

MOBILITY

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IMMIGRATION: COMPLICATED, *but* NAVIGABLE

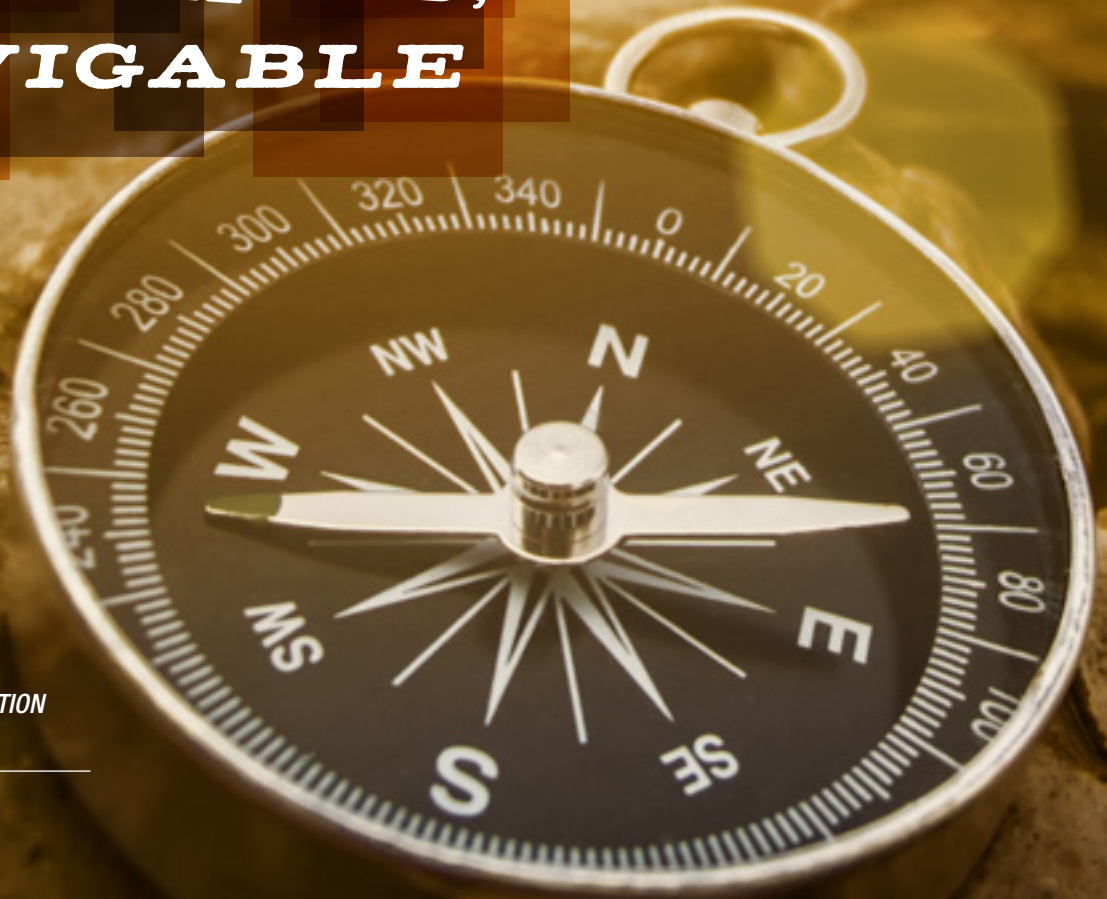
GLOBAL LEADERS IN ASIA

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DEVELOPING THE NEXT GLOBAL LEADERS in ASIA

The role of talent mobility

By Sean Collins

The demand for skilled leadership talent in Asia continues to increase; however, many companies struggle to fill their local leadership pipelines in the region, resulting in a continued reliance on imported foreign talent to take on executive leadership roles. A 2012 report by Mercer on Asia Pacific leadership development practices found that only 20 percent of companies in the region have locals in all top leadership positions. Compare that to a report by McKinsey Global Institute, which predicts that 45 percent of Global Fortune 500 companies will come from emerging markets, including Asia, by 2025.

The question remains, where are these leaders from Asia going to come from?

This article explores strategies companies can use to develop their aspiring high-potential leaders in Asia with the right skills and experiences to take on critical regional and global executive roles. We will consider the global leadership competencies that need to be cultivated and how the partnership of global mobility and talent management can play an integral part in driving the strategy. We will also look at best practices from pioneering companies in the region and how to dissect some common barriers to employee mobility.

WHAT MAKES A GLOBAL LEADER?

There are many leadership competency lists, but they provide only a starting point for thinking through the right competency model to apply within a particular company. Customization and focus are essential. Outlined below are key factors to consider when building the right competency framework.

Culture

The impact of culture cannot be underestimated as a barrier to developing global leaders, especially in the Asian context. Global leaders need to be comfortable dealing with complexity and must demonstrate stress and change tolerance, risk taking, openness and adaptability, learning agility, and cultural awareness.

Ignorance of the cultural barriers is the first challenge, and it includes the need to understand your own culture and lens, and how you compare on a cultural scale of competencies with other cultures impacting your workplace. Therefore, intercultural training should be an integral part of learning and development of a global workforce to help an aspiring leader identify blind spots and weaknesses.

Jane Hyun explains in her book *Breaking the Bamboo Ceiling, Career Strategies for Asians* that many Asians

CASE STUDY 1: EARLY IN CAREER

One of the largest IT companies in the world created a pioneering program in China, sponsored by corporate headquarters, to help meet their future talent needs and build a pipeline of leadership talent. The reliance on imported leadership talent from HQ and other Western and developed Asian countries was unsustainable, and not a long-term solution to building globally competent and locally savvy leaders.

The company focused on developing the leadership pipeline from the early career stage and developed an MBA immersion program. This involved recruiting the top Chinese talent from the best MBA schools around the world and placing them on a structured 18-month rotation program—the first six months in China, understanding the China business and strategy; the second six months at their global HQ, working with the global function leads and building global networks; the final rotation at an international subsidiary, learning how to apply the function’s strategies and operational plans, as well as understand best practices to implement back in China.

Throughout the 18-month rotation, teams work on a China business strategy project aligned to China business priorities. A strong program foundation has been set up with toolkits for sponsors, mentors, and rotation managers.

have been unable to effectively manage the cultural influences shaping their individual characteristics and workplace behavior. Such factors can often be at odds with the competencies needed to succeed in the workplace. Traditional Asian cultural values can conflict with a dominant corporate culture, resulting in gaps on many levels that the employee and the company need to bridge. A classic example is the difference in communication styles between a low-context culture such as the U.S. with its straight-talking direct style, and many Asian countries, where what is not said is just as important. Asian leaders therefore

need to adapt to a more direct style when they work in Western cultures if they wish to communicate effectively and ensure their voice is heard.

Global Leadership Competencies

Global leadership competency models often emphasize a one-size-fits-all view of global leadership that is inconsistent with the reality of globalization and the diversity of work performed by global leaders, especially when considering the socio-economic and political landscape across Asia vs. the West. (In Asia for example, relationships with the local business community and government officials matter much more than in the West, thus requiring a specific set of competencies.) A company may therefore find it useful to focus on a smaller set of key competencies across all of its global leaders, while allowing for customization to support the diversity of roles that fall under the broad category of global leadership.

The global leadership competencies below, outlined by Mercer’s research with Jay A. Conger, professor of leadership at Claremont McKenna College in California, provides a good starting point.

THE ROLE OF TALENT MOBILITY

So how does global mobility play into developing these competencies? International exposure and cross-cultural experiences will be essential in building the global skills and developing a global mindset to achieve the right leadership competencies. Conger highlights the role of mobility in *The Practice of Leadership: Developing the Next Generation of Leaders*: “Mastery of cross-cultural leadership competencies is progressive and cumulative. Global leaders identify

BASELINE ATTRIBUTES	GLOBAL SKILLS	GLOBAL MINDSET
Catalytic learning capacity	Motivate and lead multicultural teams	Comfort with complexity
Sense of adventure	Effective networker in new cultural environments	Opportunity identification
Entrepreneurial spirit	Cultural literacy	Systems thinking in global contexts
Cultural adaptability	Context-specific leadership capabilities	Extended time perspective

Source: Mercer, “New Insights on Global Leadership Development”

the international assignment as the single most influential experience in their lives.”

In his 2003 MIT *Sloan Management Review* article with Douglas Ready, “Why leadership development efforts fail,” Conger elaborates that executives learn leadership much more effectively from experiences than from educational courses, including on-the-job development, international assignments, and cross-group collaboration projects. Success is measured by the extent to which leadership development activities can be linked to business results, as opposed to quick-fix training programs that check the box of human resources learning-and-development scorecards—which typically measure activity as opposed to capability.

Short- and long-term international assignments are the traditional mobility types used within organizations; however, the global mobility function can also partner with HR and the talent management community to create formalized rotational assignment programs. Intercultural training, coaching, and mentoring will be important elements of these mobility programs and would also be complemented by

cross-group and cross-cultural collaboration projects and stretch international projects.

The table below summarizes the three main mobility options used in global leadership development:

Long-term assignments are the most effective method for building deep cross-cultural global leadership competencies, as they allow the leader to become immersed in the culture and get involved in impactful business strategy, learning along the way. Assignments shorter than three months would be less impactful, as Tricia Bisoux highlights in “Global immersion,” *BizEd*, 2007: Executives report that it takes at least three months to become immersed in a geographical location and appreciate how the culture, politics, and history of a region affect business there. This judgment accords with the finding that *living* abroad expands your mental horizons and increases your creativity. However, merely *traveling* abroad doesn’t produce these benefits.

Employees not automatically selected for leadership development and global assignments can take control of their own career development by seeking out international opportunities internally

	LONG-TERM ASSIGNMENT	SHORT-TERM ASSIGNMENT	ROTATION
Typical time frame	2–3 years	3–12 months	3–6 months
Purpose	Fill a leadership role, opportunity to build depth and grow and learn in role; clear assignment goals and learning objectives	Typically project-based, enabling cross-culture and cross-group collaboration, laser-focused with clear set of project goals	Formalized developmental programs to rotate employees through different roles and geographies, building breadth of experiences
Typical employment model	Seconded to host country, remain on home country pay and tax-equalized	Seconded to host country, remain on home country pay and tax-equalized	Remain on home country employment (where tax and legal compliance allows), otherwise secondment
Family	Typically accompanied	Typically unaccompanied	Unaccompanied
Package	Full assignment support, i.e., housing, international schooling, cost-of-living allowance, home leave, etc.	Serviced apartment and per diem/cost-of-living allowance; home-leave trips provided	Serviced apartment and per diem; home-leave trips provided

CASE STUDY 2: MID-LEVEL MANAGER DEVELOPMENT

A large European bank has created an exchange program targeted at developing its mid-level managers. The program has been developed by a specific business group and is funded by their global HQ, allowing high-potential talent to exchange roles with an international colleague. It is a structured program with a formalized selection process involving both sets of managers and HR, with detailed assignment and learning objectives, tied to performance appraisals at the end of the assignment. The program forms part of the career development on the company's leadership path. It has been particularly successful in sending talent from emerging to developed markets and giving emerging-market experience to employees from the U.S. and Europe.

or externally and moving as a permanent transfer on local terms or on a slightly enhanced local-plus package. Companies therefore need to have a flexible range of policies to support all talent segments in order to encourage the fluid movement of talent to where their skills are needed or opportunities reside, subsequently enabling employees to develop the global competencies required for future leadership roles.

Many companies, however, have been unable to link their talent mobility programs with the talent management strategy of the organization. This

often leads to a wasted ROI in global competencies gained on assignment, as the programs are not part of a broader workforce planning approach that links skills with leadership opportunities. This disconnect is mentioned by research from Monika Hamori and Burak Koyuncu in a 2011 article in *The International Journal of Human Resource Management*, "Career advancement in large organizations in Europe and the United States: Do international assignments add value?" According to the authors, evidence indicates that in European and U.S. multinationals, expatriates still take longer, on average, to ascend the corporate ladder than managers who continue to work within their home countries.

That indicates a deficiency in this area, as well as an incentive problem. Companies therefore need to have better talent and career management systems in place to ensure leadership developmental assignments are planned and meaningful, and that returning assignees are progressing in their career and utilizing the newly attained global competencies and intercultural leadership skills. If not, companies will fail to retain their key leadership talent.

The case studies (see sidebars) highlight great examples of leadership development programs targeting different talent segments, from early in career

DISSECTING THE PERSONAL BARRIERS TO MOBILITY

BARRIER	POTENTIAL SOLUTION
Lack of aspiration; comfort zone; safe, secure, good salary; no need to take risks	Career counseling can help highlight the value proposition in terms of career and personal development as well the exciting opportunity for the family.
Rigid and competitive home country education system	International schooling should be provided as part of policy. International schools have grown in many host countries following Asian curricula such as Indian, Singapore, Chinese, and Japanese. Countries such as Singapore have specific programs to help assimilate Singapore students back into the school system following an international assignment.
Aging parents	Provide additional home-leave trips to cater for unique family situations.
Risk of no role on return	Assignments should form part of a career development plan, communicated to employee, outlining potential outcomes depending on performance. A home country sponsor and mentor program can be developed with HR to help track employee's career and coordinate next role.
Pension/social security disruption	Voluntary contributions can sometimes be made to home country pension and social security schemes, otherwise an international pension can be set up.
Disruption of spouse's career and loss of income	Support can be provided to help spouse assimilate into new country, with help in finding a job or further education.

CASE STUDY 3: EXECUTIVE DEVELOPMENT

One large Fortune 50 fast-moving consumer goods (FMCG) company has pioneered the integration of global mobility and talent management, moving the mobility function to report into the talent management organization and fully outsourcing the assignment management to a third party so the team can concentrate on strategic initiatives with the business. One of these initiatives is the international development program, a specific long-term assignment policy dedicated to developing future leaders. The program has high visibility, is funded partly by corporate HQ and feeds directly into the VP pipeline. It's a nominated program with a strict approval process from both HR and business leads. Mobility works closely with HR and the business to discuss learning objectives and set assignment commitments. A coaching and mentorship program has been set up, and talent directors track the assignment, including performance against objectives and plans for the employee's next career step following the assignment. An employee who has been through the program will have elevated status and will, depending on performance, be earmarked for future leadership roles.

through to senior executives, that maximize the investment in leadership talent mobility.

BARRIERS TO TALENT MOBILITY IN ASIA

Developing global leaders in Asia is dependent on the willingness of emerging Asian leaders to move internationally. This has been a challenge for many companies, as personal and social factors inhibit employees from stepping outside their comfort zone and taking the risk of an international posting. Strong family ties and the rigid education systems prevalent in many parts of Asia have often discouraged mobility or led to the working partner—typically male—taking an assignment alone, leaving the family in the home country. HR can provide customized support to alleviate some of the perceived barriers to

mobility; however, a fundamental shift in mindset is also necessary to highlight the value proposition of the international experience. The table on page 48 lists common personal barriers to mobility in Asia, along with potential solutions.

To shift the emerging leader's perception of risk, it will be important to highlight the value proposition of international assignments (see table below). Successful Asian leaders who have been through global experiences can share their success stories and become role models for the next generation of aspiring leaders, encouraging risk-taking and seeking out global careers. Seeing the face of a local or Asian leader in the organization—as opposed to an expat—reinforces the notion of career development and the feeling that if one excels, anything is possible, including the top job. This is a powerful recruiting and retention tool and removes the perception of a glass ceiling for local executives.

RIGHTFUL PLACE

As emerging markets continue to grow and eventually outpace developed markets, aspiring leaders in these regions have the opportunity to step up and take their rightful place in the global and regional leadership roles that will become available. It is widely accepted that to develop the global competencies necessary to be a successful global leader, diversified global experiences will be necessary.

Companies will need to invest in intercultural training programs to enable managers to communicate and do business across cultures and also identify the global leadership competencies relevant to their business and leadership roles. HR should be partnering with the talent management and global mobility functions to build the programs and policies to develop these leadership competencies and integrate this into their workforce planning strategy. Companies that formulate multiple developmental

THE VALUE PROPOSITION

- Future employability—career capital; overseas experience highly sought after
- Life experience
- Learn a new language
- Travel
- Experience for children—new culture, global mindset, broaden horizons, sense of adventure, learn to take risks, differentiate from children at home

programs targeting early-in-career as well as mid-level managers and focusing on untapped talent pools such as female leaders will be able to build a strong pipeline of leadership candidates.

On an individual level, aspiring global leaders must learn to take risks and, instead of viewing the opportunity costs of an overseas assignment, look at the value proposition and the ROI in terms of career capital from the global leadership competencies developed as well as the life experiences for the family. If this happens, then maybe by 2025 we will see Asian leaders filling the majority of leadership roles within the region and across the globe. *M*

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