

global view

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Geneva, Switzerland: Can any CEO today not have a global view? What does a global view mean? What are the demands of attaining and maintaining such a view?

For the past 15 years my son-in-law has been a London- and Geneva-based vice president of international operations for various companies headquartered in the U.S., the UK and the Middle East. He has had worldwide management responsibilities with as many as 15 nationalities simultaneously reporting to him. I interviewed him here. These are his answers to the above questions. [He used the masculine to refer to both male and female CEOs.]

NECESSITY OF GLOBAL VIEW

"In today's markets, if you as a CEO don't interface with, say, the Chinese on their soil, you'll soon be defending against them on your turf.

TWIN COORDINATES

On the CEO's map of the world the two important coordinates are distance and diversity.

Distance: We make a lot of the capabilities of telephone, internet, intranet, video conferencing and VOIP, and they do bridge great distances. In establishing a relationship, however, there is no substitute for physical presence, and there is no substitute for the CEOs presence, whether it's with customers, partners or employees.

Surprisingly, sensitive, well-traveled, and well-studied CEOs often have trouble with this coordinate. They assume their sensitivity will translate by phone, email or video and they do not need to get on an airplane. They are wrong.

As with the song "As Time Goes By," certain fundamentals – the physical shake of the hand, the sharing of a meal, having a game of golf, looking in the eye – do not change. Technology has not changed these, nor will it. And these fundamentals are true across cultural divides, whether the divide is in Beijing, Tokyo or Mumbai.

Through his own travel, a CEO also establishes his personal context for evaluating reports from subordinates. He will quickly catch the unwarranted assumption or the

inaccurate impression.

Most importantly, through his travel he will see the way to continue to articulate the company's common vision with each new country the company enters and to enroll existing and new partners and employees in a global vision.

The good news is that if you master the distance coordinate, you increase the chances that your company will continue to grow internationally. The bad news is that you may not see your spouse and your children as often as you want to.

In the midst of our interview, my son-in-law received a call from an associate in Sydney, requesting his presence to clinch a big deal. He was not eager to go, because it's a 24-hour flight through Thailand, and takes a total of 96 hours for a day's presence in Australia. When his associate continued to insist on the necessity of his presence, he agreed to go. He said, "If you're not physically there to instill the energy and show your customer's counterpart you're committed, you won't get the deal. As we said of our generals in the Marine Corps, 'You can't be in the rear with the gear.'"

Diversity: Dealings in the U.S. have a certain uniformity about them because of our shared culture. These accepted procedures do not apply outside our country. Further, there are images of U.S. culture, either conveyed by the media, or documented, which it is important to counter. Perceptions of U.S. imperialism and U.S. litigiousness are two examples that can cloud any business deal. The U.S. CEO must be prepared to show that these images and others like them do not apply to him and his company. He must also be prepared to honor the trust represented by the physical handshake.

My son-in-law finds the greatest challenges for Americans in dealing with specific cultures as follows:

Europe: Assuming that there is a "common market" when in fact there are twenty separate entities, each with its own



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language, history and culture.

China: There is an emerging business process with its own version of ethics and a different set of expectations from those of Americans. Being open to new impressions and insights on a continuing basis is essential.

India: Making the assumption that there is a responsive infrastructure is a mistake. Getting around on a timely basis and the availability of roads, telephones, and hotel rooms are not automatic. Also, there is a totally different definition of work-life balance, with the emphasis definitely being on life.

Japan: The business process can appear extremely slow and bureaucratic to Americans. Taking the time to understand the culture is extremely important.

Dubai: It's very Western, open to commerce and corporate protection. It's important to be deferential, even though it's a small market.

Australia: It's most like the U.S. Even here, however, it's important to verify that assumptions are warranted.

So how does a CEO who locates both the proper distance and diversity coordinates perform? My son-in-law cites the example of

his own CEO who led a successful effort to establish the company's business in India last year. He articulated and maintained a focused commonality of vision through his ability to understand and work with Hindi, Sikhs, and Muslims, and a willingness to do a lot of airplane travel. His approach was sophisticated, comprehensive and methodical.

And what is the value, beyond economic, of the effort? It's "seeing the commonalities among the cultures, the humor, the good will, and the sparkle, the flash or the glint in the eye."

As British politician Richard Cobden said in 1857, "Free trade is God's diplomacy. There is no other certain way of uniting people in the bonds of peace."

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