

## **LEADERSHIP IN A GLOBALIZED WORLD & INDIAN PERSPECTIVE ON LEADERSHIP**

### Global perspective:

A good leader is not only a good commander but is also able to extract work from his followers and channelize them towards the attainment of the goal. So not only giving commands but also acceptance of requests also becomes an essential part of the leadership behaviour. The leader applies his qualities and skills for achieving the group goals.

Leaders in various organizations face a number of concerns as they seek to make decisions in the context of an increasingly globalized world. A leader of a city based organization has influence on individuals who reside on the city, but also on rural folk who depend on the city for economic growth, markets, jobs, or entertainment. Choices on policies have consequences not only for today but for the future too. Thus the discipline of leadership in organizations has moved to the forefront in recent decades as a response to emerging issues in globalization. Many organizations have developed formal leadership programs in an effort to gain a competitive edge in a globalized world that requires more than technical and management skills.

Leaders may be born or made or a combination of the two theories "... but leadership is the ability to turn vision into reality (Llan and Higgins, 2005). Alon and Higgins also report that in order to be a successful leader in the global business world, several key points need to be acknowledged:

1. Leaders need to develop global competencies
2. There is a shortage of global leaders in the corporate world
3. Many companies do not know what it means to develop corporate leaders
4. Only 8% of Fortune 500 firms have comprehensive global leadership training programs
5. There is a need to better understand the link between managerial competencies and global leadership (Alon and Higgins, 2005)

Knight and Dyer's list of Ten Traits of Effective Leaders is as follows:

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1. Be Committed to Success
2. Set Proper Priorities
3. Set and Demand High Standard
4. Be Tough but Fair in Dealing with People
5. Concentrate on Positives and Possibilities
6. Develop and Maintain a Strong a Sense of Urgency
7. Pay Attention to Detail
8. Provide for Possibly of Failure
9. Be Personally Involved
10. Have Fun

As the world continues to evolve into a global society, cultural competency is as important as emotional intelligence to maintain healthy relationships with global partners.

According to Van Paasschen (2015), the global exchange of goods and services has increased from 30 percent of the world's gross domestic product (GDP) to 60 percent during the past 40 years. As a result of globalization, the global supply chain readily connects the suppliers of raw materials and components to manufacturers who produce the products we purchase every day. In fact, most of the products and services we consume every day from the food we eat to the clothing we wear originate from other regions of the world. This has led to the creation of well-developed organizational infrastructures and the financial systems necessary to drive the economic engine that fuels global economic activity.

Globalization has also increased the interactions between different cultures and the need to recruit the best candidates to help organizations succeed in a globalized environment. As a result, culture has influenced who global leaders hire and how they govern their organizations. For example, in a study which examined the impact of culture on corporate governance, Daniel, Cieslewicz, and Pourjalali (2012) found a significant relationship between culture and organizational practices.

Furthermore, technology has facilitated and enhanced the speed of globalization. According to SmallClouden (2016), enhanced telecommunications, and the Internet have changed the way business is

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conducted. In fact, over 40 percent of the people in the world have access to the internet (Van Paasschen, 2015). The reality is that in today's technologically driven global environment, business can be conducted from anywhere and anytime if you have access to the Internet or a cell phone. Another aspect of globalization is that technology has increased access to education and the development of the skills needed for higher paying jobs, which have led to increases in organizational productivity (Van Paasschen, 2015).

Globalization has also brought about changes in political relationships between countries, which create great impact on the market and organizational scenario of the world.

Global leaders are also increasingly being challenged with sustainability and ethical issues across borders. As a result, global leaders will need to take more active roles in protecting global resources and the environment while being careful not to exploit other countries at their expense.

**Global Leadership Skills and Practices** - Globalization is impacting all aspects of how organizations interact in a global environment. The political, social, and economic global environment is rapidly changing. Technology is driving most of the change and along with it how business is conducted, according to Sheppard, Sarros, and Santora (2013). This will require organizational leaders to develop a global mind set (Cseh, Davis, & Khilji, 2013). Organizational leaders will also need to think strategically, ethically, and apply transformative leadership approaches that are creative (Sheppard, Sarros, & Santora, 2013). Since leading in a globalized environment will ultimately involve increased interaction with other cultures, global leaders will need to be culturally sensitive (George, 2015). In fact, it will be the ability to collaborate and unite people from different cultures around common goals that will help global leaders become more effective, according to Goerge (2015). While there are many leadership theories, transformational leadership is emerging as a universally accepted leadership approach capable of reaching across cultures to enhance organizational performance and drive change in a globalized environment (Ghasabeh, Soosay, & Reaiche, 2015). Transcultural Leadership which is the blending of transformational leadership and multiculturalism has also been proposed by Derungs (2011) as a viable leadership approach in a globalized environment. Transformational leadership skills and practices that have been shown to be universally effective are the ability to inspire

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organizational members, ethical decision making, and creating strategic visions that stretch across cultural boundaries (Northouse, 2016). Other essential global leadership skills and practices include the ability to develop oneself and others, strong social and interpersonal skills, and the ability to solve complex, ambiguous problems (William & Jousse, 2014). However, the essential leadership skills and practices for effective global leadership are the ability to embrace other cultures and develop a global mindset (Bishop, 2013; VanderPal, 2014). Based on the literature, these are the leadership skills and practices which are necessary for effective leadership in a globalized environment.

## Indian perspective:

Most of the Indian managers are generally believed autocratic style with limited degree of participation to their subordinates. Subordinates are closely supervised and appreciated by the managers based on the situations. However there are organizations where employees are considered for the participation to maintain the cordial relations and to create positive motivation to do the work effectively and efficiently. Various research studies have been conducted so far on leadership effectiveness, the review of which failed to give generalized result. The findings are sometimes contradictory which indicates the absence of clear-cut managerial behaviour and direction. This may be because of the fact that, managerial styles are determined by various factors so it is unlikely to follow a uniform leadership style.

From this point of view, Indian work organizations all classified into three types and which all having different features and consequently followed different styles. They are classified as below.

1. Family managed traditional organizations
2. Private sector Indian organizations
3. Public sector organizations

Manager working in family managed traditional organization's they follow autocratic style. Today sons and great grandsons of the entrepreneurs are automatically promoted without having required educational background and knowledge etc. These people are given the leadership on the basis of inheritance without consideration of efficiency and suitability. They are highly centralized in their organizational structure and authorization in their approach. Most of the

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family managed organization are managed by head of the family members they have highly paternalistic attitude, which attitude can influence their employees in the organizations.

On the other side, there are many private sector organized and owned by Indians or multinationals They have attitude of consideration and participative approach to encourage their employees The manager working in private sectors generally use democratic style. Managers apply modern technique ensuring their styles to motivate the employees based on the modern approach of management. Thus there is a greater participation of employees in such organizations.

The third category is public sector where entire organizational process is governed by bureaucratic approach; this is against to participative style. Bureaucratic management is an approach for providing a clearly defined set of rules followed by a clear organizational structure. This approach defines a clear chain of command and a state where there is a clearly defined set of rules to be followed by each level of hierarchy. Recent years it has been change to participative approach based on change made by government in the economic structure, and global competitive world.

Thus in the recent years there has been change in the Indian scenario where participative approach is gaining more importance both at private and public sectors and is proving to be more effective. Participative style is very useful in many ways. When workers feel their ideas are important and being made use of, they feel considerably committed to change in which they have participated. Workers also develop a greater feeling of self-esteem. Indian executives give more emphasis on keeping the culture and guiding and teaching employees, thus putting their focus on human capital development.

Some approaches of the Indian organizational leaders are discussed below, which explains the change in approach and adoption of an inclusive democratic style of leadership, where organizations transform and grow.

- Vineet Nayar, CEO of the Indian IT services giant HCL, in his interview stated that, he sought enough “transparency” and “empowerment” in the company that “decisions would be made at the points where the decisions should be made”—that is, by employees, where the company meets the client. Ideally, he said, “the organization would be inverted, where the top

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is accountable to the bottom, and therefore the CEO's office will become irrelevant." He led the charge that gave rise to the company's bracing motto, "Employee first, customer second". And he invited employees to evaluate their bosses and their bosses' bosses; then he posted his own review on the firm's intranet for all to see, and urged others to follow his lead.

- "Leadership at Wipro means the ability to win the hearts and minds of all our stakeholders whether internal or external. It means leading others with humility and yet having big dreams. It means the self-confidence to accept that you are wrong and resilience to fight back," says Azim Premji, Chairman of Wipro.