

Article: Accelerating the Growth of the Asian Leader

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Leadership and Leadership Development in Asia

Asian economies have been growing at a phenomenal rate over the past 5 years. Powered by the rapid economic growth of twin giants China and India, Asia's economies will increasingly grow in terms of their contribution to the overall world economy. To sustain such growth, Asia will need to swiftly build its leadership bench to ensure that it has enough capable leaders, both organizationally and regionally to continue to develop its respective economies.

Top Asian leaders in government and the private sector should be asking a very fundamental question, "Does this region have the requisite leadership to sustain such growth"? Highly capable leadership will be required across both public and private sectors, and across institutions large and small to continue to grow these Asian economies, especially when these economies begin to level out into a slower year on year growth cycle.

As we look around the world today and indeed with history as our guide, many organizations and cities fail at growing fast because they have poorly prepared their leadership bench to sustain such rapid growth. Although Asian leaders may not yet realize, the war for leadership talent is about to begin as these countries and their critical cities find themselves competing with each other and with global markets for the best leadership talent. As we have seen in terms of competition for limited energy resources, we soon will see competition for human resources that are capable of leading vibrant Asian organizations.

Whilst rapid up-scaling of the Asian leadership bench is needed, Asian leadership, as a focal topic, has rarely been studied. Indeed, most of the research and books on leadership over the last decade have primarily focused on Western leadership. To this end, Gallup and the Global Leadership Institute (GLI) at the University of Nebraska-Lincoln (UNL) recently embarked on a landmark Asian Leader Study. This study was commissioned by the Ministry of

Manpower (MOM) of Singapore, and covered leaders in 6 dynamic Asian cities, namely Singapore, Bangalore, Mumbai, Hong Kong, Beijing and Shanghai.

Commenced in January 2008, the Asian Leader Study employed a 2-prong approach. For each of the 6 cities, 300 nationally representative middle managers were surveyed to obtain their assessment of middle to senior leadership in their organizations. In the second phase of this study, we interviewed a total of 44 CEOs from Singapore, Bangalore and Beijing to determine how they viewed their own leadership styles, and how they perceived the overall quality of leadership and followership in their respective organizations. We also examined how each of these CEOs came into senior leadership roles and assessed what each of them were doing in their organizations to develop and grow future leadership.

The Gallup-UNL Asian Leader Study yielded many fascinating insights.

In the subsequent pages, we offer some very important insights and takeaways that we hope will contribute to discussions on how best to accelerate the growth and development of the Asian Leader.

Reducing the “Accidental” Leadership Transition

In our interviews with the Asian CEOs, many of them told us that they were not formally developed and groomed for leadership positions. Rather, they indicated that because they were the most qualified in terms of their job performance, they were oftentimes selected to lead without any particular qualifications or experience in leading. The

Methodology for the 44 Asian CEO Interviews

A total of 44 interviews were conducted to date with CEOs from Singapore, Bangalore and Beijing.

The goal of this part of the project was to have 10 interviews from each city, but that number was exceeded for the first two locations (23 and 12, respectively).

The in-depth CEO Interviews were conducted one-on-one going through a list of standardized questions.

Interviews in Singapore and Bangalore were conducted face-to-face, while interviews in Beijing were primarily conducted by phone. Each interview was scheduled for approximately one hour and was recorded and transcribed.

The research analyst team at GLI analyzed each of the interviews. Specifically, two research analysts went through the 44 interviews and coded them separately. A third analyst then independently coded half of the interviews in order to make comparisons regarding the degree of agreement among raters. The research analysts then compared their results to determine if disagreements could be resolved. Where disagreements over interpretation could not be resolved, the data was coded as uncertain.

accidental advancement of these leaders can be seen across the board, regardless of whether the CEOs were from Singapore, Beijing or Bangalore. This is due in large part to the fact that most of the organizations in our sample did not have a comprehensive and strategic leadership development system.

The Asian Leader

Taking all 44 CEO interviews into consideration, here is our overall picture of the strengths of the Asian leader.

Asian leaders:

- are highly confident
- are generally aware of how they impact others
- are more likely to listen first before acting
- view their top management team's skills, experience and commitment as an organizational strength
- are results-oriented
- will support leadership development efforts only if they are more practical and embedded in day-to-day activities
- are willing to be directive when needed, as opposed to simply being participative and collaborative
- see integrity as one of the most important values of leadership
- spend approximately one day a week informally developing their followers into leaders

The 4 most common responses to why Asian CEOs ended up in leadership roles were:

- because it “just happened” (accidental) in terms of being at the right place at the right time
- because they had a desire to have an impact through being a leader (a self-guided desire to positively impact others),
- because they were simply seeking to do well in their current position and, as a result, increasingly had leadership opportunities presented to them (incremental)
- because they were a member of the family business or had a strong parent who encouraged them to move into these leadership positions (appointed)

Most of the CEOs said that they had no plan whatsoever to be a leader, let alone a top leader of an organization. Very few saw it as their destiny to lead in the early part of their careers and were therefore not proactive and intentional in their personal leadership development. “Accidental” leadership transition seems to be the modus operandi in terms of leadership development for many organizations in Asia.

For organizations in Asia and for Asia as an entire region to accelerate and sustain their growth, more formal and more intentional forms of strategic leadership development must be embraced. Moving forward, leadership development in Asia must be much

more strategic, intentional and proactive. If we leave leadership development to chance, Asia and its organizations run a very high risk of not being able to produce enough leaders to support their ambitious growth.

Moments Matter

Many of the CEOs interviewed believed that job rotations and cross-cultural exchanges were very valuable experiences in developing their leadership versus more traditional forms of classroom style leadership development. These CEOs mentioned the importance of anchoring events when asked to talk about key moments in their leadership development. Moments like leading a corporate downsizing, integrating 2 companies consolidated through an M&A process, taking a stand on controversial issues early on in their careers; these were events that helped define these CEOs' leadership and were etched firmly in their minds, good experiences and bad. Many would have benefited greatly by having some developmental support to get through these real life leadership challenges and scenarios.

Moments matter. Anchoring events like these could be systematically tapped into by organizations that have put in place a strategic leadership development system. Anchoring events represent teachable moments for many a CEO and leader when they hone their leadership values and capabilities, formulate their leadership preferences and styles, and then use these experiences to improve their interactions with followers in subsequent leadership roles.

If organizations were to strategically leverage these teachable moments and anchoring events well, emphasizing the learning and affirming aspects, e.g., by writing these events up and by leveraging them as internal case studies, or by pairing the leader undergoing the event with an experienced mentor during these teachable moments etc, we expect that organizations would be more capable and strategic in accelerating positive leadership development. Simply stated, positive and negative developmental events or 'accidents' will always occur. Ready an organization to tackle these events and use them for development, could be done where "rapid response teams" or "coaches" are prepared to help emerging leaders take advantage of these teachable moments.

Balancing the Formal with the Informal

Amongst the CEOs interviewed, although 86% of them said that they provided mentorship when asked by their employees, only 17% had formal mentoring programs in place within their organizations. Most of the attempts at mentoring described in the CEO interviews were reactive and passive. Mentorship from these Asian CEOs ranged from taking employees to lunch, to listening to employee problems, providing advice and “offering wisdom”.

When asked about their organization’s effectiveness in developing leaders, the CEOs in aggregate gave themselves and their organizations an average rating. Frequently in the interviews, the CEOs would talk about the many informal ways that leadership was being developed in their organizations, while indicating that formal programs usually lack impact. The exceptions were for those CEOs coming from very large global enterprises that are well-known for investing a lot of time and resources into formal programs to develop their leaders.

From our study, we can conclude that Asian leaders are generally more reactive than proactive in their development of their employees as well as their direct reports. We did however find that if the employees reached out to the CEOs to request advice or to seek mentorship, the Asian leaders were quite willing to provide development support. However, we also clearly heard that these leaders did not proactively seek out followers to develop, nor excite them

Leading the New Workforce

The new generation of employees in the Asian workforce is going to make the job of being a leader in this region even more challenging.

The CEOs we interviewed saw big differences in their own generational cohort and that of the current one entering the workforce.

In the CEOs’ responses, the new workforce:

- is not as loyal by nature and needs more leader effort to grow and instill loyalty
- is more challenging to lead using traditional styles, e.g., the directive style
- wants to constantly know what is going on in the organization
- requires and demands more flexible work schedules
- is more protective of their time after work
- has higher and clear expectations about the organization’s responsibility to develop them
- needs more face time and attention from their managers and leaders

to the prospect of assuming leadership roles. Moving forward, for Asia to grow to its projected scale, this reactive style of leadership development, at both the individual leader as well as at the organizational level, will need to change.

Role Modeling and Leadership Development

The CEOs we interviewed mentioned role models a lot when they talked about their leadership development. They have great recollections and respect for the people who had mentored them and who had a strong impact on them.

Role models mentioned were typically:

- male, and usually
- from family (fathers),
- from school (teachers), or
- from work (supervisors early in career)

The impact that role models had on the Asian leaders was typically earlier in their ascendancy into leadership roles, as many felt they should be displaying the characteristics of their role models now that they were in a significant leadership role themselves. Perhaps based on what they have personally experienced and benefited from, most of the leaders indicated that being a role model themselves was part of how they conceived the impact of their leadership on their organization.

From an intervention standpoint, organizations will need to fully leverage these Asian leaders' desire to be role models and mentors. Role modeling and mentorship programs can be formerly set up where junior to middle-level managers with high potential are paired up with senior level leaders with a strong desire to role model and mentor. By pursuing this strategy, Asian companies can better ensure that these junior to middle managers will be suitably groomed and mentored in time for a smooth and effective transition to senior leadership.

We expect that for the senior level leaders themselves, executive coaching as a senior leader development tool may not be well utilized in Asia currently, and therefore needs to be expanded upon. Executive coaches appointed will need to have the expertise to help these senior role models take advantage of moments that matter with their junior colleagues in helping to turn such events

into positive developmental experiences. Executive coaching is something which Asian leaders and Asian organizations ought to try out, optimize and weave into their strategic leadership development programs.

Takeaways

Are Asian leaders and their organizations ready for what we have labeled the looming “war for leadership talent”? The answer in our minds is absolutely not at this point.

Strategic leadership development associated at the CEO level in Asia is way too passive and accidental. For Asia and its organizations to scale and sustain their rapid growth, they need to make leadership development more intentional, strategic and proactive.

It is time to define a new way of developing the Asian leader. We believe it is not too late to do so. Here are some pointers.

1. Over the next decade, the growth of Asian cities and their organizations will lead to increasing competition for strong and able talent. There is no time to lose. Asian cities and organizations that aggressively attract and develop the best leadership talent starting right now will be much better positioned to weather and win the “war for leadership talent”. This means that having accurate tools to identify, select, hire, promote and develop raw talent will be critical and these tools do exist.
2. We advocate that leadership development commence earlier in an employee’s career (especially if they are talented to lead). Our interviews with the Asian CEOs clearly indicated that early life events or teachable moments triggered in them significant understanding and change that better positioned them for growth and for leadership. Yet for many of the CEOs it still took them much longer than needed to learn how to develop their leadership, even with the insights and learning which these teachable moments provide, especially when the organization does not have any other forms of strategic leadership development support. We need to more fully understand how teachable moments accelerate leadership

development, whether they can be systematically created, and then to methodically apply them organizationally to accelerate leadership development.

3. Organizations must be more strategic and intentional in designing and implementing formal leadership development and succession management programs. Organizations will need to balance the formal with the informal. Leaders must be on the lookout for, and make much better use of anchoring events and teachable moments to develop leaders in their organizations. Such leaders also must be measured and rewarded for developing leadership talent otherwise they will simply not allocate the required time and attention to do so.

4. We do not see significant growth ahead for traditional training interventions or standard workshops focused on leadership development. What we believe will trend out is growth in highly customized (to the organization) and highly individualized (to the leader) leadership development interventions that are deeply embedded in organizations, psychologically meaningful to the leader, and strongly supported by information technology.

5. As cities in Asia become more successful along with their respective organizations, there will be increased pressure to develop managers and leaders who have a global mindset. The workforce will become increasingly diverse and more difficult to lead and manage across a complex set of cultural values. Moving forward, leaders will need to be conversant and effective in leading, managing and growing this new and highly diverse workforce.

6. We advocate that Asian leaders and their organizations, emphasize and grow diversity management and Generation Y (new workforce) leadership capabilities, and work towards building an engaging and winning culture to attract and retain talent. We predict an increased emphasis being placed on senior leaders to spend a lot more time and energy to develop their followers into leaders, while emotionally engaging their high potential followers in the process.

7. The new workforce demands greater flexibility at work, as well as being much better informed about how decisions are made. As a consequence of

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these generational differences, we believe that there will be increasing pressure on leaders to be more transparent with their followers and to proactively share leadership responsibilities and authority.

Finally, as the workforce becomes more diverse it is very likely that Asian leaders will be challenged not only by their Western employees and counterparts, but also from their Asian ones. Like the rest of the world, the Asian culture seems to be morphing into a globalized one as it enters the global marketplace with its increased emphasis on individualism, and to achieving greater personal meaning in life and work. There will be a more pronounced enthusiasm on the part of the new workforce to question their leaders, especially when they feel that such questioning is justified.

All these changes suggest that things will be harder for an Asian leader moving forward. Strategic and smart adaptations at the individual leader level will enable Asian leaders to triumph over these cultural transformations. Organizations and cities in Asia must act now, so that they can proactively win the war for leadership talent, and continue to strive and succeed well into the future.

Simply ask yourself this question, “How long does it take to produce a top Asian leader?” Once you can answer that question, you will realize that you ought to start today on transforming how Asia’s leaders will be developed and by whom and when.