

WIM DEN DEKKER

# GLOBAL MINDSET AND CROSS-CULTURAL BEHAVIOR

Improving Leadership Effectiveness



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# Preface and Acknowledgments

The idea for this book came to me in the summer of 2014. After having completed my first book, *Global Mindset and Leadership Effectiveness* (also published by Palgrave, in 2013), I realized that the cultural dimension of global mindset could be further examined. Culture is a dimension of globalization, and a consequence of increasingly globalized business is a growing multicultural workforce and higher levels of intercultural contact. Leading people with different cultural backgrounds who are also geographically dispersed, organizing the company's structure and processes from a perspective that integrates both global and local concerns, and formulating and communicating a shared vision on business and the company's global and local resources are still important topics. According to my experience there are still managers with global responsibilities who have gaps in cultural knowledge and lack cross-cultural competence. They structure their business units or departments from an ethnocentric perspective in which passports seem to matter when appointing managers for senior positions. In cross-cultural contact and when building relationships, they put their national cultural values and norms central. That is, they expect others (especially subordinates) to adjust their behaviors to their managers. On the other hand, there are also managers who are able to inspire and motivate a multicultural workforce with a comprehensive vision of business, organization, and the role of their followers. They move away from stereotyping, are keen to understand the situation

before taking actions, are able to draw on richer perspectives when making decisions, and adapt their leadership style to people with different cultural backgrounds.

When working in a global business environment, I noticed that managers' cross-cultural leadership behavior can be predicted from their mindsets. Managers differ in their mindsets and consequently, their cross-cultural behavior differs. Managers with local mindsets perceive events in business, organization, and intercultural relationships through the prism of beliefs formed by their national cultural values and norms. Their ethnocentric perspectives influence their intentions to display particular cross-cultural leadership behavior. These managers could be very effective in domestic parts of their company. The extent to which these managers are also effective abroad depends on the prevailing corporate mindset (mentality) of their company. Managers with local mindsets could also be effective globally when they work in companies that support ethnocentric attitudes and behaviors. In this book, this 'match' between managers' individual mindsets and their companies' corporate mentality is called a 'mindset–organization fit'. Similarly, managers with universal mindsets will have a mindset–organization fit when they work in companies that are global with no real connection with the local, and with a strong organizational culture that transcends the different national cultures of organization members. Managers with global mindsets have positive attitudes toward the integration of global and local business, and global and local entities in their organizations, and are able to integrate into their perspectives more than one culturally different worldview. These managers are effective in transnational companies as described by Bartlett and Ghoshal. When managers differ in mindset from the companies they work for, there is a 'mindset–organization misfit'. This means managers may have global mindsets, but when they work for companies with other corporate mentalities, these managers will not be perceived as effective by their superiors, followers, peers, and other stakeholders. Hence, managers with global mindsets and excellent cross-cultural behaviors are only effective as a leader when a mindset–organization fit exists. I use an attitude–behavior model to explain this relationship.

In addition to exploring theoretical explanations, I interviewed a number of HR directors working in the global business environment

to examine empirically the relationship between intercultural mindsets and cross-cultural behavior. I also asked them about the role of HR in developing leaders with global mindsets. These interviews not only provided me with perspectives of highly respected HR executives, but also an opportunity to compare their initiatives with my own actions. I was pleased to learn that they encounter the same challenges and are also looking for best practices to develop leadership in their organizations. Based on the interviews, my conclusion is that there will always be tensions between executives at global headquarters and managers leading subsidiaries in host countries. Effective HR directors align global and local parts of the organization and manage the relationship between corporate headquarters and overseas operations. Of course, HR directors also need to find themselves in a situation of mindset—organization fit to be perceived as effective.

I would like to thank them for the time and effort they invested in the interviews. For me, it was a great experience to listen to them and to share our experiences. As promised, in this book, I did not mention their names or the companies for which they working. However, I did tap into their wisdom and experience when I developed the three mini-cases in Chapter 6.

I would also like to thank my colleagues in the Rotterdam office. Often they are the ‘victims’ of my enthusiasm in my daily work and my research for this book. Sometimes they were also objects of theories being testing, especially when I tried to understand how attitudes influence behavior. In return, their energy, professionalism, and optimism provided me with the necessary ‘fuel’ to carry on.

Last but absolutely not least, I am grateful to my wife Rianne and my daughters Rosanne and Anne-Fleur. They allowed me to invest time and effort in this project. For me, their love and patience motivates me to continue my work. After another day in global business, I feel privileged to return to a local environment that I can really call my home.

# Contents

<b>1</b>	<b>Introduction</b>	1
1.1	The Cultural Side of Globalizing Business	1
1.2	Leading Effectively with a Global Mindset	4
1.3	This Book's Rationale	6
1.4	The Audience	7
1.5	The Structure	8
<b>2</b>	<b>Leading in the Global Business Environment</b>	11
2.1	The Increasing Global Business Arena	11
2.1.1	The Growth of Global Trade	11
2.1.2	Characteristics of Global Business	13
2.1.3	Global Consciousness and Globalization	14
2.1.4	The Importance of Globalization for Companies	17
2.2	Demands of the Global Workplace	19
2.2.1	Globalization of the Work Environment	19
2.2.2	Bridging Distances	21
2.2.3	Expatriation and Global Business Travel	22
2.3	The Meaning of Culture	25
2.3.1	Culture	25
2.3.2	Globalization of Culture	27

2.4	Leading People in Global Business	30
2.4.1	Global Leadership Qualities	30
2.4.2	Leadership Effectiveness	33
2.5	Conclusion	36
<b>3</b>	<b>A Mindset Typology</b>	<b>39</b>
3.1	A Multidimensional Concept	39
3.1.1	A Prerequisite for Global Leadership Effectiveness	39
3.1.2	Global Mindset as a Set of Attitudes Towards Globalization	41
3.1.3	A Mindset Typology	44
3.2	The Global Mindset	48
3.2.1	Global and Local Business and Social Environment	49
3.2.2	Organization	51
3.2.3	Cultural Differences	53
3.2.4	Time Zones	54
3.3	The Universal Mindset	55
3.3.1	Global and Local Business and Social Environment	55
3.3.2	Organization	56
3.3.3	Cultural Differences	57
3.4	The Local Mindset	57
3.4.1	Global and Local Business and Social Environment	58
3.4.2	Organization	58
3.4.3	Cultural Differences	59
3.5	Conclusion	60
<b>4</b>	<b>Global Mindset: The Cultural Domain</b>	<b>63</b>
4.1	Building Blocks of the Intercultural Mindset	63
4.1.1	The Cultural Perspective	63
4.1.2	Social Cognition	65
4.1.3	Attitude Formation	69



4.2	Intercultural Mindset Structure	73
4.2.1	Attitudes Toward Cultural Diversity	73
4.2.2	Attitudes Toward Cross-Cultural Interaction	80
4.2.3	Attitudes Toward Cross-Cultural Motivation	85
4.3	Global Intercultural Mindset	89
4.3.1	Integration of Worldviews	89
4.3.2	Reconciliation in Relationships	91
4.3.3	Adaptive Motivation	93
4.4	Universal Intercultural Mindset	95
4.4.1	Synchronization of Worldviews	95
4.4.2	Accommodation in Relationships	97
4.4.3	Cosmopolitan Motivation	98
4.5	Local Intercultural Mindset	100
4.5.1	Centralization of Worldviews	100
4.5.2	Alienation in Relationships	101
4.5.3	Parochial Motivation	102
4.6	Conclusion	104
<b>5</b>	<b>Cross-Cultural Leadership Behavior</b>	<b>107</b>
5.1	Culturally Endorsed Leadership	107
5.2	Transformational Leadership	112
5.2.1	Charismatic Leadership	112
5.2.2	Transformational Versus Transactional Leadership	115
5.2.3	Visionary	118
5.2.4	Inspirational	121
5.2.5	Excellence-Orientation	123
5.3	Team-Oriented Leadership	124
5.3.1	Team Collaboration	124
5.3.2	Team-Building	131
5.4	Participative Leadership	134
5.4.1	Followers' Participation in Decision-Making	134
5.4.2	Consultation	135
5.4.3	Delegation	136
5.4.4	Empowerment	138
5.5	Conclusion	141

<b>6</b>	<b>Relationship Between the Intercultural Global Mindset and Cross-Cultural Leadership Behavior</b>	143
6.1	An Attitude–Behavior Model	143
6.1.1	Attitudes and Behavior	143
6.1.2	Theory of Planned Behavior	145
6.1.3	The Research Model	147
6.2	Situational Variables: The Mindset–Organization Fit	152
6.2.1	Corporate Mentality Versus Individual Mindsets	152
6.2.2	Mindset–Organization Fit	155
6.2.3	Mindset–Organization Misfit	157
6.3	Three Case Studies	161
6.3.1	Study Design	161
6.3.2	Interview Results	162
6.3.3	Case Structure	171
6.4	The Global Leader	172
6.4.1	The Scene	172
6.4.2	The Case: “Strange but Familiar”	173
6.4.3	Effectiveness	175
6.5	The Universal Leader	177
6.5.1	The Scene	177
6.5.2	The Case: “I Think We’re All Global Citizens”	178
6.5.3	Effectiveness	181
6.6	The Local Leader	182
6.6.1	The Scene	182
6.6.2	The Case: ‘Walking on Cultural Borders’	184
6.6.3	Effectiveness	186
6.7	Conclusion	188
<b>7</b>	<b>Reflection</b>	191
7.1	A Holistic Mindset Concept	191
7.2	The Research Model Revisited	195
7.3	Mindset–Organization Fit and Global Career Paradox	197
7.3.1	Global Career Paradox	198

	<b>Contents</b>	<b>xv</b>
7.4	Increasing Leadership Effectiveness	199
7.5	The Role of Human Resources Management in Developing Global Mindsets and Cross-Cultural Behavior	200
7.6	Suggestions for Further Research	203
<b>References</b>		205
<b>Index</b>		221