Challenges with Global Business and Local Culture
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Agenda

- Leadership services, presentation
- Culture
- Personality, do’s and don’ts
Taking leadership services to Vietnam
Leadership: It’s all in your head

The good news:
The definition of Good Leadership is in your head

The bad news:
This definition is only true for you and those close to you
More good news?

- if you spend some time with a group of people, you will gradually adjust your definitions of what is good/bad leadership (albeit not perfectly, and you may fight over it)
Problem I: the world is a very big place, and it’s crowded with groups.

Problem II: outgroups strengthen ingroups.
We have to acknowledge and deal with the existence of differences...

...instead of ignoring them, or acting on them without being aware of it.
Leadership – Poll

A. A leader should never be personal with staff (yes/no)
B. The ability to follow orders is a key skill for a co-worker
C. I work in order to live
D. I live in order to work
E. Leaders should show feelings in relations with employees
F. Individual freedom reduces stress
G. Belonging to a group reduces stress

*Hand up – Yes, Hands down - No*
Leadership: a Matter of Perception

Leadership emergence

Leadership efficiency

Group process: how did the team play?

Group performance: did the team win?

Leadership and the Fate of Organizations, Kaiser et al, American Psychologist 2008, vol 63
Scientifically, 96% of all differences between people are related to factors not concerning culture.

*We spend a massive amount of energy focusing on the last 4%*
The words ‘new’ and ‘rich’ are perhaps most appropriate to the new social structure of wealth emerging in those command economies, such as China and Vietnam, now in transition to market systems of economic organisation. In these societies, where economic power has long been embodied within bureaucratic hierarchies of the state apparatus, the emergence of individuals with private control of investment capital, and often unprecedented amounts of private disposable wealth, has had a dramatic impact. The most publicised of such developments has been the emergence of private entrepreneurs. These range from the new capitalist farmers and principal-scale industrial capitalists, often entering the market. Less obvious but perhaps more important are the new kinds of managers who enter enterprises into the market. However, even within the state and remain officially part of it from the central structures of the command market-based calculations upon which they depart from the previous order.
The Impact of Cultural Differences on Performance

Cultural differences in groups may improve creative performance, but may lower executive performance – depending on level of task specificity.
DOs and DON’Ts on leading multi-cultural teams

- When working with creative tasks – give them room to improvise

- When working with production – be very task specific (and hire a project manager)
What about personality?

- Personality is far more important than culture
- Out of five global personality traits, two are constantly positively correlated with work performance:
  - Conscientiousness
  - Emotional stability


Conclusions on selecting and leading your multi-cultural team

- Make sure your idea of leadership is aligned with team expectations
- Multi-cultural teams may be an asset or a liability depending on your management
- Be aware of the effects of work context
- Most of our daily work is repetitive – provide task specificity if any action is to be carried out more than once
- Look for specific talent, not for specific ethnicities
Thanks for listening... ...and good luck!