer development opportunities in order that the employees feel their abilities can be developed in this company. For example, in China, it’s very good to send people to Europe because they see that as a big benefit.”

Summary

Relating to his rich working experiences in China, he provides his ideas with distinguished and profound insights. He believes that to create a team supporting the leader is of special importance. He also emphasizes understanding of the real local rules and things underneath in a new culture. Under the unique Chinese social and organizational environment, employees are easily loyal to their senior other than the organization. Thus, it’s meaningful to create a kind of clear organizational culture that the employees are proud of. He believes the development of leadership skills heavily relies on the person of his/her own.

4.5 CLARUS EASTERN EUROPE LLC

4.5.1 Company and interviewee introduction

“Clarus Eastern Europe is Kiev’s leading search agency with focus on middle management and executive positions for foreign establishments in Ukraine.” (Clarus, 2011) as what they claimed on their website, “We’re small, but in understanding for foreign companies, we’re big.” The interviewee Ms. Clara Bodin herself is “originally from Sweden, finished Uppsala University 2002 with a MA in Business and Eastern European Studies” and awarded by Sweden’s business newspaper Veckans Affarer as “Top Swede doing business abroad” recently, possessing rich international experiences. Her original understanding to our research questions also benefits our study a lot. We did a phone interview with her on 4th May, 2011.

4.5.2 Data Description

Research question 1: Why there are not many Chinese leaders are well known on the global stage?

She believed it depends on the context. According to her
“If a Chinese person or Russian person is working in a western company, the person needs to have some certain skills because of the company’s bureaucratic structure.” "So my answer would be when it comes to hard skills, like language or technical knowledge or pc skills or writing skills or something like that, the competence must be the same.”

Research question 2: What critical competencies should they possess to be a global leader?

She perceived a global leader as someone who has very high intercultural competence and who can adapt very quickly to different kinds of cultural settings and be successful in different kinds of cultures.

To whether leaders in emerging countries should have similar competences compared to western leaders, she claimed out:

“When it comes to hard skills, like language or technical knowledge or pc skills or writing skills or something like that, the competence must be the same. Otherwise this person cannot survive in the global company he/she is working for. I think most multinational companies are American or from regions in Europe. They have certain values of their companies which are usually based on something like Christian morals. If you go to the basics, it got a lot to do with Christian values. So I think leaders in emerging countries, if they want to have a global career, for example working in America’s Procter and Gamble, they have to develop or change a little bit according to the company key behaviors to fit in.”

She ranked the most important competencies for being a global leader as network skills is number one. Number two is building network internationally, followed by building trust among stakeholders, and accepting complexity respectively. She reasoned that network skill is especially important because:

“If you want to be a global leader, you have to be on the top of mind not depending on where you are but who you are. Therefore you have to build on as many people as possible that know you all over the place.”

Research question 3: How do global leaders develop the critical competencies?

Leaders are partly born and partly developed as she mentioned:
“Definitely, leaders can be developed”. If you look at all the leaders in the world, they all have different personality profile. There is not 100% that leaders are the same in the personality. Definitely, a person can be developed. However, there are some people who do not want to be developed.”

“Skills and knowledge can always be trained. If you want to learn accounting, you can learn accounting. But if you are not polite person, you can never learn to be a polite person.”

Research question 4: What are the challenges of identifying, developing, and retaining high-potential talents?

When it comes to identifying the high-potential talents, Clara commented that companies should not select high-potential talents from the same place; for example, Harvard Business School. She claimed:

“There must come from a new active, open and non-western approach to look for people. Because tomorrow’s global leaders can be in Thailand or China, they don’t have to be from United Kingdom or United States. I think for the identification the method must be extremely wide and it must be very inclusive that everybody, even in unexpected places, can be found.”

When it comes to development process, Clara does not have the program but she has approaches for leading coaching. She explained the way she coaches that:

“My approach is if you ask for more you will get it. Everything you want to do is possible if you show me that you want it. But if they don’t want to show me they want more, they don’t get it. They have to be responsible themselves. If they show that they want to learn, there would be no ends in what they can learn.”

When we asked her regarding the retaining of high-potential talents, she stated that the key word in staff development and recruitment process should be transparency. It must be completely transparent and open to everybody. Everybody should get the chance on the same condition as she described:

“If you want to develop and retain people, you have to be completely transparent on how it works. In the future, if it’s more transparent like how do I make a career, how do I get promoted and how do I develop, people are going to leave. Because nowadays development and retention is not being done this way, it’s like something exclusive
for a few people the boss like, usually man, and white man. If you have complete transparent development and retaining procedures, that’s the only thing is going to work in the future. And those companies are going to be the most successful one. The procedures must be completely transparent and open to everybody. Everybody should get the chance on the same condition. That means the conditions must be developed in the certain way that fix everybody, not only white man."

Summary

Clara on one hand emphasizes the understanding of cultural differences when doing business in another country; on the other hand, she believes national culture can be changed to a person if with long period experiences living abroad. The religion morals play the fundamental role to influence a person. For being an effective global leader, this lady focuses on network skills, global mindset and cultural differences.

In regard to development of global leadership, she asked for a completely transparent identifying and developing system where everyone, no matter their educational or personal background, can get equal opportunities. It is also a way of retaining.

She believes Chinese leaders should possess the similar hard skills competences but the soft aspect should be adjusted according to specific environment.
5.0 RESEARCH ANALYSIS

5.1 Why there are not so many global leaders from China?

This research question is the most interesting and important one in our thesis, based on which we develop our research idea and we are motivated to find answers in great amount of literatures and empirical data we collected. As stated in the introduction part, we initially feel curious about the phenomenon that China’s economy is booming with a fantastic growth speed, but there are not many names of Chinese leaders popping up in our heads when global leaders are mentioned. Most literatures probe the Chinese leaders’ general characteristic, behavior or leadership style features, but hardly do research on prominent individual.

Then, we turn to our interviewees, we get some enlightenment. Surprisingly, all of their answers point to the same direction that Chinese leaders are successful in doing business and they possess the basic similar competencies if compared with western leaders. However, when we proceed to the old question “why there are not so many global leaders from China”, the answers are quite similar and emphasize on some points. Firstly, the phenomenon that there are not so many Chinese global leaders does not mean Chinese business leaders are not successful, but they are not world famous. Actually, they are performing very well in domestic market, in Asian market even in global market in some industries. One interviewee Kristoffer from Electrolux, who is based in Singapore, perceives a big portion of Singapore business is operated very well by Chinese businessmen. IKEA CEO Mikael also believes that Chinese perform well in business arena, there is no difference between them and western businessmen. Most interviewees attribute it to the Chinese huge domestic market.

In our researchers’ point of view, we interpret that the reason relats to the core value or organizational culture in the company. When we conducted interviews with people from Electrolux, IKEA, Clarus, Deloitte and Trelleborg, we could feel the strong company culture embodied in the conversions and their opinions. Even though they neither talk much about it nor mention it from time to time, we could observe that the organizational culture has been a cohesive clue accepted by the employees. Linking their consistent opinions that Chinese
businessmen perform well, we answer the question “why there are not so many global leaders from China” that the Chinese business leaders are excellent managers even international executives but not perfect global leaders.

In order to elaborate our analysis to support out interpretation, firstly we will do a case study about a Chinese enterprise going global, Lenovo Group.

5.1.1 Lenovo Group case study

Lenovo Group, a famous Chinese enterprise that most Chinese are proud of, raises its popularity overnight especially by the acquisition of IBM Personal Computing Division. Lenovo is recognized as the representative of Chinese enterprise going global successfully and gain more international attention from then on. “Lenovo creates and builds exceptionally engineered personal technology, but we are much more than a tech company. We are defining a new way of doing things as a next generation global company.” “Achieving optimal balance in all that we do is Lenovo’s operating philosophy. This mindset encompasses every aspect of Lenovo’s business, from balancing leadership with consensus-building, to valuing both short- and long-term thinking.” “At Lenovo we view our culture as a critical asset as important as an effective business model. We call our culture the Lenovo Way, and at its most basic, that culture is reflected in the statement: We do what we say and own what we do.” From these statements on Lenovo website, we can gain the managing background of the company.

Relating to our research questions, we try to investigate the acquisition process between Lenovo and IBM, where there are lots of stories to analyze about foreign leaders and Chinese leaders, and Chinese young generation leaders and old generation leaders. How to define an effective global leader in this case? What’s the measurement of global leaders’ performance? We will solve the problems by gathering facts and analysis afterwards.

5.1.1.1 The Process and Strategies of Merging

“Back in 2003, Chuanzhi Liu and his management team came to the crucial conclusion that Lenovo had no future as merely a Chinese outfit, no matter how big its home market was
becoming.” (Schuman, 2010) According to Hamm (2005), before merging with IBM PC business, directors in Lenovo thought the merge would work if IBM top executive is recruited. “The board felt there were positive solutions.” says Chuanzhi Liu.

In 2004, “IBM and Lenovo Group Limited create world's third-largest PC business” with “transaction of US$1.25 billion in cash, equity.” “Stephen M. Ward, Jr., currently IBM senior vice president and general manager of IBM's Personal Systems Group, will serve as the chief executive officer of Lenovo following completion of the transaction. Yuanqing Yang, currently vice chairman, president and chief executive officer of Lenovo, will serve as the chairman of Lenovo post-transaction.” (Lenovo, 2004)

When in the process of merging Yuanqing Yang said, “The development of the Internet brings both great opportunities for the development of the PC industry and also significant challenges. To succeed, PC companies need to have global scope, leading-edge technology and highly efficient operations.” (Lenovo, 2004) Thus, we can observe a clear strategy of going global and raise international recognition of Lenovo, which is an important turning point since the company was founded in 1984 by eleven Chinese in Beijing.

“May 1, 2005, Lenovo Group Limited and IBM announced the closing of the acquisition of IBM’s Personal Computing Division by Lenovo”. After the complete closing of the deal, “the new Lenovo's strategy is based on what our customers want: high-quality products and world-class service”, according to Yuanqing Yang, the chairman then. (Lenovo, 2005)

On December 20, 2005, “Lenovo Group Limited announced that its Board of Directors has appointed William J. Amelio as President and Chief Executive Officer. Mr. Amelio most recently was Senior Vice President of Dell Inc. and President, Asia-Pacific and Japan.” “He is succeeding Stephen M. Ward, Jr., who has agreed to assist in the transition and serve as a consultant to the Company.” (Lenovo, 2005) According to then Chairman Yuanqing Yang, “Bill Amelio's combined experience – in our industry, in emerging and mature markets, in senior operational roles and with IBM– gives him the perfect profile to lead Lenovo from the important stability we have achieved in the first phase of our integration, to the profitable growth and
efficiency improvement to which we are committed in our next phase.” From his comments, we can see the appointment of Mr. Amelio is a need of strategy change from stabilizing the merging phrase to chase business profit growth.

“Amid falling sales and PC industry turmoil, Amelio exits as CEO.” (Balfour and Einhorn, 2009) On 5th February 2009, Yuanqing Yang returned to the CEO job succeeding Mr. Amelio and Chuanzhi Liu resumed the position of chairman. With continuing decline business, which is influenced by worldwide financial turmoil, the top management changed the strategic direction. “Lenovo has grown successfully on the international stage, but at this important time, we want to pay particular attention to our China business as it represents the foundation of our global business and growth strategy”, said Chuanzhi Liu, the Company’s founder and returning chairman (Balfour and Einhorn’s, 2009). Regarding the management change, Liu said “we have the particular benefit of naming Yang Yuanqing to the CEO role since he built our China business.” (Lenovo, 2009) According to Balfour and Einhorn’s (2009) analysis, “back when Lenovo announced the IBM deal, the idea was to leverage Big Blue's worldwide distribution and senior executives to help the Chinese brand go global. Nevertheless, that strategy has met with limited success: Lenovo, which was the world's third-largest PC maker after the acquisition, has slipped to No. 4 globally, behind HP, Dell, and Acer, the Taiwanese rival that had been neck and neck with Lenovo.” “The global recession has hurt PC companies, but Lenovo has been especially vulnerable outside its home market because of its reliance on sales to corporate customers.” (Balfour and Einhorn, 2009) Even though there is the seeming glamorous acquisition with IBM PC, Chinese business leaders still have to continue to learn a lot on global business stage afterwards.

5.1.1.2 Different Leaders during Specific Period

At the beginning of the merging, “This is a winning transaction for customers of both companies,” Stephen M. Ward, Jr., said. “Our two companies are a perfect fit sharing a common cultural commitment to innovation, customer service and shareholder value.” Yuanqing Yang, current president and chief executive officer of Lenovo, said, “Through acquiring IBM's global
PC business and forming a strategic alliance with IBM, Lenovo will absorb and integrate the skills from both sides and acquire global brand recognition, an international and diversified customer base, a world-class distribution network with global reach, more diversified product offerings, enhanced operational excellence and leading-edge technology.” (Lenovo, 2004)

From their comments about this transaction, we can feel the different emphasizes from them. Stephen talked more about cultural commitment, customer and value; Yuanqing Yang would like to communicate the information of technology, product and business.

As Mr. Amelio said, “Lenovo's senior management team has been world-class from the start.” However, the appointment of Mr. Amelio after Stephen seems not to be a success of international team management regarding the declining sales volume in his tenure. (Schuman, 2010) Based on the article of Schuman (2010), we question why Amelio’s top-down classic MBA management style does not work in IMB-Lenovo. Firstly, there’s a big cultural gap and clashes in the global team across different cultures, thus communication is essential here which top-down style couldn’t provide. Secondly, there are too many parties in management board: original Chinese managers, old IMB guard and new executives imported by Amelio, which loose the team’s cohesion.

After returning to the CEO position, Yuanqing Yang said “I am confident in our ability to strengthen Lenovo’s growth in China and emerging markets, and remain committed to leading our global and diversified team.” (Lenovo, 2009) We believe, after the experience of participating the merging with IBM, co-working with foreign CEO in a diverse board as a chairman and finally returning to be the CEO sticking to the global strategy, Yuanqing Yang must reflect and gain a lot from the complex business world. As a representative of Chinese young negation leaders going global, his experience should give some enlightenment.

Li (2008) presented some interesting anecdotes in HayGroup report. Between Yuanqing Yang and Stephen Ward, “although Ward and Yang deny there was ever any tension between them, one industry bigwig recalls that when he had dinner with the two a few months after the deal closed, Ward did nearly all of the talking. ‘It was really an uncomfortable situation,’ he says.”
Another one is between Yuanqing Yang and Bill Amelio. “At their second meeting, Yang surprised Amelio by pulling out a single sheet of paper listing the roles for Lenovo's chairman and CEO. His job included setting corporate and technology strategy and communicating with investors. Amelio's main task was running the PC business day-to-day. This is not the typical split between chairman and CEO--Yang would be much more hands-on, like a co-CEO.” From these two stories, we can see if Chinese leaders want to lead an international team or cooperate with westerners, there indeed are differences in mindset and working styles to deal with.

Chuanzhi Liu, the founder and returned Chairman of Lenovo Group, admitted, “it was difficult to some extent [to establish trust among people from very different cultures] and most of the problems lay in senior management” when he was interviewed by Knowledge@Wharton. Liu also said biggest issue when merging with IBM PC “was the difference in mindset between management and the board of directors.” Thus, Liu presently sticks to the management basics suitable to the company’s unique context. Besides, as a veteran in business arena, Liu possesses a vision and the big picture of the business. Another anecdote between Liu and Yang presented by Li(2008) goes: as the new boss of PC Div., “he[Yang] fired half of the staff, forced managers to radically alter the way they did business, bawled out people when they screwed up, and ignored criticism. It was not very Chinese of him. Liu saw that he very nearly had a revolt on his hands, so he called a management meeting to deal with it. ‘I criticized Yang so severely he almost broke down in tears,’ recalled Liu. ‘But this had a good effect. He started to change his work style.’” From these stories, we can see some differences between Chinese young generation leaders and old generation leaders. No matter young or old, all Chinese leaders had better be open-minded to the differences and challenges, and young generation should learn to be mature.

5.1.1.3 Summary and Implications

The case of Chinese Lenovo Group merging IBM PC business is a typical one reflecting the challenges and lessons Chinese leaders meet and learn when leading their company going global. During and after the merging process, there are several executive management changes, which mirror the Chinese leaders’ management philosophy changes when exposed to global business.
Initially, they thought only the western experienced executives could lead the company and merging process well, thus the first two executives were both from US. However, the low performance made them think twice about the issue of international team management. They became more rational afterwards, letting the Chinese CEO come back but keeping the diversity in the top management team at the same time. As Schuman (2010) said, “since its birth in 1984, Lenovo has been one great management experiment, as Liu guided the company by trial and error”. All of the explorations and lessons are beneficial experiences for Chinese leaders’ metamorphosis from managers to real global leaders.

In this case, we observe three elements blocking Chinese managers’ transformation to leaders. They are vision, time and personal factors. Together with the findings of our interviews and questionnaire, we will present detailed analysis of these elements in the following part.

5.1.2 Value, vision and culture

Robinson and Harvey (2008) stated the important role of corporate values to the appreciate leadership practices in a culturally diverse world. Their research questions- “what new skills should be adopted by business leaders so that they are equipped to deal with new challenges”- are address by a “value-based leadership algorithm” (VBLA).

We agree with our interviewees that Chinese leaders are managing their business well, but probably there is still a long way to go in leading people and leading the company well. There must be a vision, a value and an organizational culture in every company. However, there are such differences between Chinese-based companies and Western famous companies: (1) it is long-term vision or short-term mission; (2) the leaders focus on business, including product and profit, or people, including all the stakeholders and the welfare of the whole society; (3) the organizational culture is strong or weak, in terms of attracting, uniting, touching, mobilizing, and keeping people; (4) the core value is communicated in a clear or ambiguous way, no matter within the company or with the external stakeholders. Besides Chinese leaders in Chinese companies, as our interviewee Franklin puts forward, there are also not many people from emerging countries in the executive board, who are in charge of making decisive business
expansion in world famous multi-national companies. We perceive the reason may be the same, that Chinese leaders and western leaders have different focus. Chinese leaders seldom use the organizational culture or values to expand business. There are not so many Chinese leaders hold the idea as Chuanzhi Liu, whose dream is to build a sustainable company lasting for hundreds of years.

5.1.2.1 BOS Model

Thus, beyond the business level, we perceive a vision and culture within a company determines the sustainability of its business and recognition of the company from the whole society even the whole world. As a result, the leader in this company would win global fame naturally. Thus along this causal line, a model called “BOS (Base of Sustainability)” is put forward by researchers. From Fig.3, if a business manager focuses on business performance and tries to pursue more market share and sales profit, it is hard to say this company will sustain for a long time, not to mention it is identified and recognized by the society. The “business performance” portion supporting the “sustainability” is very small. Therefore, the business operation in such a company would probably not be very stable. There are so many bitter lessons that fraud, fake stuff and the neglect of human’s welfare send companies to bankruptcy.

In order to gain sustainable but not extreme profit, an executive should be able to touch and inspire people, which is the key difference between managers and leaders. This point is put forward and emphasized by interviewees for many times, for example, Stefan from Trelleborg, Kristoffer and Franklin from Electrolux all highlight that a real and effective global leader should possess the ability of inspiring people. Once people are touched and connected, they are willing to be loyal to the company and contribute the most to the company. At this stage, a leader helps the company gain more credits of sustainability. However, there is a unique and implied Chinese working culture that Chinese leaders should pay attention to, in order to reach this level, such as the Guanxi culture in China. Li (2008) suggests Chinese leaders should possess “positive expectations of others” and “the ability to maintain this positive outlook under stress”.

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How could a global leader inspire and unite people effectively? Probably a strong and clear core value or organization culture, which may be articulated as a vision, should play a vital role. IKEA is a good citation because IKEA’s vision “To create a better everyday life for the many people” is so simple but powerful and applied explicitly by every level of employees. Mikael Ohlsson, IKEA CEO, told us, the turnover rate of IKEA employees are very low. People prefer to stay once their values fit in IKEA’s core values. According to him, once employees, no matter his/her background, perceive the same values, they are attracted and united by the organization culture. What the leader in IKEA earns is only benefit from the diversity. Hence, the business is prosperous and promoted by your own employees.

Once the organization is alive not only for business profit but also the welfare of community or the whole society, the business sustainability in return gain the thickest foundation, as described in Fig.3. Franklin introduces that Electrolux holds the idea that they can impact the world by designing good product which can save energy. It is the same idea as IKEA’s cost-consciousness and simple design styles, which are from the simple idea to help all the people, especially the poor, live better life. Once the leader can stand on such a height and see a big picture, in our opinion, he/she can lead the company in a more effective and sustainable way.
5.1.2.2 An Application of BOS

To better explain our model, we cite an illustration of a Chinese high-tech company to apply it. “Huawei is a leading telecom solutions provider. Through continuous customer-centric innovation, we have established end-to-end advantages in Telecom Networks, Global Services and Devices. With comprehensive strengths in wireline, wireless and IP technologies, Huawei has gained a leading position in the All-IP convergence age. Our products and solutions have been deployed in over 140 countries and have served 45 of the world's top 50 telecom operators, as well as one third of the world's population.” (Huawei, 2011) We can find a great amount of proof that Huawei is doing an excellent job on the global stage, including more than half of its profit coming from overseas market, world wide recognized technology and innovation ability, and establishment of joint ventures in many countries, etc. (Wikipedia, 2011)

However, the fact that there are employees committing suicides these years shadows the company’s beautiful business figures. Though there is no direct and public approval from the company that its employees’ deaths are related to the severe competition in the company, many staff complain the heavy workload and the stifling competitive atmosphere. Even the president Zhengfei Ren himself circulated a letter of concern about the over psychological pressure on employees.

This company was founded by Zhengfei Ren in 1988 and has been growing fast to the main competitor in this industry globally. During the growing process, the organizational culture plays an important role. In Huawei, the culture of aggressive spirit (wolf culture) and hardworking (mattress culture, means sleep in the office to work overtime) is worshipped. This organizational culture is originated from the president, a military technologist in People's Liberation Army before establishing this company. Thus, his personality is heavily influenced by the political atmosphere and military spirit at that time, which also stamps on the present organizational culture.
Besides workforce treatment, Huawei is also widely blamed by stealing technology. In connection with this issue, Flannery (2004) put forward a sharp question, “Huawei boss Ren Zhengfei is skillful at selling telecom gear. How well can he sell an improved corporate image?” According to the BOS model, the company’s business sustainability is suspected because the foundation of sustainability is too thin, only relying on business performance. The president is perceived by media as “publicly shy”, thus this unwillingness to communicate with external environment also influences the international reputation of this Chinese leader.

5.1.3 Time

All of the interviewees express positive opinion to Chinese leaders. They regard Chinese leaders as quite successful in terms of business performance. To the question “do you feel that leaders in emerging countries should have similar competencies compared to western leaders”, all the answers are positive.

5.1.3.1 Huge Domestic Market

Thus, from the western perspective, it is speculated that it’s issue of time. On one hand, we have to wait until the huge Chinese domestic market is saturated. Presently, Chinese economy keeps a GDP growth speed around 10% per year, therefore every enterprise would like to enter the thriving Chinese market. Hence there is no strong incentive for Chinese enterprises going out, especially when the company does not possess long-term development plan for business sustainability. Probably when domestic market is mature or other external environmental factors emerging to push them out, they will go global to seek new market opportunities. More and more global leaders from Chinese-based multinational companies begin to emerge. On the other hand, as Franklin said, even the emerging countries are emerging at a fantastic speed, they are still not the greatest economic power in the world; they still have to rely on the present developed countries; they are still eager to learn from the western prevalent management classic theories, then try to apply in the specific context. Perhaps when the real power of world economy shifts to emerging countries, they have the final say to determine which leadership is better.

5.1.3.2 Society and National Culture
Another aspect of this issue of time is that we have to wait until Chinese society becomes more open to challenges and more flexible to changes. Global mindset and open-mindedness is stressed by all of the interviewees. Undoubtedly, such mindset is gradually fostered from the childhood. Thus the social atmosphere, whether it is open or close, influences the mindset whether the Chinese leaders can think out of the box afterwards.

This aspect is related to another question in our list, “do you believe that deeply rooted cultural traditions are significant for leaders in their exercise of leadership? (For example, “Guanxi” philosophy and Confucian work dynamism in China; Buddhism in Thailand; The Law of Jante in Sweden, etc.)” The interviewees believe that the cultural traditions in one country do influence one’s leadership style, but the national culture should be regarded as a tool to “fix problem” (Franklin). Zanda believes some traditions may help you be open-minded but some may limit your ability of thinking out of box. Clara holds the opinion that the cultural traditions rooted in oneself can be changed if one is exposed to another culture for a long time. Stefan does not think Chinese should keep the “Guanxi” if they want to go global. Mikael believes if a kind of consensus of organization core value is reached, the influence generated from diverse national cultures can be weakened. Then, it is easier to lead an international team.

Thanks to Chinese thousands of years of splendid ancient culture, many Chinese benefits and deeply influenced by traditional Chinese culture. “This finding indicates that, even today, 2,500 years after the time of Confucius, his traditional ethics continue to have tremendous influence on Chinese people. (Ling and Fang, 2003)” Taking Haier Group for an example, it is the biggest and most proud Chinese national brand of home appliance, is now competing on the global stage by penetrating into several foreign markets. (Haier, 2011) “Now the Chairman of the Board of Directors and CEO of the Haier Group”, “to improve Haier's management efficiency, Zhang Ruimin combined Chinese traditional culture and western industrial experiences” (Haier, 2011). Another Chinese business leader attracting global attention is Shufu Li, the Chairman of Zhejiang Geely Holding Group Co. Ltd., who merged Swedish Volvecars recently. “Since 1990s, Geely people represented by Li Shufu have held such precious value concept in firm, perseverant, disturbance- free and impregnable attitude and finally achieved this glory for
domestic independent brand automobiles. (Geely Report, 2009)” These values appreciated by him are of heavy Chinese characteristics. According to Chen (2010), “The 47-year-old Mr Li is just the kind of larger-than-life character to act as the figurehead for a new age of carmaking with Chinese characteristics.”

It does not make sense to judge one national culture is good or bad, or the national culture influences the leader in a positive or negative way when he/she behaves globally. The point is how to make good use of these cultural traditions to reach the goals; how to adjust the role of national cultures according to specific context; how to reflect on the differences between our own culture traditions and other cultures from a global perspective by seeing a big picture. To keep a clear head and objective attitude to one’s own cultural traditions is a big challenge for Chinese leaders being global recognized in the future, from our researchers’ point of view.

5.1.4 Personal factor

McCall and Hollenbeck’s (2002) book discusses the importance of international experiences. Along with our interview results, the role of international experiences is never overemphasized to a global leader. McCall and Hollenbeck’s (2002) interviewees “vividly illustrate” that “grasping the cultural/human aspects of leading in a global society” “requires One Big Thing and that is, transformation of the self.” “Yes, they’re talking about change, not just cultural, but deep, personal change.” As Mattias from Deloitte said, “seeing the context of individuals, it is much more difficult than the international experiences”. Franklin also pointed out that to the same experiences, different persons reflect and interpret in different ways, and end up learning different lessons from the experiences.

Regarding developing programs, Mikael believes that it is important for individuals to choose and design their own developing path, while programs designed by others only are treated as an “oasis” (complement) to enhance the leadership capability. Clara firmly convinces that the personal coaching will work best in the future. Stefan thinks “it’s important if you go there and spend time experiencing yourself, compared with workshops and programs”. Zanda also believes “the best is to have your own development plan based on your personal strengths and
weaknesses”, and “you define the development plan in corporation with someone who can facilitate it and coach.”

Thus, coming back to Chinese leaders, in our point of view, firstly they themselves should be exposed more to the global environment to gain more international experiences, which is the foundation to reflect on and learn from. From the result of questionnaire for high potential talents, we find that only nine of forty eight respondents have education or employment abroad experiences, others only have vacation abroad experiences or have no international experiences. The result is quite similar to our expectation. Connecting to the theory and interview data, we speculate that international experiences are important and helpful for being a global leader, therefore the lack of such experiences maybe a reason why there are not so many well-known global leaders from China. The result supports our hypothesis to some extent. Even though around one third of them has vacation abroad experience, the short term, hasty travel style and language barrier together probably weaken the positive effect of such international experience, no matter to their lives or to their work. Therefore, when leading his/her people, Chinese global leaders probably should pay more attention to establish the development atmosphere for talents, which is severely lacked in Chinese companies. This aspect of globally strategic thinking-fostering the culture of connecting to human- may help increase Chinese leader’s chances of winning recognition globally.

5.2 What Critical Competencies Should Chinese Possess to Be Global Leaders?

All interviewees and MBA students agree upon that Chinese leaders should posses the same leadership competencies as Western leaders in order to go global and make their names to be well known globally. Even though the content of Western leadership theory differs from Chinese leadership theory due to the different environment (Ling and Fang, 2003), core leadership competencies should be similar. It is interesting that the result of interviews and MBA students in China are correspondent in the same way that Chinese leaders should possess the same core competencies in order to help them perform effectively as a global leader. Regarding our empirical data, the top three competencies which are defined as the most critical competencies for leaders to go global, are self-awareness, networking and social skill, and accepting complexity in global
business environment. This is in line with our global leadership competency literature review, which implies that global leaders should possess and develop three fundamental categories of global leadership competencies. However, to effectively lead people across culture, global mindset, self-awareness and social skill are also identified as the necessary components in helping Chinese leaders become true global leaders. The following section will discuss these aspects why they have been emphasized.

5.2.1 The need of being aware of knowing yourself and managing others

5.2.1.1 Self-awareness

Many interviewees and MBA students remark that self awareness is the critical competency for global leaders. Self awareness is the foundation of emotional intelligence, which implies the ability of person to deeply understand oneself emotion, strength and weakness, need and drives, sources of frustration and reaction to problems (Jokinen, 2005). Moreover, it allows you to understand people, how they perceive you, and how your respond to them at that moment. It is the first step of being effective leaders since it comes from knowing yourself, your strength and weakness by understanding what you have experienced in your life before. In other words, self-awareness comes from inside, as Franklin from Electrolux points out that leaders should know from their soul who they are, what they want, and why they change. Therefore, they can inspire people to accomplish the task. This idea is similar to that of Mikael, IKEA CEO. He states, “if you want to change or make something better, you need something which comes from your personality, from your inside. You can lead others.” To change yourself, Mikeal also comments that reflection is the critical process in helping leaders understand themselves by learning from experience and reflecting from it. However, they need to take time to sit back and think what happened, what it means to them, and try to make sense from it. To demonstrate the reflection process, Franklin from Electrolux explains to us that some people will have the same experience but they do not get to the same point since they do not take time through experience and learn from it. He takes the example of going to Disney land:

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If people want to go to Disney land for the purpose of taking photos, having fun, he or she will miss opportunity to learn from what they have experienced since they do not realize that something different is going on. While another one goes to the same place but they sit and realize what is happening and learn from it. The result is that they go to the same place but they get the different outcomes. Outcome is come from reflection, from what you have experienced. I think that it is important for leadership in general.

Sitting and thinking to reflect from what happened may not be adequate. Leaders need feedbacks from people around to reflect what is needed to be improved and developed. Feedback is also identified as another solution in helping leaders develop their self-awareness. As Mikael points out, "feedback is treated as mirror to reflect your strength and weakness. Sometimes you don’t see yourself. It is good that you have people around you to give the feedback and you can learn from that." Nevertheless, leaders themselves need to be open-minded to listen to the feedback without bias. Based on this capability, it will enable leaders to possess social-awareness which is the fundamental to social skills. (Goleman in Bernhut 2002 cited by Jokinen, 2005)

5.2.1.2 Cultural self-awareness

As we mention in our literature review that global leaders involve complex process which influences people in the world community to achieve towards the organization goal. It can be said that what makes a global leader differ from a leader is that when it comes to global stage, understanding what happened and why people react to it differently is important to understand and seek the ways to learn more about the diversity issue. Based on culture self-awareness, it will be developed to cultural intelligence (CI), which can help global leaders to handle with the diversity issue. Chinese leaders therefore need to develop cultural self-awareness to understand the complexity and be able to handle diversity issues afterwards. Cultural self-awareness is "the process of becoming aware of how and why our assumptions have come to constrain the way we perceive, and feel about our world. (Taylor, 1997 cited by Smith 2009)" It is one attribute of cultural intelligence. To develop this competency, Peterson (2004) recommends that having international experience after travelling to other countries and engaging the first hand experience
with different people possessing different value and attitude helps leaders to gain the best cultural self-awareness. It corresponds to our empirical data that having international experience is crucial in helping global leaders understand cultural differences and broader their perspective. As Kristopper from Electrolux notes, "if you have an international experience when you are young, you will much have broader mindset and broader perspective." Nevertheless, Mattias argues that having international experience is not adequate if they do not have positive attitude and be open to learn from the local culture.

It is interesting that six interviewees and half of Chinese MBA students perceive in the same way that understanding cultural diversity is not only the critical competency for global leaders but it is also the big challenge for them to deal with it; for example, how to inspire people who have diverse backgrounds, how to communicate the direction without losing its meaning to the bottom line. Mattias from Deloitte defines the challenge for being an effective global as ability to be sensitive to cultural difference and use it as a tool to take advantage. However, cultural diversity should not be seen as variety of nationalities but variety of individual backgrounds. Additionally, it should be recognized as psychological differences. Global leaders should understand people from their personality rather than from their nationality. As Franklin comments, "the more diversity team is the more difficult to manage to meet the expectation of the team." Since people are people anyway, no matter who they are, where they come from. If global leaders understand their needs and take time to listen to people, they can effectively manage and inspire people to achieve towards a goal. Therefore, global leaders should turn the difficulty of cultural diversity issue to benefit that they can get from. It helps them to see new opportunity world-wide, which leads them to develop innovation to respond what people need and dream for in the future.

Corresponding to the result that all our Swedish interviewees are hardly influenced by Jante Law now, most of them attribute it to their international experiences. Thus, we perceive that Chinese business leaders should think out of box and treat Chinese national culture as a tool to achieve the goal. This aspect of cultural self-awareness may deserve more attention from Chinese potential global leaders.
5.2.1.3 Change awareness

Hereafter are what our interviewees point out about "change awareness", and how it is critical for being effective global leaders.

"You should be aware of what is happening on the larger scale. To lead changes in a globalized world, you have to be aware of what’s going on and cultural differences. Otherwise you would never be able to work in another country if you don’t know the culture there." - Mattias, Deloitte

"Leading change is one of the top skills, people who can lead changes quickly should be very much aware of what’s happening. Being updated about what’s happening in this kind of high speed information about society is quite tough. Thus the biggest challenge should be aware of what’s happening of all information flow and pick up the key things that matter." - Zanda, Electrolux

“the organization needs to be able to see changes in society and people”. “It is creating new demand and opportunities to respond what people need.” - Mikael, IKEA

From those knowledges, we could assume change-awareness is the ability to be aware of: what is happening, what is affecting people and society, why we have to change and to react quickly to the situation. Change-awareness is important for leaders who want to lead change in the organization. To lead others, global leaders need to manage themselves first. To manage themselves, they need to have strong foundations of self-awareness and cultural self-awareness in order to help them gain understanding what is going on and create the big picture. It also allows global leaders to see an opportunity to make things better for people. To develop change-awareness, global leaders should have an interest of what is happening in society around them and what is affecting them and people. They can react quickly to change and create new innovation, which can respond to the need of people and society. As Mikael points out,

“the world is changing every day. It creates new opportunities world-wide. Being aware of things happening in the world, how it is affecting people, opens the new opportunity for the market. You need to have an interest of what is happening in society around you and what affects you. Then, if you are offering the solution you need to see in what way you can offer the best. I think this way to see the world is also widely important.”
5.2.1.4 Social skill

Social skill is important in any leadership role. Social skill concerns ability to manage the relationship with others. It is friendliness with a purpose: driving people to achieve towards the task that leaders desire (Goleman, 1998). Our empirical data shows that global leaders need social skills to rely on others in foreign market because they lack the knowledge and skill in that market. Taking Stefan from Trelleborg as an example to support this idea, he admits that social skill is very important, as well as building network because when leaders expose to the new environment, they can resort to the network to solve problems of lacking initial knowledge of the country.

Since leadership is about people interaction, global leaders need to socialize with others and listen to people so that they can connect to them and fulfill their expectations. After people have been touched and connected, they will effectively contribute tasks to the organization. From this foundation, it can be seen that ability of inspiring people is built on social skill. However, it is not as simple as it sounds since global leaders need to be able to manage relationship effectively with all stakeholders. To successfully inspire people to achieve towards the goal, being a good story teller and having ability to communicate the clear direction to people are also crucial. Since people connect to "why" rather than "how" and "what". "Why" implies emotion and feeling which easily touch people. As Franklin notes, "when we talk about inspiring leaders, they connect more to why things happened.......Leaders can tell a good story and engage people around the story because they can connect people to the deeper level of why things are happening rather than hard facts as how and what."

5.2.2 The need of global mindset

Global mindset is one of critical competencies which Chinese leaders should develop in order to be an effective global leader. As we mention in our literature review, global mindset implies ability to understand a business and industry sector on a global basis, and respond to market opportunities presented by globalization (Shaista, Khilji, 2010). It combines an openness and awareness of diversity across cultures and market, and ability to synthesize across this diversity. Mattias suggests that global leaders should be open and curious to learn more about the
complexity. This idea is similar to Zanda, Franklin, and Stefan. From this foundation, it allows global leaders to accept and appreciate the complexity. As Franklin and Stefan note,

"A leader should be able to appreciate the cultural difference rather than correct the difference. If we kill the initiative of being different, we kill what might be right once in a while."

"When doing business in a foreign country, you cannot take it for granted. The business is not done the same way as in your home country. For example, if you get stuck in customs in China or India, you should treat them in a different way compared to in Sweden."

When they have a broader mind, they will see new opportunities in a global market and respond to what people need. As Mikael comments, "I would say there are more and more opportunities in global business environment than complexity."

In contrast to the result from Chinese MBA students, our empirical data shows that accepting and seeing opportunities in a global environment are the challenges of being a global leader. Considering from international experience, we find that one third of 48 students do not have international experience. As a result, it could be assumed that their point of view may change if they gain international experience, which could help them broader their mind.

5.3 Developing the Critical Competencies of Global Leaders

We ask the old question about leaders: are they born or made, before putting forward the question of development the critical global leadership competencies. The answers are as we expected "leaders are partly born and partly made." Leaders are born with intellectual skill, which can help them start their leadership position earlier than others. However, some people also have a talent but their leadership path starts very late. Mikael notes that it may be because they do not have the desire and eager to learn. In comparison to people who are not inherited a talent from their parents, they also can be leaders if they have desire to learn, and to make things better. Nevertheless, it will take a longer time to be at the leading position. However, having desire and interest is the starting point of learning process. The critical element is to reflect from what they have experienced. As
Mikael points out "The biggest part of the learning process comes from reality and reflection. It is basically from you own desire and openness to learn."

When it comes to the development of critical global competencies, the majority of our interviewees and Chinese MBA students agree on both taking their own development path and programs designed by others help Chinese leaders develop their competencies. Taking own development path is for developing soft skills, and attending workshops, program designed by others is for developing hard skills such as technical knowledge. However, Mattias argues that leader should take the leadership program because it helps them to develop their soft skills. He continues that "Sometimes, leaders cannot see themselves, program will help them as mirror to reflect what is strength and weakness and develop it." Global leaders concern cultural diversity and global context. Stefan suggests that another way to learn and understand the local culture is to go to the country and experience it. As he points out “There are so many companies which offer training of global leadership skills but they don’t really understand the local culture. The basic understanding of the culture and how to do business in that country could be in workshops and programs designed by others. Then it’s important if you go there and spend time there, you try to understand yourself and experience yourself.”

Leadership is the soft skill, which concerns people’s understanding, knowledge, and skill. It comes from desire, from inside, from taking through experience and reflecting from it. We believe that no matter what path global leaders choose to develop their competencies, if it helps them to know themselves, they should take both. The same principle is applicable to Chinese business leaders. Nevertheless, Chinese leaders should bear in mind that feedback is from people. Leaders therefore need to be open-minded and listen to people around them and take feedback to develop their competencies.

5.4 Identifying, developing and retaining tomorrow’s leader

According to Aon Hewitt’s China Market Leader Jenny Li, “The first wave of HR transformation really began in 2000, as Chinese companies began to realize the importance of people management systems, talent attraction and retention.” “The second wave of HR
transformation occurred between 2006 and 2008, and was focused on program implementation.” “We're currently in the midst of the third wave, which is focused on business performance improvement, product and employer branding, and attracting a more diversified, mobile, global workforce.” Aon Hewitt’s China HR Effectiveness and Corporate Transactions Leader Piotr Bednarczuk said “In general, Chinese business is more mature than the HR function in China.” (Aon Hewitt, 2011) Even though Chinese companies’ awareness of talent developing is growing now, it is not strong enough in such a short time. Compared with the mountain of mature HR theories and classics, how to identify, develop and retain tomorrow’s global leader is really a challenging issue for Chinese leaders nowadays. Therefore, it is important for reining Chinese global leaders to draw lessons from academic research and the experiences of Western big companies for developing next generation of Chinese global leaders.

The high-potential talents who are eligible to be promoted as tomorrow’s leaders must first be identified, then developed, and retained. In our research, we gather ideas regarding this issue and will present them as follows.

5.4.1 Identifying

As Sloan et al.(2003) said, "a guiding framework for managing global leadership talent strategically" should be created. Some guidelines should be established and clarified at the first place, as “why do need global leaders” and “what kinds of global leaders do we need”, then you can go onward to design ” how will we develop our global leadership portfolio". (Sloan et al. 2003)

Thus, at the very beginning of recruiting, Chinese companies had better try to attract the right or suitable persons who are really interested in this company’s values, vision and culture. It would be easier for the following development and retention of people if people’s values are fit with organization values initially. IKEA’s experiences reveal the importance of consistence of employee’s value and organization value, since it is a value-based company. Everyone is welcomed to the cultural fit quiz on their website once you want to apply for a job in IKEA.
The identification should also serve the demand of specific competency of the company. Electrolux’s experiences tell us they have competency-based interview when recruiting young talents to test whether they possess the competencies fit the company’s need.

Once finishing recruiting procedures, within company, high potentials should assess both soft skills as emotional intelligence, and hard skills as professional proficiency. Performance management is widely used in western companies.

5.4.2 Developing

DiStefano and Maznevski (2003) argue that educators of today’s global managers “must combine multiple methods carefully to achieve their objective.” McCall and Hollenbeck (2002) also say that “it is a continuing message of this book that development involves both the individual learner and a context from which the individual can learn.” Thus “the organization’s role” and “individual’s part” together play an important role in “developing global executives” (McCall and Hollenbeck, 2002). From the empirical data we collected, we extract some main points: (1) the best way is to combine development path designed by individual and programs designed by others; (2) there should be a mix of both long-term programs and short-term programs; (3) it is better if programs are designed based on individual difference; (4) it should be closely connected to the organization’s business strategy; (5) personal reflection after any form of development program is essential for gaining value from it.

According to our questionnaire, firstly, most respondents are from middle management level. This fact strengthens the validity of our questionnaire, since the target population is designed to be high potential followers. From their answers, on the present development stage of Chinese companies, the atmosphere of developing high potentials is still weak and such culture and system are never mature, because some employees cannot even feel the leader’s attention on the talent development. This probably is a direction for Chinese leaders to make efforts in the future. To continue our analysis of questionnaire, 12.77% of respondents cannot feel the leader’s attention to high potential developments but more than one third of the respondents reveal there are no development programs or approaches in their companies. From our perspective, it means
in some companies, even if leaders have such intention on talent development, they do not put it into practice. Actually, it’s true that establishing development programs are quite time and effort consuming. It could be observed that programs some respondents mentioned are ones to develop hard skills to increase work performance. In response to Clara, she mentions that leaders should possess strong hard skill in order to lead company. However, cultural diversity is the challenge for being global leaders and high-potential talents to be future's leader. Therefore soft skills need to be developed for handling this issue as we can see that some respondents also refer to leadership development program to develop themselves. Thus, potential Chinese tomorrow’s leaders are quite clear about what they want in order to be competitive on global stage.

Both our interviews and respondents of questionnaire believe a global leader can be developed, it means the discussion of developing tomorrow’s leader is meaningful. Regarding the specific programs, every company has its own tailored approaches, for instance, Electrolux’s “talent interview” and “four levels leadership program”, IKEA has “leadership program as well as professional program, all manager programs, and shopkeeper program”, Clara develops individual approach in consideration of her company’s size, Trlleborg has “international management program” fulfilled by both HR manager and line business manager. In our theoretical framework, there are also a few models such as “competing values model (CVM) from Sendelbach and McGrath’s (2006), a development framework from Oliver et al. (2009) based on “several key principles and includes the use of assessment tools, 70-20-10 development tactics, external coaching, and an emphasis on critical experiences”, and Ng et al.’s (2009) model about CQ (Cultural intelligence) and ELT (experiential learning theory).

Thus, the most important point is trying to find the most suitable program to the specific organizational and individual context. From our questionnaire, when respondents choose training forms, there is no especially obvious favorite. Maybe we can say which form is more suitable is quite based on individual. There should never be an idea that project-based learning is better than lecture. On the base of understanding the real meaning and needs from the development, with consideration of cost as well, paying specific attention to different individual and caring about them as different identities perhaps works better.
5.4.3 Retaining

Retaining talent is a big challenge to every company, especially for Chinese companies due to Chinese employees’ low loyalty to the organization. However, an organization culture can produce a feeling of belonging, if the employ really appreciate it. Thus, we can go back to BOS model, people probably prefer to stay once they are really touched by the organization’s value, or culture, or vision. The light shed on Chinese global leaders who want to retain international workforce is, initiating the company’s own organizational culture and values, and sticking to it. As IKEA CEO said, once there is strong and clear enough organizational values, the operation difficulties due to the cultural diversity will fade.

Organizational culture also benefits business. The positive example is IKEA, whose cost-consciousness comes from the belief of helping more people afford furniture and live better life, not from profit driving force. They care about the whole society’s welfare and human beings’ needs. The negative example is NIKE, whose negative image emerges from labor abuse and carelessness about national resource in developing countries.

Chinese companies really need to communicate and clarify their organizational culture to both internal and external stakeholders. Huawei Group is notorious for the high employee suicide rate, even though it grasps big profit margin and big market share. In terms of business performance, they succeed; however, in terms of brand recognition and organization reputation, they definitely fail. Maybe it is time for Huawei’s president to reflect whether the wolf-culture and mattress-culture is still suitable nowadays. According to Joerres’ (2011) discussion about “better managers for emerging markets”, “The right learning environment requires a mind-set of empathy, collaboration, and dialogue. Simply imparting functional skills is not enough. Coaches need to schedule significant chunks of time for development discussions and two-way feedback—including opportunities to listen to feedback from the visitors about what they are (and aren’t) learning so that the program can be adjusted accordingly.”

When it comes to the procedure of retaining people, most interviewees express that there is not such a structured retention program. Retaining talents usually happen simultaneously with
developing them. One consensus is that salary is not the only incentive to retain people, there must be deeper level of psychological needs to be satisfied, for example moving among positions to get continuous development.

5.5 Summary

Based on the empirical data and connected to the academic literature and case study of business practices, we conduct a detailed analysis on the research questions. In general, why there are not so many global leaders from China, we perceive that mainly it is an issue of time. On the present development phrase, they are mostly international managers other than global leaders. Their focus is directed to business performance rather than values and culture. The Chinese leaders possess essential hard skills as professional skills and management skills but have to develop their leadership skills. For Chinese leaders, to be real global leaders recognized widely, they are recommended to rise from business level to a higher level of value and culture, in order to see a big picture and think out of box.
6.0 CONCLUSION

This thesis is carried on to try to answer an interesting question, “Why there are not so many global leaders from China.” Until now, standing on the literature, empirical data and researchers’ understanding and analysis, our conclusions can be reached. The main points are summarized and presented as follows.

The background of the research is clarified into several points. Firstly, about how to define a global leader, there are millions of definitions in specific contexts according to different individuals. In our case, the context where a Chinese global leader is in would be a Chinese-based company doing global business or a Chinese top executive leading a multinational company. It must have something to do with Chinese national culture. Secondly, in both contexts mentioned above, there are not many global leaders from China for they are not world famous or are not globally recognized. Thirdly, they are successful in doing business.

Thus, we perceive that on the present development of Chinese companies, the business leaders are good managers even international executives, but not effective global leaders. As we mentioned, they are good at doing business at home and abroad; however, it returns accounting for why they are not well qualified and recognized as global leaders. To be an effective global leader, one should in the first place possess the basic competency set as managerial skills, social skills, etc. which we have given a detailed analysis. What’s more important, one had better develop a clear and profound self-awareness and cultural self-awareness, which means to be open to and better understand diversities both in national cultural background and individual background. This broad vision can result from long-term continuous and in-depth reflection on various experiences. Consequently, a global vision and global mindset probably evolve gradually, based on more exposures to global stage and more international experiences. With this mindset and open attitude, Chinese leaders can utilize Chinese national culture to their benefit and better leverage any kind of diversities, which are frequently encountered in global business arena.
What has to be clarified and emphasized is that the benefit we mentioned is by no means only business profit. A caring atmosphere within the company and a core value orientation for the whole society is of more significance for a real global leader. Thus, based on our BOS model, we perceive that Chinese businessmen are performing well in terms of business mostly inside the booming domestic market in China. Probably it is the issue of time for them transferring from executives to global leaders. In the near future, Chinese leaders are expected to stand beyond the national culture to see a big and complete picture of what’s happen globally. It is important for them to grow a harmonious balance between business profits and human welfare, which in our researchers’ point of view is helpful in gaining international recognition for a global leader. Thus, the question we put forward in the introduction part can be answered:

![Fig.4 Competency Gap Model](image)

To sum up, the unique Chinese cultural context cultivates generations of Chinese businessmen. Once they are able to benefit from it but at the same time not constrained by national cultural traditions, they probably perform better globally until the world is willing to crowd them the real global leaders.
7.0 LIMITATION AND EXPECTATION

7.1 Limitation

Regarding the research time and ability of researchers, we are limited to go into a very deep scope compared to the splendid previous research. Thus, there are still some regrets and uncontrollable factors in the process of our research.

Firstly, our interview and questionnaire sample is quite small, compared to the sample size of thousands of interviewees in some consulting reports. However, the empirical data inspire us to reflect more and deeper. In this sense, the data are good as a starter in the ground theory. Fortunately, we have numerous previous study and database to refer to in order to raise our research’s reliability and credibility.

Secondly, the interviewees are all working for Swedish-based companies, even though all of them are not geographically located in Sweden. As our topic is closely to culture and nationality, thus we should keep a very clear head when analyzing our research questions.

Thirdly, relating to our methodology, which is qualitative approach under the interpretive perspective of system view, it is required to find out the subjective reality out there. Thus, when we do interview, the questions are designed to be quite open with less restriction or orientation. The dialogue is also going fairly casually and most of the time is given to the interviewees to express his/her opinion. When we try to paraphrase or draw some conclusion from the conversation, probably there are some meaning is lost or inconsistent to the original meaning. This is inevitable of this methodology.

Finally, this topic, global leadership, is quite a broad concept involving business management, leadership theory, intercultural communication, psychology even philosophy. Thus, our analysis only represents the researchers’ understanding to this topic.
7.2 Expectation for Future Study

With the process of collecting empirical data and reading literature materials, our outlook to this topic is continuously broadened, and our understanding to this topic is deepened. What excite us are the new directions and ideas we come up with from our present work. Thus, some suggestions for the future study are given as follows.

Firstly, when relating to global leadership in our thesis, the national culture should be kept neutral to the leader. Consequently, the management difficulties caused by diverse nationalities can be weakened when leading an international team. Organizational culture should be emphasized to unite employees. The issue is adequately studied in intercultural communication area and the same to organizational culture in organization management. However, the relation between the two probably deserves more attention in the future study.

In the analysis part, a BOS model is put forward to explain our empirical data. The researchers hope the model could inspire more and deep study in academic area and an improved BOS model will emerge in the future. Also more applications of this model in the real business world are expected to be emerge afterwards.

A leader’s personality, vision, and mindset, etc. are reflected in the company’s culture, value or operation style and business strategy. Since the leader is closely connected to the company, Chinese global leaders deserve careful study individually. In this thesis, all of the opinions of interviewees are from Western leaders. We hope that the future researchers could have opportunities to get more primary data from real Chinese global leaders or high potential talents to gain Eastern perspective of global leadership. We also hope there will be more study about wonderful stories of Chinese global leaders, which will be interesting and offer more helps to the research of global leadership in China.
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9.0 APPENDICES

Appendix I: Specific Research Questions for CEO Interview

Part 1: Core global leadership skills

1). How do you conceive of a global leader?

2). Please rank the most important global leadership skills to be developed in order to succeed globally.

- Self-awareness as a global leader
- Inquisitiveness to opportunities world widely
- Building trust among stakeholders (for example, employees and suppliers) world widely
- Network skills (it refers to “relationship management” such as building and maintaining partnerships and alliances, creating community network.)
- Motivating others to work in an international team
- Accepting of complexity of global business environment
- Retaining and developing talents to be global leaders
- Building network internationally
- Visionary thinking skill for global strategies (for example, “think globally” and “see the big picture”)
- Leading change in a globalized world
- Social skills (these skills refer to “person-to-person interaction”. It also includes communication, persuasion, negotiation, and conflict management)
- Others (please add)

3). From your point of view, what is the biggest challenge for being an effective global leader?

4). Are leaders born to be? Or do leaders need the developing program to enhance their skills?

5). To develop global leadership skills, what are your preference?

- Choosing your own development path
- Taking part in program designed by others
Part 2: Leading across culture

6). What is the difference between leading an international team and leading a local team?

7). Do you feel that leaders in emerging countries should have similar competencies compared to western leaders?

8). Doing business in emerging countries such as China, please state some most important challenges.

- Cultural differences
- Imperfect economic environment (for example, unstable capital market, currency volatility, economic imbalances, protectionism)
- Government policies (for example, overregulation)
- Others (please add)

9). Do you believe that deeply rooted cultural traditions are significant for leaders in their exercise of leadership? (for example, “Guanxi” philosophy and Confucian work dynamism in China; Buddhism in Thailand; The law of Jante in Sweden, etc.)

Part 3: Developing tomorrow’s global leader

10). What type of competencies development are mostly needed for tomorrow’s leader?

- Personal traits
- Behaviors
- Skills
- Values
- Knowledge
- Global Mindset
- Others (Please add)

11). Which is the most important skill for tomorrow’s global leader?
• Self-awareness as a global leader
• Inquisitiveness to opportunities world widely
• Building trust among stakeholders (for example, employees and suppliers) world widely
• Network skills (it refers to “relationship management” such as building and maintaining partnerships and alliances, creating community network.)
• Motivating others to work in an international team
• Accepting of complexity of global business environment
• Retaining and developing talents to be global leaders
• Building network internationally
• Visionary thinking skill for global strategies (for example, “think globally” and “see the big picture”)
• Leading change in a globalized world
• Social skills (these skills refer to “person-to-person interaction”. It also includes communication, persuasion, negotiation, and conflict management)
• Others (please add)

12). The high-potential talents who are eligible to be promoted as tomorrow’s leaders must first be identified, then developed, and retained. Do you have the procedure for this issue? Please describe.

13). What challenges do you see exist in connection with developing potential leaders?

14). Are there development program or other approaches in your company that are devoted to the development of high-potential talents?

Appendix II: Questionnaire for high-potential talents

Part I: General information

1. Respondents’ background

1.1 Gender

[ ] Male

[ ] Female

1.2 Country..............................................................................................................................................
2. What is your managerial level?
   □ Chair/Chief Executive
   □ Director/Partner
   □ Senior Management
   □ Middle Management
   □ Other

3. What is your functional area?
   □ Chief Executive’s Office
   □ Human Resource
   □ Corporate Communications, Public Affairs & Legal Affairs
   □ Sales & Marketing
   □ Productions & Operations
   □ Finance & Accounts
   □ Administration & IT
   □ Procurement
   □ Other

4. Do you have international experience?
   □ Employment abroad
   □ Education abroad
   □ Vacation abroad
   □ Other experience abroad
   □ No experience abroad

   Comments: ...........................................................................................................

Part II: Global leadership from your perspective

5. How do you conceive of a global leader?

..............................................................................................................................

6. From your point of view, what is the biggest challenge for being a successful global leader?
7. Are leaders born to be? Or do leaders need a development program to enhance their skills? Or both?

- [ ] Born
- [ ] Developed
- [ ] Both

Comments:..............................................................................................................................................

8. Is there an international strategy, vision, policy or plan to go global in your company?

- [ ] Yes
- [ ] No

Comments:..............................................................................................................................................

9. Please rank the most important global leadership skills for high-potential talents to be developed in order to succeed globally.

- [ ] Self-awareness as a global leader
- [ ] Inquisitiveness to opportunities world-wide
- [ ] Building trust among stakeholders (for example, employees and suppliers) world-wide
- [ ] Network skills (it refers to “relationship management” such as building and maintaining partnerships and alliances, creating community networks.)
- [ ] Motivating others to work in an international team
- [ ] Accepting the complexity of a global business environment
- [ ] Retaining and developing talents to be global leaders
- [ ] Building networks internationally
- [ ] Visionary thinking skills for global strategies (for example, “think globally” and “see the big picture”)
- [ ] Leading change in a globalized world
- [ ] Social skills (these skills refer to “person-to-person interaction”. It also includes communication, persuasion, negotiation, and conflict management)
- [ ] Other (please add)......................................................................................................................
Part III: Developing Global leadership skills

10. Do you feel that the leader in your company pays attention to the development of high-potential talent?
   □ Yes
   □ No

Comments:........................................................................................................

11. Are there any development programs or other approaches in your company to develop your skills?
   □ Yes
   □ No

If yes, please specify........................................................................................................

12. To develop your own global leadership skills, what are your preferences?
   □ Choosing and designing your own development path subjectively
   □ Taking part in programs designed by your company or other consulting institutions
   □ Both

Comments:........................................................................................................

13. To develop global leadership knowledge and skills, please select the most important and effective approaches you believe-in from the following choices.
   • Workshops/ Case study/ Simulation
   • Lecture style learning
   • On-the-job training
   • Project-based learning
   • Learn-by-doing
   • Management training
   • 360 feedback and other tools
   • Senior mentoring/coaching
   • Other (please specify): ....................................................................................
14. What challenges do you see exist in connection with developing high-potential talents to be global leaders?

Appendix III: Summary table of questionnaire result

<table>
<thead>
<tr>
<th>Part I: General Information</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Respondents' background:</strong></td>
</tr>
<tr>
<td>Male</td>
</tr>
<tr>
<td>Female</td>
</tr>
<tr>
<td>Country</td>
</tr>
<tr>
<td>Age</td>
</tr>
<tr>
<td><strong>Managerial level:</strong></td>
</tr>
<tr>
<td>Chair/Chief Executive</td>
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<tr>
<td>Director/Partner</td>
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<tr>
<td>Senior Management</td>
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<tr>
<td>Middle Management</td>
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<tr>
<td>Other</td>
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<td><strong>Functional Area:</strong></td>
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<tr>
<td>Chief Executive's Office</td>
</tr>
<tr>
<td>Human Resource</td>
</tr>
<tr>
<td>Corporate Communications, Public Affairs &amp; Legal Affairs</td>
</tr>
<tr>
<td>Sales &amp; Marketing</td>
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<tr>
<td>Productions &amp; Operations</td>
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<td>Finance &amp; Accounts</td>
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<tr>
<td>Administration &amp; IT</td>
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<tr>
<td>Procurement</td>
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<td>Other</td>
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<td><strong>International Experience:</strong></td>
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<td>Employment abroad</td>
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<td>Education abroad</td>
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<td>Vacation abroad</td>
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<tr>
<td>Other experience abroad</td>
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<td>No experience abroad</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Part II: Global Leadership from Your Perspective</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Leaders are born or made?</strong></td>
</tr>
<tr>
<td>Born</td>
</tr>
<tr>
<td>Developed</td>
</tr>
<tr>
<td>Both</td>
</tr>
<tr>
<td><strong>Is there an international strategy, vision, policy or plan to go global in your company?</strong></td>
</tr>
<tr>
<td>Yes</td>
</tr>
</tbody>
</table>
### The most important global leadership skills for high-potential talents:

<table>
<thead>
<tr>
<th>Skill</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-awareness as a global leader</td>
<td>22</td>
<td>12.87%</td>
</tr>
<tr>
<td>Inquisitiveness to opportunities world-wide</td>
<td>6</td>
<td>3.51%</td>
</tr>
<tr>
<td>Building trust among stakeholders world-wide</td>
<td>16</td>
<td>9.36%</td>
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<tr>
<td>Network skills</td>
<td>20</td>
<td>11.70%</td>
</tr>
<tr>
<td>Motivating others to work in an international team</td>
<td>19</td>
<td>11.11%</td>
</tr>
<tr>
<td>Accepting the complexity of a global business environment</td>
<td>19</td>
<td>11.11%</td>
</tr>
<tr>
<td>Retaining and developing talents to be global leaders</td>
<td>8</td>
<td>4.68%</td>
</tr>
<tr>
<td>Building networks internationally</td>
<td>7</td>
<td>4.09%</td>
</tr>
<tr>
<td>Visionary thinking skills for global strategies</td>
<td>18</td>
<td>10.53%</td>
</tr>
<tr>
<td>Leading change in a globalized world</td>
<td>11</td>
<td>6.43%</td>
</tr>
<tr>
<td>Social skills</td>
<td>24</td>
<td>14.04%</td>
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<tr>
<td>Other</td>
<td>1</td>
<td>0.58%</td>
</tr>
</tbody>
</table>

### Part III: Developing Global Leadership Skills

#### Do you feel the leader in your company pay attention to the development of high-potential talent?

<table>
<thead>
<tr>
<th>Response</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>41</td>
<td>87.23%</td>
</tr>
<tr>
<td>No</td>
<td>6</td>
<td>12.77%</td>
</tr>
</tbody>
</table>

#### Are there any development programs or approaches in your company to develop your skills?

<table>
<thead>
<tr>
<th>Response</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yes</td>
<td>31</td>
<td>65.96%</td>
</tr>
<tr>
<td>No</td>
<td>16</td>
<td>34.04%</td>
</tr>
</tbody>
</table>

#### To develop your own global leadership skills, you prefer:

<table>
<thead>
<tr>
<th>Approach</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Choosing and designing your own development path</td>
<td>6</td>
<td>12.77%</td>
</tr>
<tr>
<td>Taking part in programs designed by your company or other consulting institutions</td>
<td>9</td>
<td>19.15%</td>
</tr>
<tr>
<td>Both</td>
<td>32</td>
<td>68.09%</td>
</tr>
</tbody>
</table>

#### The most important and effective approaches to develop global leadership knowledge and skills:

<table>
<thead>
<tr>
<th>Approach</th>
<th>Count</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workshops/Case study/Simulation</td>
<td>13</td>
<td>9.42%</td>
</tr>
<tr>
<td>Lecture style learning</td>
<td>19</td>
<td>13.77%</td>
</tr>
<tr>
<td>On-the-job training</td>
<td>24</td>
<td>17.39%</td>
</tr>
<tr>
<td>Project-based learning</td>
<td>24</td>
<td>17.39%</td>
</tr>
<tr>
<td>Learn-by-doing</td>
<td>18</td>
<td>13.04%</td>
</tr>
<tr>
<td>Management training</td>
<td>19</td>
<td>13.77%</td>
</tr>
<tr>
<td>360 feedback and other tools</td>
<td>6</td>
<td>4.35%</td>
</tr>
<tr>
<td>Senior mentoring/coaching</td>
<td>15</td>
<td>10.87%</td>
</tr>
</tbody>
</table>
Linnaeus University – a firm focus on quality and competence

On 1 January 2010 Växjö University and the University of Kalmar merged to form Linnaeus University. This new university is the product of a will to improve the quality, enhance the appeal and boost the development potential of teaching and research, at the same time as it plays a prominent role in working closely together with local society. Linnaeus University offers an attractive knowledge environment characterised by high quality and a competitive portfolio of skills.

Linnaeus University is a modern, international university with the emphasis on the desire for knowledge, creative thinking and practical innovations. For us, the focus is on proximity to our students, but also on the world around us and the future ahead.