

Global Leadership Study Research Report

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What Business Demands.



A research study conducted by Satyam Computer Systems Ltd. in partnership with ASTD

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About Satyam Computer Systems Ltd.

Satyam Computer Services Ltd. (NYSE: "SAY") is a leading global consulting and IT services company, offering a wide array of solutions customized for a range of key verticals and horizontals. From strategy consulting right through to implementing IT solutions for customers, Satyam straddles the entire IT space. It has excellent domain competencies in verticals such as Automotive, Banking & Financial Service, Insurance & Healthcare, Manufacturing, and Telecom-Infrastructure-Media-Entertainment-Semiconductors (TIMES). As a diverse end-to-end IT solutions provider, Satyam offers a range of expertise aimed at helping customers re-engineer and re-invent their businesses to compete successfully in an ever-changing marketplace. For more information, visit www.satyam.com.

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Table of Contents

Introduction	1
Research Objectives.....	1
Definitions	1
Executive Summary	2
Survey Sample	3
Interview Sample.....	4
Categories of Challenges Faced by Leaders	5
Categories of Global Competencies Faced by Leaders	6
Leadership and Professional Experience	7
Respondent's Age Differences in Global Competencies Listed	8
Respondent's Age Differences in Challenges Listed	9
Respondent's Leadership Experience Differences in Global Competencies Listed.....	10
Respondent's Leadership Experience Differences in Challenges Listed	11
International Exposure	12
Respondent's Business Travel Experience Differences in Global Competencies Listed.....	14
Respondent's Business Travel Experience Differences in Challenges Listed	15
Respondent's Responsibility for International Staff Differences in Challenges Listed	16
Respondent's Work Experience with International Colleagues Differences in Challenges Listed	17
Respondent's Number of Countries Lived Differences in Global Competencies Listed.....	18
Respondent's Number of Countries Lived Differences in Challenges Listed.....	19

Introduction

Research Objectives

- Understand how leadership has evolved with increasing globalization
- Identify the key variables associated with global focus in leadership
- Highlight demographic differences in responses to leadership challenges and competencies

Definitions

- Survey respondents were asked to identify the top five challenges faced as a leader today and their opinion on the top five critical leadership competencies needed to be a successful global leader. Responses to these open-ended items were coded into the following categories:
 1. Worldview-global environment awareness, including cultural adaptation, technological trends, and socio-political-economic trends.
 2. People Leadership-communication skills, motivation, HR skills, networking and development.
 3. Business Leadership-strategic decision-making including resource allocation and time management, problem-solving, managing complexity, and staying flexible and adaptable. It also includes the ability to adapt leadership style to a variety of situations, creativity, innovation and having a strategic/visionary mindset.
 4. Business Acumen-ability to comprehend the business environment, including entrepreneurial and financial skills, profit and customer awareness, and domain, industry and business knowledge.
 5. Leadership Characteristics-mental and emotional characteristics including self-assurance, energy and enthusiasm, learning-focus, and empathy. It also includes a common set of core values and the ability to remain authentic regardless of the situational and environmental challenges.

Executive Summary

- In June-October 2006, managers and executives from a variety of organizations participated in a research project measuring critical aspects of contemporary leadership.
- One phase of the project was an online survey consisting of questions aimed at understanding issues and practices related to leadership on the organizational, regional and global levels. 157 managers and executives from a wide range of organizations completed the survey.
- The second phase of the project involved in-depth interviews with 42 senior managers and executives to obtain a more fine-grained analysis of issues related to leadership in current global conditions.
- Responses to current challenges and competencies essential to global leadership were analyzed to determine the influence of a variety of demographic variables on global focus.
- The two key groups of variables that emerged in the analyses were leadership experience and international exposure.
- Greater global focus was found for survey respondents who were older and had several years of leadership experience compared to younger leaders with less leadership experience.
- Leaders who had traveled to multiple countries for business, supervised staff in foreign countries, had lived in multiple countries and worked with non-native coworkers tended to have a greater global focus than leaders with less international exposure.
- The findings suggest that both life and leadership experience help contribute to a broad mindset that incorporates a focus on globalization. In addition, leaders who have the opportunity to gain business and personal familiarity with foreign countries are likely to be aware of the impact of global issues on their positions.

Survey Sample

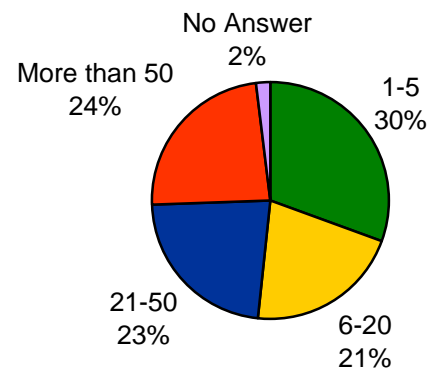
- A total of 157 senior managers and executives responded to the survey administered online in June-October 2006.
- The sample represents a broad cross section of industries, organization sizes, and annual revenues.
- Though employees of responding organizations were distributed throughout all global regions, companies headquartered in the United States accounted for the majority of responses to this survey.

Industry	%
Professional/Scientific/Technical	47%
Manufacturing	14%
Finance & Insurance	10%
Educational Services	5%
Healthcare	5%
Other	19%

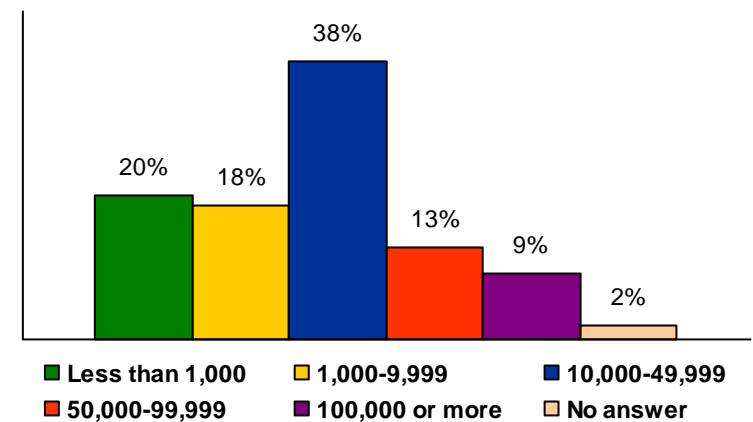
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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Organization Number of Countries



Organization Number of Employees



Interview Sample

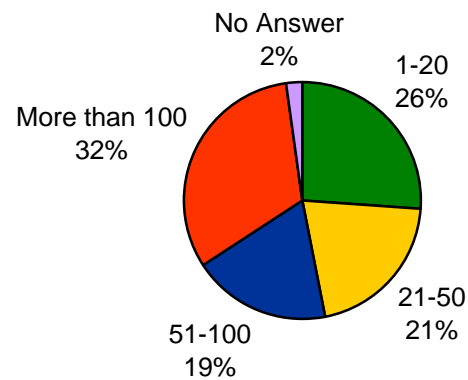
- A total of 42 senior managers and executives completed the 13-item interview administered over the phone in July-November 2006.
- The sample represents a broad cross section of industries, organization sizes, and annual revenues.

Industry	%
Professional/Scientific/Technical	41%
Finance & Insurance	12%
Healthcare	12%
Manufacturing	10%
Educational Services	2%
Other	23%

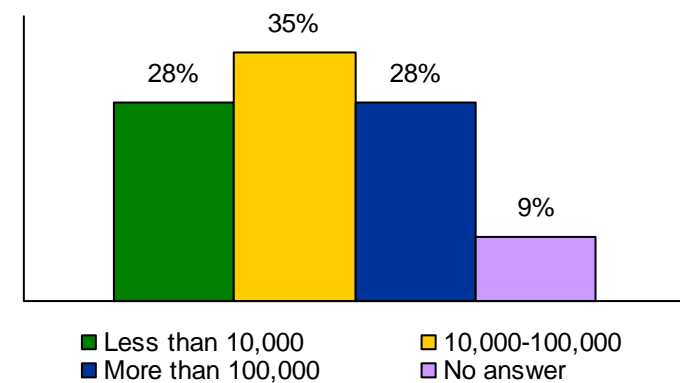
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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Organization Number of Countries



Organization Number of Employees

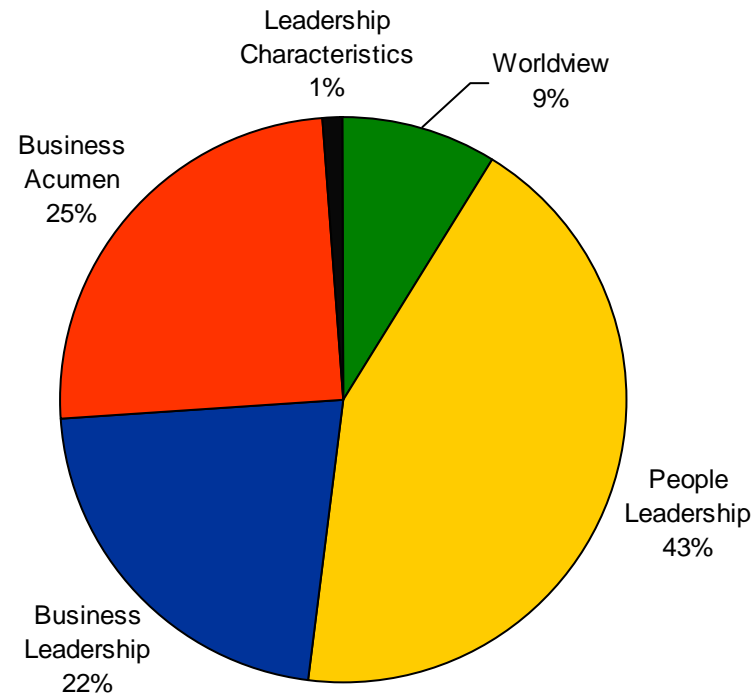


Categories of Challenges Faced by Leaders

- Respondents listed **challenges** faced by current leaders in the following categories (i.e., of all the challenges listed by respondents, they fell into the following categories):

Worldview	9%
People Leadership	43%
Business Acumen	25%
Business Leadership	22%
Leadership Characteristics	1%

Q1. What are the top 5 challenges you face as a leader today?



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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

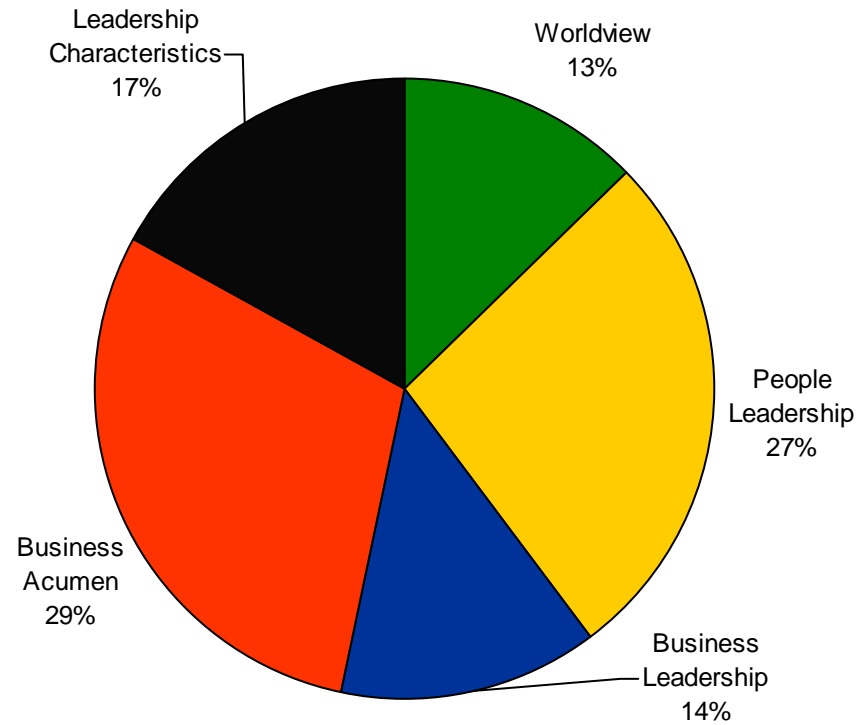
Categories of Global Competencies Faced by Leaders

- Respondents listed critical leadership competencies needed to be a successful **global** leader in the following categories (i.e., of all the global competencies listed by respondents, they fell into the following categories):

Worldview	13%
Business Acumen	30%
Leadership Characteristics	17%
People Leadership	27%
Business Leadership	14%

Note: Percentages may not sum to 100% due to rounding.

Q4. In your opinion, what are the top 5 critical leadership competencies needed to be a successful global leader?



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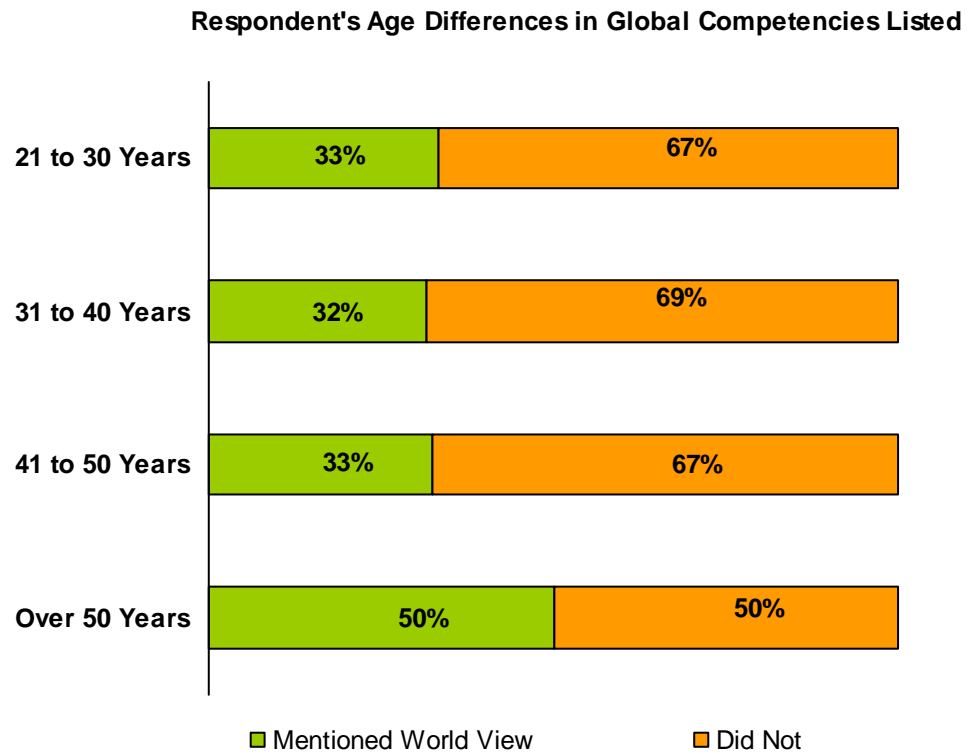
Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Leadership and Professional Experience

- Both professional and life experience influenced world view focus. Older leaders were more likely to mention world view than younger leaders, and experienced leaders were more likely to mention world view compared to novice leaders for global competencies.
- One interview respondent identified life experience as a critical factor in leadership development. When asked about common mistakes, he explained that “I have seen quite a number of people failing because they come out of university, jump into something, and quickly want global responsibility. They get the responsibility on their knowledge and focus, but they lack experience. Sometimes it’s better to do things a bit slow, developing a good leadership career in a good company needs its pace, not too slow, not too fast. I have seen many who have fallen on their face in this situation. Many of these people were ‘too good’, ‘too early’ and the organization and people both pay. You must have a certain degree of life experience before you become a person with BIG responsibilities. You should take your time.”
- Many of the leaders interviewed noted that management experience can foster a global focus over time. “Over the years I was given larger responsibility for portions of corporate strategy in the private sector helping me to view things more holistically.” Another explained that an additive approach helped her experience the importance of world view: “I worked my way up through series of management positions for small groups leading projects with international groups that had an international mandate or whose employees were international.”

Respondent's Age Differences in Global Competencies Listed

- For most age groups, roughly one-third of the respondents mentioned worldview in their global competencies.
- However, respondents older than 50 mentioned worldview in half of their listings, suggesting that life experience helps promote thinking on a global scale.

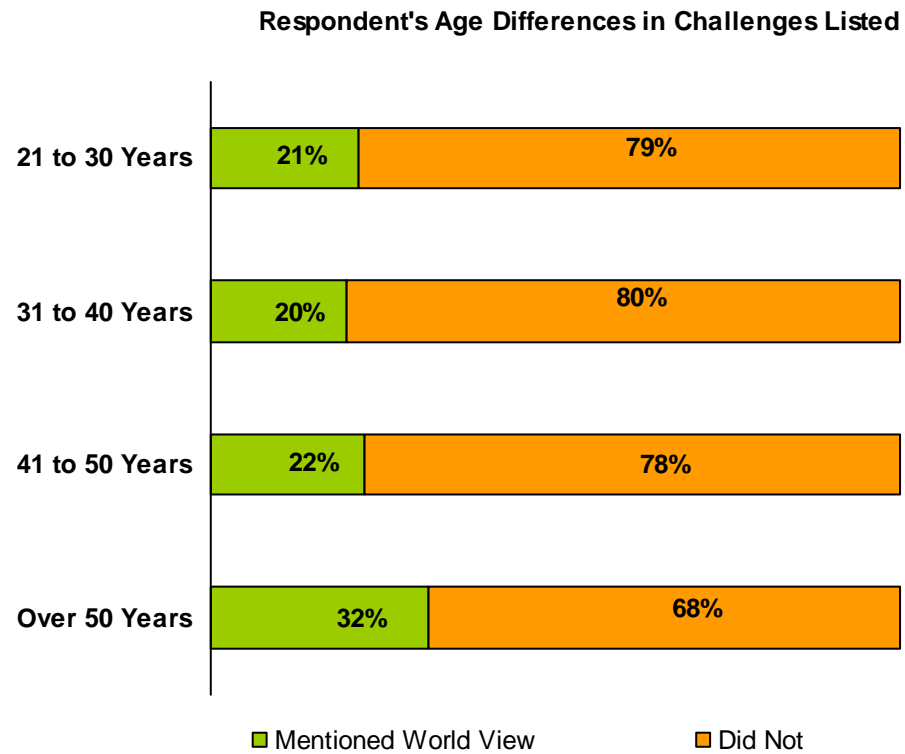


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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Respondent's Age Differences in Challenges Listed

- Like the global competencies that were listed, respondents from younger age groups mentioned worldview in their challenges less than respondents in the oldest age group did.
- Leaders older than 50 mentioned worldview in nearly one-third of their challenges.

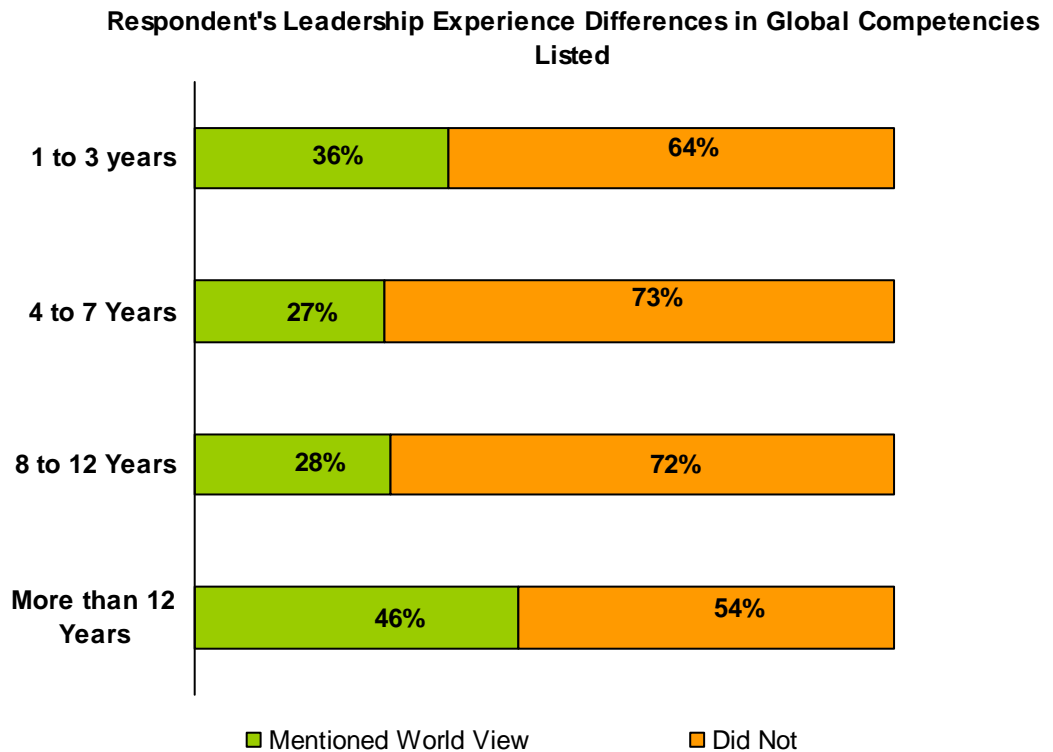


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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Respondent's Leadership Experience Differences in Global Competencies Listed

- Along with life experience, managerial experience appears to contribute to greater global focus.
- Respondents with more than 12 years of managerial experience mentioned worldview in nearly half of their listed global competencies.
- Novice leaders mentioned worldview in 36 percent of their global competencies, while leaders with intermediate experience had slightly more than one-quarter of their responses fall into the worldview domain.



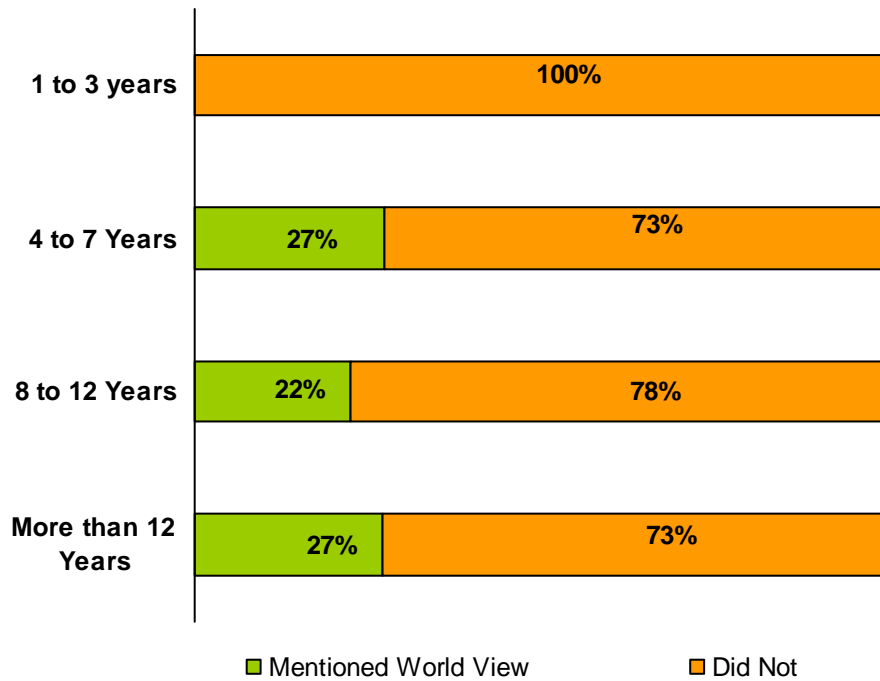
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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Respondent's Leadership Experience Differences in Challenges Listed

- None of the novice leaders surveyed mentioned worldview in their challenges.
- Leaders with extensive and intermediate managerial experience mentioned worldview at roughly similar rates in their challenges (between 22 and 27 percent).

Respondent's Leadership Experience Differences in Challenges Listed



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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

International Exposure

- For challenges and global competencies, leaders with greater international exposure were more likely to mention world view than leaders who had less international exposure.
- Specifically, leaders who had lived in foreign nations and traveled to several countries for business were more likely to list global issues in their responses.
- Business-related international experience such as managing staff in other countries, and interaction with international colleagues also was associated with a stronger global focus.
- The specific demographic variables related to international exposure that influenced world view responses and global competency weightings are listed below, with supporting excerpts from the interviews:

Number of Countries for Business Travel

“Get out of your comfort zone. It doesn’t have to be a year or two, 6-8 weeks can help you understand how work takes place on a day-to-day basis. Talking to people on the phone or emailing isn’t going to give you that connection.”

Responsibility for Staff in Other Countries

“Always make sure that everyone is heard. This is especially important when the first language of the individual is different than the business language of the organization. You would say, ‘lets go back for a second and listen to such and such a person.’ Allowing one culture to dominate another could impact the morale of the team, and the leader is responsible for balancing the relationships and improving the morale of the team.”

Interaction with Colleagues from Other Countries

“Don’t go in to a new environment and bring all your buddies from your culture with you. Bring people from the local country, and have them help you. As a leader, learn how to be successful in that environment. Doing the former can cause silos making things more complex--avoid creating a ‘them and us’ atmosphere.”

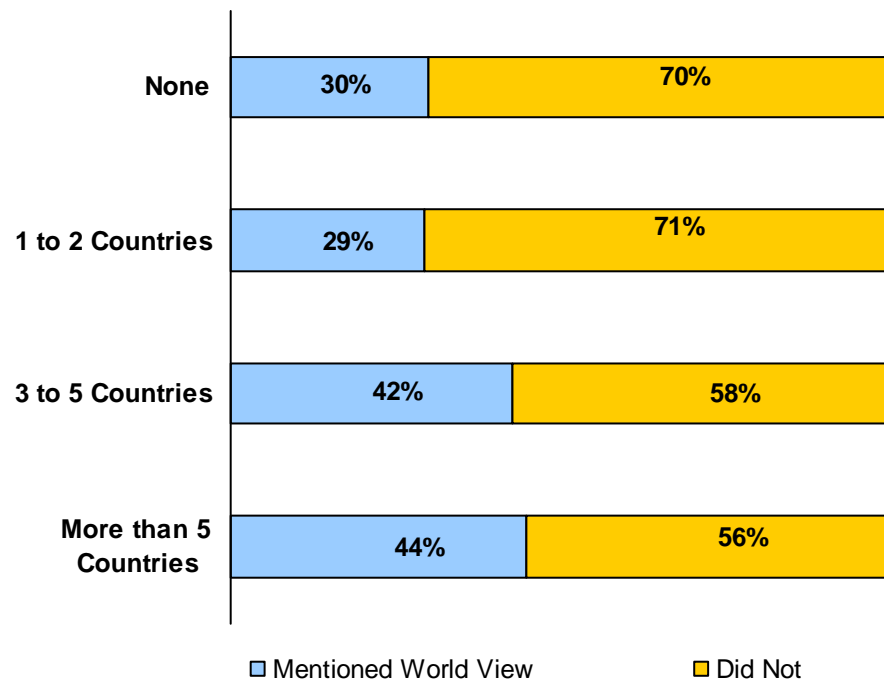
Number of Countries Lived

“If you have not been abroad, get abroad, holidays don’t count. They are nice, but they won’t get you there. Be able to at least speak another language, and understand the cultures where that language is spoken. Watch their television, listen to their music, read their news. Try and get first hand international experience. It’s better to do it on your own. You learn so much more than if you are cocooned by being transferred within your current organization.”

Respondent's Business Travel Experience Differences in Global Competencies Listed

- Leaders who had traveled to several countries for business expressed more worldview focus in their global competencies than leaders with less foreign travel experience.
- 44 percent of the leaders surveyed who had traveled to more than five countries for business mentioned worldview in their responses.
- In contrast, only 30 percent of the leaders who had not traveled internationally for business expressed a global focus in their competencies listed.

Respondent's Business Travel Experience Differences in Global Competencies Listed



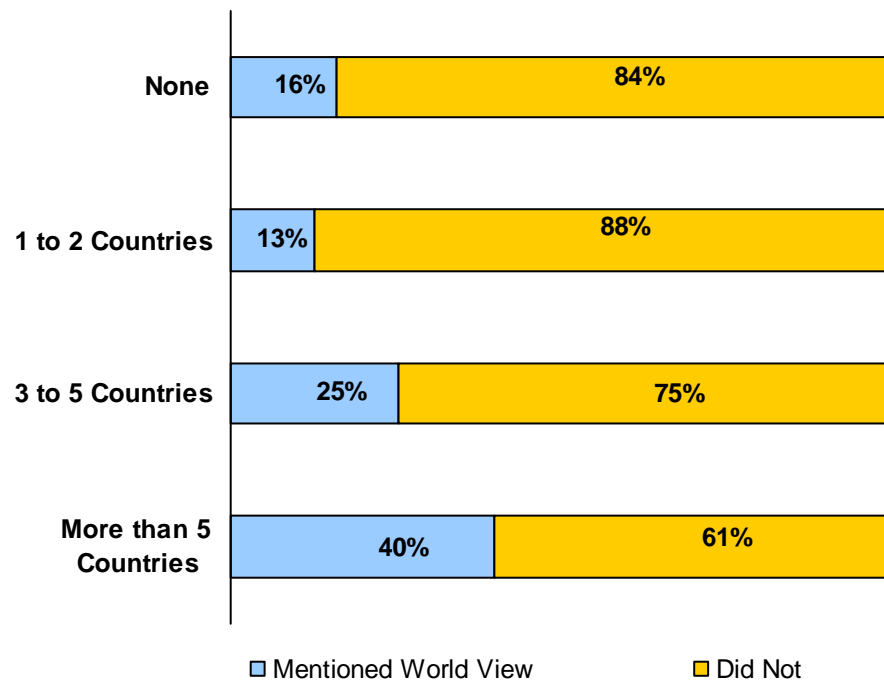
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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Respondent's Business Travel Experience Differences in Challenges Listed

- In a pattern similar to the global competencies listed, leaders with international travel experience mentioned worldview issues as challenges more than leaders who had not traveled internationally for business.
- 40 percent of the leaders surveyed who had traveled to more than five countries for business mentioned worldview in their responses.
- Only 16 percent of the leaders who had not traveled internationally for business expressed a global focus in their challenges listed.

Respondent's Business Travel Experience Differences in Challenges Listed

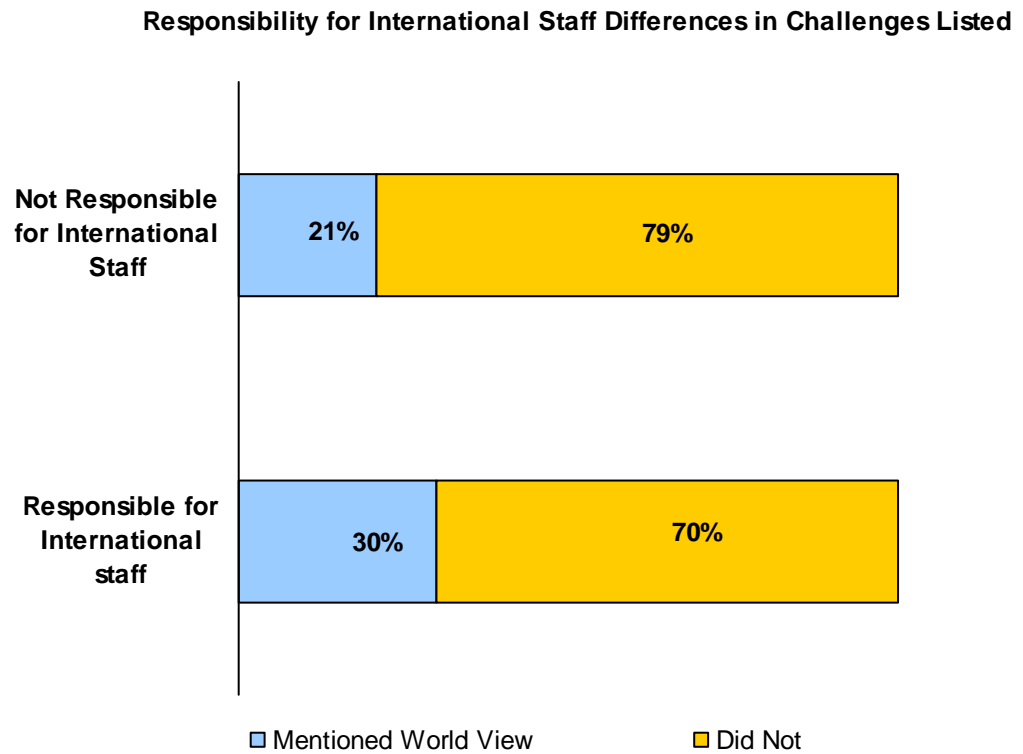


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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Respondent's Responsibility for International Staff Differences in Challenges Listed

- Not surprisingly, leaders with direct reports in other countries tended to list more global challenges compared to leaders with only domestic reportees.
- 30 percent of the leaders surveyed who were responsible for staff in other nations mentioned world view in their top challenges compared to 21 percent of respondents without international reportees.

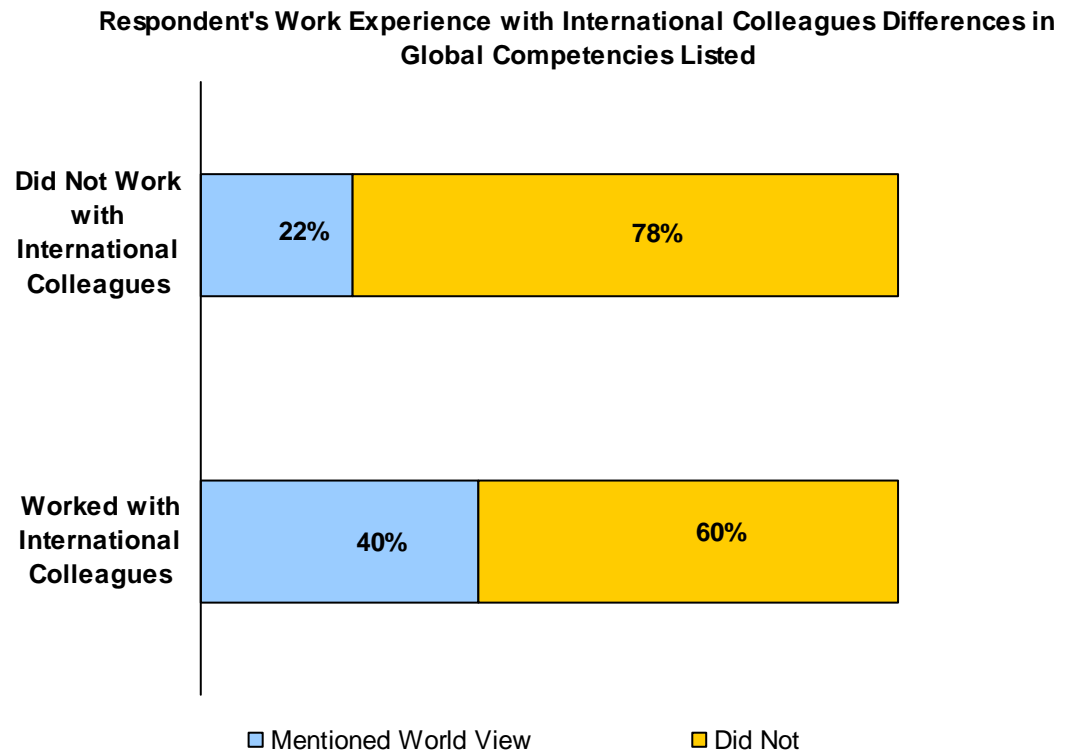


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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Respondent's Work Experience with International Colleagues Differences in Challenges Listed

- Interaction with international colleagues appears to help promote a worldview focus, as leaders who have worked with people from other countries cited more global challenges than those with no international colleagues.
- 40 percent of the leaders surveyed with international coworkers mentioned world view in their top challenges compared to 22 percent of respondents with no international coworkers.



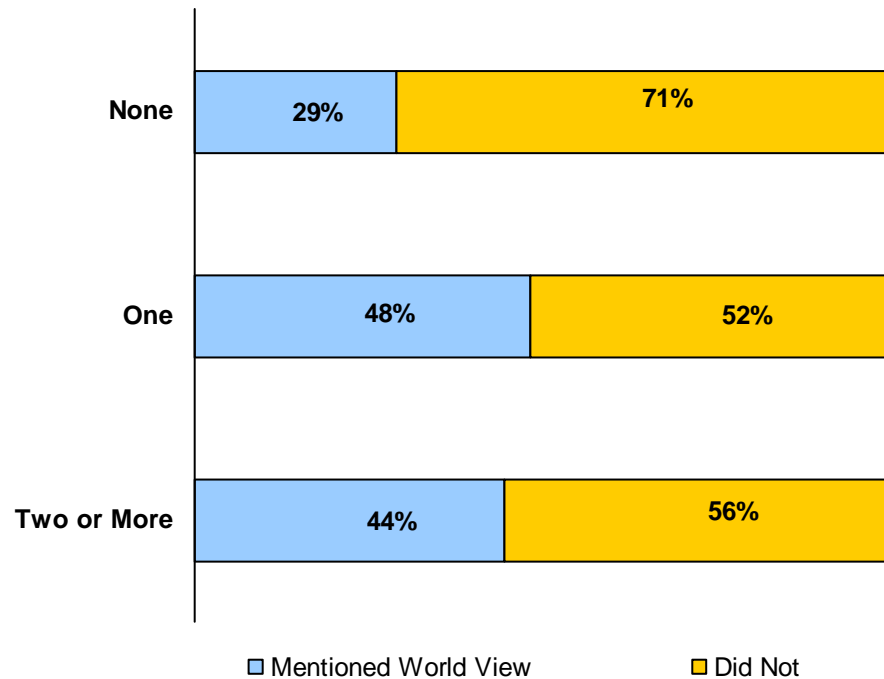
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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Respondent's Number of Countries Lived Differences in Global Competencies Listed

- Like interaction with international colleagues and business travel, prolonged exposure to foreign cultures also appears to help cultivate a global focus in leadership.
- Nearly half of the leaders surveyed who had lived in at least one other country cited worldview issues in their global competencies.
- 29 percent of the respondents who have only lived in their native country listed worldview in their global competencies.

Respondent's Number of Other Countries Lived Differences in Global Competencies Listed

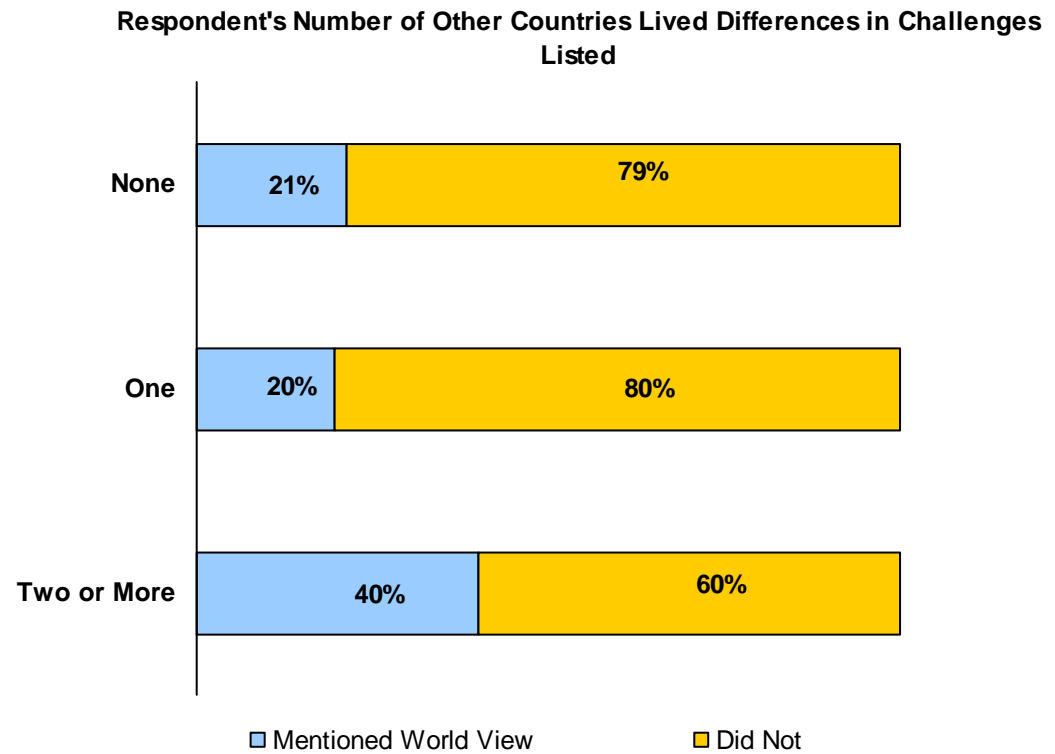


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Source: Satyam/ASTD Global Leadership Study Research Report, 2007

Respondent's Number of Countries Lived Differences in Challenges Listed

- Residence in foreign countries had a similar influence on leadership challenges as on global competencies.
- 40 percent of the leaders surveyed who had lived in at least two additional countries cited worldview issues in their top challenges.
- 21 percent of the respondents who have only lived in their native country listed worldview in their leadership challenges.



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Source: Satyam/ASTD Global Leadership Study Research Report, 2007