

Leadership

How to conquer the world

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What makes a “global leader”? INSEAD's dean has a few ideas

EVEN in these troubled times, the cult of the CEO remains strong. However **Frank Brown**—appointed dean of INSEAD in 2005, after 25 years as a businessman himself—isn't impressed by many of today's company chiefs. Many of them, he reckons, are just not “global business leaders”.



INSEAD

In his new book^{*}, Mr Brown argues that culturally insular business leaders can no longer survive in an environment where single companies now trade across many economies, and where bosses need to take decisions, manage people, pick their teams and take counsel in a manner that differs from anything that has gone before. *The Economist* spoke to him about what he thinks it takes to make the new grade.

In your book, you focus on how to be a successful business leader in a “transcultural” marketplace. What characterises that marketplace?

Most organisations are no longer local. They operate across many countries and sell into many different economies. So, if you're aspiring to leadership, the concept of building a career in one place is pretty much by the board. In the business environment of today and tomorrow, you can't bury yourself in your office in New York or London or Tokyo. You've really got to not just be aware of the other great places in the world, but be very familiar with them and have a perspective on what it means to operate there.

When did this change start to kick in?

It's been developing since the 1980s. But it's been doing so reluctantly. There are many cultures in the developed world where it's perfectly acceptable for you to ensconce yourself in your office and expect that everyone will come to you.

Not only that, it's still acceptable to expect that you can look at things from the perspective of “Well, here's how I do it in my country, why is it different there?” as opposed to “I really want to learn how they do it because maybe I can learn from it and better understand what drives their market and what will drive them in negotiations if we're trying to do a business deal.”

Which cultures in the developed world are still that insular?

America and Britain probably still lead the pack in terms of being more narrowly focused on their own environment as opposed to the world beyond.

The transcultural marketplace, you contend, needs “global” business leaders. What differentiates such a leader from their more traditional counterparts?

Global business leaders understand markets outside of their own territory; they consider their own market to be the world as opposed to a single country; they understand the need to get input from a lot of different places before making a decision; and they understand the need to communicate with cultural sensitivity because the words that work in New York won't necessarily work in Tokyo or Beijing.

I think global business leaders are also much more open about who they surround themselves with, in terms of their leadership team and who they take counsel from. It is critical, if an organisation is global, that the world—including the developed world—is represented in the leadership of that organisation. And that means diversity from every perspective, be it age, gender, culture, you name it.

Your book has a very practical focus. What are the most fundamental pieces of advice you hope readers will take away with them?

The key one in my mind is networking and relationship-building. Often I have met someone who is 30 or 35 years old and they ask me, “How do I build a network?” My immediate answer is “You should have been doing it for the last 15 years.” Someone who is a junior accountant or lawyer or banker—chances are they've already worked on deals alongside people who are now senior in their organisation. They may have worked alongside the next Richard Branson or the next Bill Gates. The fact of the matter is that they didn't take a business card and they didn't make any attempt to build a relationship with that person.

So, I hope that people who are 18 or 20 years old, and who read the book, think: “Wow, I really do need to focus on developing my network and building relationships with people early on.” It's not something you do once you're 40 and join the country club.

Building relationships is not something you do once you're 40 and join the country club

The other area is communication. We all go to conferences and we all listen to speeches. Nine out of ten are absolutely boring—given by people who don't make eye contact; who don't modulate their voice; who don't talk passionately enough; who read you slides. That is so easy

to overcome with things like basic preparedness, knowing your audience and sticking to a timeline. Communication is overlooked and not focused on as being important. But how you communicate is a huge factor in how successful you are.

You yourself have 25 years of global leadership experience. What are the most valuable lessons you've picked up along the way?

In my experience, you learn from everyone you come into contact with, whether you learn best practice or you learn worst practice and say, "I'm never going to emulate that." The most important lessons for me have been an ability to develop perspective on a situation and understand what are the important issues and what are the less important issues. I think I've developed a good style in terms of communication and in terms of managing and building relationships with people.

In the future, will every business leader have to be a global business leader?

To be effective, people will have to have this broader perspective. Will there be exceptions? Absolutely. But it will become much more prevalent that the successful business leader will have worked in multiple markets, will have a very diverse team under them, and will be much more open to input and ideas coming from different directions. They will still be a strong leader and fast decision-maker, but the process by which they come to that decision will be different.

You only need to look at recent events to see that. The CEOs of Merrill Lynch (see [article](#)) and Citigroup (see [article](#)) got rid of people that didn't agree with them—and now they're also gone. We're dealing with real life lessons right now.

*[“The Global Business Leader: Practical Advice for Success in a Transcultural Marketplace”](#), by J. Frank Brown (INSEAD Business Press, 2007)