AuthentiZotic Organizations:

Global Leadership from A to Z

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Abstract

Organizations are now faced with new realities; globalization is coming of age. This development leads to a host of questions: This paper addresses the question what distinguishes an exceptional leader from an exceptional global leader. How do global leaders and their organizations interact? How do cultural dimensions influence global leadership? This article argues that successful global leadership requires first and understanding of human’s universal similarities. Some of the competencies that make leaders more effective in a global environment are explored. The article discusses a new organizational paradigm: the authentizotic organization in which the universal human needs for identity, attachment and meaning are met.

KEYWORDS: globalization; global organizations; theories of leadership; organizational paradigms; psychological contract; national culture; corporate culture; emotional intelligence; teddy bear factor; distributed leadership; charisma; authentizotic organizations.
The world is a looking glass and gives back to every man the reflection of his own face. Frown at it and it will in turn look sourly upon you; laugh at it and with it and it is a jolly kind of companion.

—William Makepeace Thackeray

You can’t shut out the world without shutting yourself in.

—Arnold Glasgow

If the world is cold, make it your business to build fires.

—Horace Traubel

Leadership: A Whirlwind Tour

There is no turning back: business has gone global. As recent financial storms in Asia, Russia, and South America have proven, the world economy is now so inextricably connected that the volume of international trade occurring on a daily basis is mind-boggling. Records for the number of cross-border mergers are being broken monthly, as intrepid CEOs drive their organizations into the future with dizzying speed. Take, for example, the Daimler-Chrysler merger, which captured all the front pages when it was announced. CEO Jürgen Schrempp, when asked what would determine success or failure for the merger of these two very different national and corporate cultures, responded simply, “Speed, speed, speed.” Sharing the belief that organizational form and speed have become competitive advantages, L’Expansion (a widely read French business journal) recently devoted an entire issue to what it called the “world company,” berating French firms for lagging behind in the quest for
globalization. And yet many executives—a significant percentage—deny that globalization will or should have an impact on their lives. The globalization spectrum in today’s business world is broad indeed: some organizations are racing ahead (although perhaps not always in the right direction), some are beginning to test the water, and others are keeping their management head in the sand. Despite this range in outlook, however, globalization is here to stay.

Although it would be foolish to deny that the global organization is the paradigm for organizations of the future, it would be premature to state that the Jürgen Schrempps and Daimler-Chryslers of the world are sure to be the winners when the dust settles. Who will be the hare and who will be the tortoise is not clear yet. Though a global orientation appears to be the sine qua non for success, the truly global organization—a relatively new phenomenon—lies in largely uncharted territory.

In the course of a large number of consultations and research projects that we have conducted in companies interested in corporate transformation—projects having mindset or attitudinal change among executives as one of the desired outcomes—we have found CEOs to be deeply concerned about leadership in the context of globalization. Many of the individuals interviewed have been presidents or members of the board of their respective companies. Quite a few of them have participated in a leadership program at INSEAD entitled “The Challenge of Leadership: Developing Your Emotional Intelligence”—a seminar whose major objective is to provide participants with a better understanding of their leadership style, deepen their awareness of the cross-cultural dimensions of leadership, and help them develop their emotional intelligence.

These CEOs realize that organizations of today are faced with new realities: globalization is coming of age. This development is having an increasing impact on the workforce, leading to
a host of questions about its long-term repercussions. For example, what—if anything—
distinguishes an exceptional leader from an exceptional global leader? How do (and should) 
the global leader and the global organization interface? Given that the old “psychological 
contract”—lifetime employment in exchange for loyalty to the company—is no longer 
possible, how can contemporary CEOs recreate a modicum of stability, loyalty, and meaning 
in the cultural diversity of the global organization? What does excellence mean in a global 
an organization, and by what criteria should it be judged?

And leadership is only part of the equation; other factors also have a significant influence on 
the global organization—for good or for ill. Cultural dimensions affect leadership style, but so 
does the personality make-up of the followers; their wishes, motivational needs, values, 
beliefs, attitudes, and behaviors affect the leader and can pose a hidden threat to the success of 
the global organization. This fact raises another set of questions: How does the leader diffuse 
the anxiety that rapid change creates in followers? What is the nature of the superior-
subordinate interface? What are the dimensions of the new psychological contract that will 
allow employees—no matter where they are located in the world—to become fully engaged 
and productive? In this article we will address these questions by presenting a series of 
observations and conclusions that we have drawn from our consulting and research projects.

In an article on global leadership, it seems particularly relevant to remind ourselves that the 
etymological root of the word leader comes from the Middle English word laed, meaning 
“path” or “road.” Ledere was the term used for the person who showed fellow travelers the 
road to follow and brought them safely to the end of their journey. Thus leader originally 
signified that special individual who took others into unfamiliar territory. The leader was the 
one who had experience and contacts in foreign lands, who had knowledge of other customs
and languages. The leader also, and perhaps more importantly, had the courage required to take followers into a strange new world.

Global leaders still face a bewildering new world—one that is no longer strictly black and white, us versus them. In the current business climate—a climate shaped by mergers and acquisitions, strategic alliances, financial crises in whole regions of the world, new borders in the former Soviet Union, and the creation of “Euroland”—yesterday’s enemies often become today’s partners. In this new world, anyone over twenty has to struggle to keep up as the Internet and advances in information technology force people to raze old organizational constructs and learn to function in the ever-evolving systems that have replaced them. Fond memories of the old psychological contract have made it difficult for many people to accept the need for the lifetime ability to learn and adapt that organizations now expect from their employees.

Some of the most significant obstacles in the path to this major transformation are, not surprisingly, the organizational participants themselves. Having grown up in a stable, profitable post–World War II economy, many people—especially those in their middle years and beyond—feel confused and threatened by the tremendous speed at which the world is changing, disoriented by the discontinuous change that has become the rule rather than the exception. Many executives have a hard time understanding what their present role is in the organization, let alone what the future holds. And yet in spite of all the changes taking place around us, the universal, deeply seated human fear of the unknown remains. This explains at least in part the cry for leadership: leaders take on an important “containment” function; they are the ones who are expected to create a “holding environment” for emerging anxiety.
Exceptional Leadership

What constitutes *exceptional leadership*? Well, that all depends. Ultimately, leadership, and our perception of it, varies according to our cultural viewpoint. And therein lies the shortcoming of many leadership theories of the past: their point of convergence was too narrow. In other words, they focused too much on overly simplistic, transactional superior-subordinate exchange processes, ignoring (or slighting) the various constituencies of the leader—the industry environment, the corporate culture, and the national culture—with the distortions of perspective mentioned above.

It has become increasingly clear, therefore, that leaders cannot be studied meaningfully in isolation from their surroundings. Leadership should instead be seen as an *interactive process* between the leader, the followers, and the situation—the latter interpreted in the broadest way possible. In our competitive, global world, where the renewal of organizations holds a central position, the leader is increasingly seen as a crucial agent of change. And the importance of that particular leadership role compels us to transcend the narrow outlook that characterized previous leadership research and attend to the contextual and cultural dimensions that are part and parcel of leadership dynamics. In this time of rapid change the leader as catalyst of transformational processes takes on a pivotal position.

In spite of this important step forward, however, we argue against letting the pendulum swing *too* far in this direction. Exclusive attention to the transformational or “charismatic” role of leadership, at the expense of the transactional or “architectural” role, is likewise too narrow, since vision without specific action—without the more humdrum aspects of leadership—often segues into hallucination. Thus the most effective leaders take on *both* roles. In their *charismatic* role, they envision, empower, and energize, building the trust that is essential to
containing followers’ anxieties and creating a safe atmosphere; in their architectural role, they design the organization, set up structures, and formulate control and reward systems.

Apart from these important roles, a set of behavioral characteristics— which will contribute to specific emotional and cognitive “competencies”—distinguish exceptional leaders from other people. These behavioral characteristics include surgency (a broad term that embraces competitiveness, achievement orientation, self-assuredness, and dominance), agreeableness, conscientiousness, emotional stability, and intelligence (including emotional intelligence). In addition, exceptional leaders tend toward extroversion and show a great deal of physical energy.

Although these leadership characteristics are for the most part relevant in any culture, it is essential to differentiate between those that are non–culturally contingent and those that are valid only in a limited cultural context. Often leaders are seen as rational, directive, pragmatic, cost-driven, hierarchical male technocrats with a short-term time orientation. Yet many of these definitions seem to be derived from observing the successful behavior of political and business leaders of the most powerful nation in the world: the United States (Rost, 1991). This is a nearsighted approach, since the value Americans place on extreme individualism and on participatory management is often in opposition to leadership practices in other parts of the world.

As Asian and Pacific Rim countries began to outperform the United States and Europe economically in the 1980s, attention turned toward Asian management practices, which were more effectively adapted to that region than Western practices. Rooted in ancient Confucian tradition, Asian values seemed to provide a significant competitive advantage. It became obvious that Asian leaders had a different set of values—among them, persistence and perseverance, the ordering of relationships by status (and the preservation of this order), and
thrift. Persistence and perseverance indicate tenacity in the pursuit of goals; ordering relationships by status ensures loyalty and interrelatedness; and thrift leads to availability of financial resources (Hofstede & Bond, 1988).

In addition, some of the most successful (male) global leaders have traits and values that are often labeled feminine in the West. These include interdependence, humility, and a respect for the overall quality of life (including concern for the environment). In our own studies of female leadership, we have observed women’s greater willingness to empower people, their greater effectiveness in networking, their greater realism regarding personal limitations (implying a lesser degree of narcissism), their concern about a balanced lifestyle, and their broader, more humanistic vision of how to construe life in organizations.

The Competencies of the Global Leader

How should companies in this day and age choose people to be their future leaders? Are there specific qualities or qualifications that indicate high potential for global leadership? How can companies ensure that those chosen will be culturally adaptable and operate competently across borders? What does the term “global mindset” really mean? Are leaders of global organizations born or made?

It is perhaps easiest to begin by defining what global leadership is not. As we pointed out above, standard U.S.-based leadership definitions fall short. Proof of this bias is found in the typical complaint that an executive who was so hot in Los Angeles turned incredibly stupid when sent to Hong Kong. Those CEOs who speak only English, depend on Hilton hotels, eat almost exclusively at McDonald’s, and drink Coca-Cola wherever they are in the world can...
hardly be considered global leaders, no matter how brilliant their domestic record might be. They never develop a feel for local markets, and they are forced to rely on others for information on what is happening in their foreign subsidiaries. They also run the risk of alienating foreign employees, who may see their leaders as “corporate culture imperialists” and feel themselves to be a sort of corporate underclass. It is crucial, then, that companies know how to choose leaders who will be culturally adaptable and operate competently across borders.

The new global world has made the homegrown, up-through-the-ranks, corporate-couch-potato CEO of the past an anachronism. It is becoming increasingly clear that in the future, organizations must choose leaders who understand globalization of markets, information technology, demographic shifts, manpower diversity, and the speed of overall change. With more and more business battles taking place across borders, executives need to be knowledgeable about foreign markets and international competition.

Many of the leading CEOs of the postwar era were individuals with a financial or technical background and a military mindset, people used to giving orders and having them obeyed. Alfred Sloan of General Motors is a good example of this type of autocratic leader with a “command, control, compartmentalization” mindset. Under Sloan’s direction, GM became the quintessential “modern” corporation. In the somewhat insular world of Sloan’s day, people skills and international experience were not considered essential competencies.

Executives of the next century, however, will have quite a different competency set—one geared toward tackling intensifying worldwide competition. Global organizations require people who are comfortable with cross-functional and cross-cultural processes. Effective executives in the new global corporation are likely to have a humanities and/or engineering degree and an MBA. Most importantly, as Jack Welch of General Electric has said, the Jack
Welches of the future will not spend their entire career based in the United States, as Welch himself did. The next head of GE, he says, will be one of the firm’s best and brightest, whose leadership skills have been developed through experience in foreign countries.

So what exactly are the competencies that global executives need to develop? First, executives need to possess a strategic awareness of, and a deep interest in, the socioeconomic and political scene of the countries in which they operate. They need to have a broad understanding of their business, one not limited to their own area of expertise. Leaders at the helm of the corporations of the future need the capacity to step out of their own comfort zone and adapt to other realities. To understand what is happening in the world around them, these global executives also need to be interested in other cultures. The ability to speak more than one language well is frequently a sign of these capacities.

Relational skills are also essential for the global executive. Technical expertise must be supplemented with excellent verbal and nonverbal communication skills. Effective global leaders must also have a high tolerance for frustration and uncertainty—by-products of a flexible outlook toward people and events. Their tolerance for frustration allows them to learn from their mistakes, solicit feedback, respond well to criticism, keep their sense of humor even in difficult situations, and learn by seeking new experiences and developing new skills. Their tolerance for uncertainty, coupled with the strategic awareness mentioned earlier, allows them to act rapidly and take necessary risks.

Global leaders also need to be resilient, a quality that is revealed in a positive outlook toward life and an unwillingness to give up even when the chips are down. Resilience is also a physical quality. Only so much work can be done by telephone or video-conferencing. More than ever in this global world, leaders need to meet constituents face to face. It is difficult to
e-mail a smile or a handshake. For a global CEO, this personal-contact component means frequent, physically grueling trips to all parts of the world.

Douglas Ivester, CEO of Coca-Cola, made more than a dozen trips to operations outside of the U.S. in his first year in the position. Michael Bonsignore, Honeywell’s chairman and CEO, has visited almost all of the 95 countries in which Honeywell operates. Like other CEOs, he struggles with jet lag while trying to stay effective in back-to-back meetings. Louis Gerstner, Jr., chairman and CEO of IBM, is said to virtually live on a jet. Percy Barnevik, chairman of the originally Swiss-Swedish engineering corporation ABB, used to joke that he spent two days per week in the office: Saturday and Sunday. These CEOs know that it is essential for them to visit as many of their operations as they can, as often as they can.

This resilience comes from a personal characteristic called hardiness (Kobasa, 1979). Those leaders who are hardy are able to cope with the stress of frequent travel and jet lag, massive exposure to information, and long, work-packed hours. Hardy people also possess a sense of internality, meaning that they have a perception of control of the events in their lives (Lefcourt, 1976). Hardy people tend to be deeply committed to whatever activities they choose to engage in, and they see unfamiliar situations as opportunities for further development rather than as threats.

Emotional intelligence is as important as an elevated IQ score for global leaders. Emotionally intelligent individuals are able to recognize their own emotions and identify the reasons behind them (Goleman, 1998). This self-awareness enables them to regulate their emotions and find appropriate outlets for them. Emotionally intelligent individuals also use their emotions to motivate themselves to accomplish their goals. Leaders with emotional intelligence are more effective at the helm because they are able to empathize with and appropriately channel their subordinates’ emotions as well. Known for their integrity and their
willingness to give credit where it is due, they are perceived as trustworthy. They show their commitment both to the organization and to the welfare of their employees.

This emotional connection is much more difficult to attain when language and cultural differences create additional barriers to understanding. To connect emotionally on a global scale, leaders must possess cross-cultural empathy; in other words, they must be able to relate to individuals from many diverse cultural backgrounds. At the same time, they need to have a strong sense of self and an awareness of their own cultural biases. This openness allows them to acquire rich knowledge of cultures other than their own and to build on the strong points of those cultures. They are then able to pull together teams from very diverse backgrounds and help them to reach agreement over potentially divisive issues.

Cross-cultural empathy is facilitated by a sense of curiosity. Curiosity also leads to a sense of adventure, a willingness to learn and adapt, to acquire new patterns of behavior and attitudes. A quest for insight spawned by curiosity helps leaders to see problems from a different perspective. Successful global leaders are those who are invigorated, rather than drained, by working in unfamiliar contexts.

These new global executives need to be team players, used to working in high-level management teams with people of diverse cultural backgrounds. They must also be team builders, believing that a collegial leadership style is more appropriate to the global marketplace than an autocratic approach. Thus leaders in the global organization of tomorrow will cultivate an authoritative rather than autocratic way of dealing with people; they will lead by example and practice “distributed leadership”—that is, leadership spread throughout the organization—reducing the likelihood of deification of the CEO. As a consequence, there will be fewer superheroes of business—people like Henry Ford and Jack Welch.
The concept of cross-cultural team-building starts at the top. One of the indicators that an organization is truly global is the number of nationalities represented on its board. Most U.S. organizations with global operations still have boards composed entirely of Americans. The same point can be made of many European and Asian corporations. The board of a truly global company such as ABB, however, is made up of many different nationalities. A mixed-nationality executive board shows the outside world that the organization is really committed to globalization and integrates different perspectives, and it offers an antidote to signs of ethnocentricity within the organization. It also demonstrates that the top jobs are not the exclusive bailiwick of certain nationalities. Most important, a truly global board can accomplish the function of effective decision making based on diverse perspectives.

Distributed leadership is a natural extension of team-building. In organizations that practice distributed leadership, position, status, and seniority are of less importance in the hiring and promoting of executives than proven competence in dealing with a world of rapid continuous and discontinuous change. As lateral relationships replace hierarchical ones, networking structures develop, allowing interdependency to replace dependency.

Global leaders must not only prepare their organization (and the individuals in it) for change, and then carry the change through; they must also maintain creativity, innovation, and motivation in the organization after the process is completed. Because change is now a permanent aspect of all organizations, rather than a temporary state, effective global leaders must be masters of disorganization, continuously challenging the status quo and instilling in their organization the premise that change is a given. They must know how to deal with discontinuity; view themselves as rule-breakers, not rule-makers; be restless, energetic, and action-oriented; experience a discontent that encourages them to search for new opportunities; and be entrepreneurial and impatient.
To be effective, global leaders must know how to influence, and they must recognize the importance of *impression management*—that is, of articulating and sharing a strategic vision, making the big picture seem within reach of their followers. They must also be gifted at building alliances and making people feel special, which in turn builds broad commitment for that shared vision. Part of this gift lies in the “*teddy bear factor*”—the ability to put people at ease through empathy and a capacity for active listening. Leaders with the teddy bear factor have the emotional intelligence to provide a sense of security for followers in times of uncertainty and upheaval. This quality makes for positive identification and creates a group identity—essential in a situation of cultural diversity.

These competencies are essential, because global leaders must adapt to the particularities of many regions and national cultures while at the same time meeting the expectations of followers in those different cultures. Global CEOs who are dazzled by numbers and neglect to take into consideration the human factor—and that includes the cross-cultural dimension—do so at their own peril.

As a recent example of that danger, we can point to the Pharmacia-Upjohn merger between a leading Swedish and U.S. pharmaceutical firm, which took place in 1995. This merger—a likely winner, on the face of things—did not meet expectations for several years. An inability to deal with cultural differences was generally cited as one of the reasons for chairman John Zabriskie’s departure in 1996 (Flynn et al, 1997). It was not until a CEO with a global background—Fred Hassan, born in Pakistan, educated in England, veteran of two other U.S. pharmaceutical companies—came on board in 1997 that Pharmacia-Upjohn began to fulfill its promise.

**The Global Mindset: A Tolerance for Diversity**
As we have seen, differences in national culture often require different leadership styles. The executives who will be effective in the new global economy are those who recognize that diversity in national outlook is the name of the game; are nonjudgmental, acknowledging and valuing people’s differences; and appreciate the commonality among various nationalities, remaining open not only to national borders but also to mental borders.

Understanding cultural expectations is no simple matter in a business world that resembles a cultural Tower of Babel. Americans expect their leaders to be assertive and decisive. Japanese, Dutch, and Swedish followers expect a consensual leadership style, because group decision-making is a core value. In Chinese organizations, hierarchy and position play an important role, mirroring the traditional family make-up in China. The Germans, meanwhile—given the legacy of the Nazis—have until very recently been wary of charismatic leaders, preferring a more technocratic style; their organizations are monitored by many checks and balances to prevent the abuse of leadership. The French, on the other hand, have developed a political-process style of leadership; they are very skilled at coping with complex power networks. The Russians, after a long, painful history of troubled leadership ranging from czars to the KGB, retain a certain paranoia about authority and strangers—a paranoia that shapes leadership in their business organizations. Many Arabs, given their Bedouin heritage, opt for a consultative pattern of leadership. They try to avoid open conflict, preferring subtle one-on-one negotiations.

While generalizations such as these are helpful to leaders seeking to navigate international waters, effective global leaders must use their cultural empathy to transcend prescribed stereotypes. To illustrate, Procter & Gamble’s chief executive, Durk Jager, is known as a hard-driving, straight-spoken loner. This leadership style—action-oriented and individualistic—is what one might expect from the CEO of an American organization; and yet
Jager is Dutch, from a culture whose predominate management principle is a desire for consensus. (Ironically, Jager’s American predecessor, John Pepper, was seen as a consensus builder.)

But Jager’s leadership style is not as constrained as this description implies. He has spent most of his twenty-eight-year career with P&G outside of the United States, removed from the central bureaucracy. As general manager of P&G in Japan in the early 1980s, he took on a struggling operation that headquarters was thinking about closing. Jager quickly learned Japanese (his seventh language) and familiarized himself with Japanese customs. He developed genuine personal relationships with his various stakeholders in Japan.

During his stint in Japan, Jager often based management decisions on his deep understanding of Japanese culture, sometimes going against P&G’s company line. Once when headquarters wanted to fire some of its Japanese managers, he realized how humiliating this would be for the people involved, and how demoralizing it would be for the whole organization. Instead of simply firing them, he announced to the staff that all the Japanese managers in the country would offer to resign, and then P&G would decide which offers to accept. Thus the problem was solved without too much loss of face (Parker-Pope, 1998).

Jager seems to have an extreme—almost chameleon-like—sensitivity to cultural differences. Like many other global leaders, he has a pliable readiness to pick up signals from the external world and mold himself and his behavior accordingly. While this trait allows people to easily adapt themselves to a different culture, it has a downside: it is sometimes accompanied by a weak sense of identity, causing the individual to feel rootless and defensive. So how do global leaders such as Jager develop a cohesive sense of self and a clear set of core values that allow them to rework and build on earlier life experiences without becoming anxious about being swept into the unknown if they adopt aspects of another culture?
The Development of the Global Leader

The foundation for the development of the exceptional global leadership practices described above is laid in childhood experiences, which in turn are affected by cultural socialization patterns. Building on that foundation, education, early managerial responsibilities, and international work foster global leadership competencies, all of these exposures consecutively building upon each other. The best global organizations test the strength of each candidate’s leadership foundation through the process (whether formal or informal) by which they select people for global leadership development. Candidates chosen for such training are then nurtured by the prevailing corporate culture, which—at its best—is a kind of ladder, providing support and encouragement for global leadership development.

The First Hurdle: Family Influences

We turn now to early childhood influences, a subject that inevitably triggers the nature-nurture controversy. Although genetic factors play an important role in leadership, the effects of nurture on the development of leadership potential should not be discounted. While human development occurs within a matrix of a genetic inheritance—including a predisposition toward one sort of temperament or another—the interaction between parent and infant/child is an important influencing factor in the development of character in general and leadership potential in particular.

The ease with which an infant or child relates to strangers is dictated by the security of the infant-mother attachment. The way in which children react to initial encounters with strangers depends on the nature of the child’s early attachment to the primary caretaker. A strong sense of security encourages young children to explore their environment in a playful and creative way and establishes the foundation for healthy narcissistic development and realistic self-
esteem. Parents who help a child deal with his or her frustrations and disappointments—natural consequences of the child’s growing curiosity and need to explore the world and push boundaries—in an age-appropriate manner provide a secure base for the child’s growing autonomy. Through supportive interaction with the parent, the child develops a cohesive sense of self and a set of core values that later allow him or her to function in a relatively problem-free way at work and in private life (Kets de Vries & Mead, 1992). Thus the foundation is laid at an early age for the ways in which a person reacts to new or unexpected situations. A positive sense of self-esteem developed in childhood also helps adults to be more comfortable when interacting with people from different cultures. Xenophobia and ethnocentricity are culturally contingent for the most part, however; they are spawned by the kind of socialization the child is exposed to.

The more intercultural experiences children have early in life, the more likely they are to develop the kind of cultural empathy necessary for leadership effectiveness in a global setting. To give a small example, European children of today are used to seeing words on the cereal box at breakfast printed in at least three languages. Similarly, words spoken in foreign languages are no mystery to them—even at a very early age.

Because of the impact of early socialization, early exposure to different nationalities and languages can be a determining factor in how well an adult deals with cultural diversity later in life. Cultural exchange programs and summer camps open new vistas for young people. Dramatic examples include camps for Israeli and Palestinian children, or Irish children from both Belfast and Dublin. These multicultural experiences can counteract home- or society-bred xenophobia. A child who grew up hearing about “bloody Prods” may, after spending two weeks in a wet tent with one, have an “a-ha” experience that shatters preconceived prejudice. Children of mixed-culture marriages, bilingual parents, or diplomats or executives who move
frequently also have an advantage—so long as the experience of cultural immersion is seen as positive by the parents. If the family does not provide a stable base from which the child can explore the world, cultural differences can turn into a frightening cacophony rather than a grand adventure. As the child moves through the developmental process, it is important that he or she retain a set of positive internal images that act as stabilizers in an often bewildering world.

The Second Hurdle: Education and Work Experience

Education plays an important role in shaping the mindset of the developing child. At the international school in The Hague, for example, a class of eight-year-olds might read and discuss The Diary of Anne Frank, a controversial but enriching topic for a group of French, German, English, Dutch, and American children. At a later stage in life, an international executive education has become almost a requirement for global leaders. An MBA program such as that offered at INSEAD, a business school in Fontainebleau that has no national identity, is a breeding ground for attitudes of cultural relativity. INSEAD students work in mixed-nationality study groups over their ten-month course: a typical group might include one American, one French, one Russian, one Japanese, one Swede, and one Brazilian. As these individuals work together on various projects, they develop the necessary cross-cultural mind-set, minimizing ethnocentricity.

On-the-job training offers education of another sort, and it is no less vital. Exposure early in one’s career to international leadership experiences—by experiences we mean concrete project responsibility—is important. Such experiences hone a person’s capacity to cope with difficult leadership challenges later in the career cycle, especially if they occur in conjunction with an internationally oriented human resource system and an organizational support system conducive to the management of global careers. (This support system must take into
consideration the family situation of the global executive, just as the hiring process must include criteria for selection according to that situation. The spouse or partner must be supportive, adaptable, adventurous, and mobile. Children are also an extremely important factor. The hard truth is that the majority of expatriate assignments that fail do so because the family of the executive cannot adapt.

Molex is a good example of an organization that looks for global leadership potential in young employees and then provides opportunities for people to develop that potential. This American technology firm is a pioneer in creating a global mindset. And it needs to be: more than 70 percent of its turnover comes from outside of the United States. Only about 25 percent of Molex’s employees live in the U.S; the others are local nationals. To facilitate the multicultural interchange, Molex hires foreign students who are living in the United States and want to work for the company in their home country. The Americans they hire must speak at least one foreign language, have experience in living in other cultures, and be willing to relocate.

Molex also custom-designs a career path for entry-level employees and then follows progress on foreign assignments, seeing that people get the necessary support and training. Outlining a career path ensures that the negative experience of “Hi, I’m home; now what?”—the fate of many returning expats in other companies—does not occur. It also permits far-sighted succession planning. Molex’s international success is due largely to the fact that the global division was set up thirty-two years ago. The international perspective of the selection process and the focus on training people in entry-level jobs to have a global mindset has already proved to be an excellent developmental approach (Solomon, 1995).

Samsung, the $90bn South Korean chaebol or conglomerate is another model of global effectiveness, sending selected employees to the country of their choice for one year. These
people participate in the Overseas Regional Specialist Course, part of the organization’s Leadership Development Program. The task of the participants: forget market penetration, bench-marking, or whipping the local subsidiary into shape; just absorb local language and culture for a year at the company’s expense. The participants are free to learn whatever they wish. There are only two constraints: contact with the organization’s local officials is forbidden, and participants must use public transportation to facilitate close contact with the people who live there. After six months, these cultural adventurers visit company headquarters to present what they have learned to date; then they return to the field for the final six months. When their sojourn is over, they return home and spend two months in intensive debriefing, sharing the lessons learned with colleagues throughout the organization.

Employees who participate in Samsung’s Overseas Regional Specialist Course are selected on the basis of language tests, supervisor recommendations, and performance evaluations. They are judged not only by their technical competence, but also by an already evident predisposition toward the global leadership qualities we discussed earlier. With a self-stated goal of becoming one of the world’s top companies, Samsung invests $200m per year in leadership development. Their Global Management Institute educates about 200 people daily on global, regional, and national trends; and their Internationalization Program rotates employees throughout the world on a regular basis. These programs reflect what Samsung considers to be one of the most important precepts of its organization: the making of a global mindset (Tae-Gyun, 1997).

Nokia, the number-one maker of mobile phones in the world, is now a household name. The 136-year-old Finnish company, once a manufacturer of everything from rubber boots and toilet paper to TVs, transformed itself under CEO Jorma Ollila into a producer of mobile phones at the cutting edge. A large part of Nokia’s successful transformation is due to its
ability to turn from a provincial organization with 60 percent of its business in Finland ten years ago into a truly global organization with only 4 percent of its activity in Finland in 1999. Of the 44,000 employees hired in the last three years, half work outside Finland. The organization is flat and highly decentralized, with R&D centers in Japan, the UK, and Finland, factories in Texas and China, and the design center in California.

Innovation on a global scale is a core value at Nokia; in fact, 25 percent of employees are in R&D. Ollila keeps the organization nimble by shaking up his board and top managers: he changes their functions regularly and sends them out to different geographic locations to communicate business strategies and targets. The workforce is young, averaging just over thirty years old. Not only does Nokia benefit from youthful ideas and energy, but it is also able to draw from this group to develop its own leaders.

Not surprisingly, global leadership is a key preoccupation among the members of the board at Nokia. For example, they work closely with the company’s Panorama Leadership Program for senior executives. Members of the board take a leading role—as faculty members—in this action-learning program. A central feature of the program involves giving executives greater geographical familiarity. Each year, one module of the program takes place in a different area of the world—an area in which the company wants greater market penetration or which is viewed as a potential provider of new technology skills. Thus executives have to spend time in, for example, China, Japan, or the United States. These seminars, which help to create multicultural groups, represent the kind of cross-cultural exposure that has put Nokia at the forefront of the industry.

Molex, Samsung, and Nokia stand out as exceptional organizations that are farsighted enough to devote time and money to developing truly global leaders. These organizations are ahead of the game because they already have in place a set of values, attitudes, and behavior patterns
that center on cross-cultural empathy. They have gone to great lengths to build up a critical number of globally competent employees—the pool from which leaders of the future will come.

Contrast these leading global firms with companies that use their foreign subsidiaries as parking lots for redundant employees when times are lean at home (“home” in most instances being the United States). Or compare them to companies that send expatriates to take charge when an expensive and important new factory or project is due to come on line in a subsidiary, passing over the local employees who did the initial groundwork. Predictably, the local executives resent such decisions and act accordingly; the expats (and their families) are equally unhappy, stressed by a hasty move to an unfamiliar environment with little preparation (a cursory language program at best) and no guarantee of a job in their home country when the foreign assignment is finished.

There is no easy solution to the development of leaders in a global age, but companies that carefully select and strategically develop people with global leadership qualities—companies like Molex, Samsung, and Nokia—will have a competitive edge sooner rather than later.

**The Third Hurdle: Corporate Culture**

The global mindset of the organization, as we have already pointed out, is—and should be—shaped from the top, though that shape will vary from company to company. For Percy Barnevik, chairman of ABB, a strong corporate culture is a great equalizer. At ABB, the culture is codified—a kind of Rosetta stone—in ABB’s policy “bible.” This twenty-one-page document describes ABB’s values: among them, how ABB should create a global culture; what can be done to understand others; the benefits of mixed nationality teams; and how to avoid being turf defenders. ABB’s official language is English, although Barnevik used to remind native speakers to be patient with colleagues who are less proficient.
Global leaders must create multicultural organizational communities by establishing a corporate culture that transcends these differences and establishes a number of “beacons”—values and attitudes—that are comprehensible to employees from diverse cultural groups. Thus programs for developing global leaders must not only focus on appreciation and accommodation of cultural diversity, but also create awareness of the need for a shared organizational culture. (See Figure 1 for an overview of the developmental action steps involved in the making of a global leader.)
Invigorating Followers

We have said that leadership can be seen as an interactive process, and we have discussed the development of the global leader, and the importance of situation, including cultural context both corporate and national. The third influencing factor on leadership can be extremely powerful and at the same time covert: that of the followers.

Thus, there is no leadership without followership. Without followers, a leader’s journey is solitary and unproductive. If the conductor of an orchestra lifts his or her baton and none of the musicians responds, there is no music. The conductor’s baton is not a magic wand; authority resides not in the baton but in the conductor’s ability to foster an atmosphere of controlled exuberance. Musicians follow the conductor because that musical leader not only knows the score intimately but also has a profound understanding of each section of the orchestra: the woodwinds, the strings, the brass, the percussion. Though the conductor does not necessarily know how to play every instrument, he or she knows exactly what sound each one can produce. The conductor who is a genuine leader, inspiring confidence and communicating well with followers, can direct and fine-tune the music—creating a symphony from a multitude of different instruments.

The CEO has the same kind of responsibility: orchestrating a vibrant vision that recognizes individual boundaries but ultimately pulls all the players together as a unified whole. The difference lies in the fact that, whereas professional musicians know the essential nature of their contribution and live their music, hearing it in their head day and night, most employees lack that inherent sense of meaning. Thus leaders who have the ability to instill a sense of meaning into the daily routine of an organization have an edge over their colleagues. As Percy Barnevik, chairman of ABB pointed out:
I believe that there is tremendous potential in our people that is not exploited. Take for
example the workers. They use only 5 to 10 percent of their brain capacity standing at a
machine. Then they go home. There they administer; they organize for the children;
they build a summer house. All of a sudden, they seem to be able to do an enormous
amount of things. They’re using 90 to 95 percent of their brain. Now, why can’t we
move these people into bigger tasks? (Kets de Vries and Florent-Treacy, 1999)

The dilemma facing any global leader is how to assemble a solid organization out of many
different individuals—different puzzle pieces, as it were. The essential question that needs to
be answered is, What is the common denominator? Put another way, what are the basic needs
that all human beings have in common—needs that, when met, can bind together people with
many different cultural backgrounds? A global leader’s role is to identify this binding
element, this something that will enable him or her to convince followers to transcend their
personal agendas and make the kind of commitment that makes a cross-border organization
exceptional.

What can be done to help leaders carry out this role? The meeting of human motivational
needs is the foundation on which leaders must build, if they hope to foster loyalty, motivation,
and performance beyond expectation. Leaders must pay attention to individuals’ desire for
identity; their sense of usefulness or meaning in life; and their feeling of attachment or human
connectedness.

**Replacing the Traditional Psychological Contract**

Globalization has made the challenge of meeting these needs more formidable. Changes in the
global economy—all part of this age of discontinuity—have contributed to a sense of
bewilderment on the job. With globalization accelerating the demise of the traditional
psychological contract that once bound worker and organization, the workplace is no longer the haven of security that it once was. The mental health of many executives and employees has been affected by these changes. Stress disorders, for example, are on the rise.

Many people who counted on their organizations to take care of them in the long term—and contain their anxiety about the future—have been disappointed. The traditional company person—that deeply loyal individual who confidently expected annual salary increases and a growing pension in exchange for loyalty—has become an endangered species in this age of restructuring and re-engineering. The safety net that the large corporation used to provide has all but disappeared. The traditional psychological contract that guaranteed employment and steady promotion in exchange for loyalty has largely been voided: *employability*—“we offer you the opportunities; you manage your own career”—has replaced *tenure*.

As might be expected, these changes in organizational relationships have led to an increase in cynicism and a decrease in morale, countering people’s search for attachment and meaning in the workplace. The popularity of the Dilbert cartoons, which highlight the difference between organizational rhetoric and reality, is symptomatic of the sense of alienation many executives in organizations experience. Like Dilbert, many of today’s corporate people, nostalgic for the sense of community they once knew in the workplace, feel imprisoned in their cubicles. They respond by sleepwalking through their corporate environment, merely going through the motions. Finding very little meaning in the work they do, they save whatever creative ideas they have for life outside the corporation.

Given these emerging dysfunctional behavior patterns, the dilemma facing organizational leadership in this age of globalization is a serious one: the breaking of the old psychological contract means that in many organizations work is no longer an effective outlet for self-affirmation, identity formation, meaningful experience, and containment of anxiety. There is
certainly little sense of attachment. The old psychological contract needs to be replaced; there
is no question about that. But how will the new contract look? Given the hurdles that have to
be overcome, who will the new role models be?

The task looks daunting, but the groundwork has already been laid. Not all senior executives
are disappointing. Some leaders in this new global world know how to create “good-enough”
containment; they know how to get the best out of their people; they understand the limits of
ambiguity; they know how to enhance creativity and innovation; they know how to make
work meaningful; they know how to create community in the workplace. These are the
individuals who are able to get extraordinary results out of ordinary people, while at the same
time transforming them into global employees.

**The Authentizotic Organization**

When the human motivational needs for identity, attachment, and meaning are being met in a
global organization, employees feel a greater sense of self-determination, a greater sense of
impact, a greater sense of competence (implying feelings of personal growth and
development), a greater sense of belonging, a greater sense of enjoyment, and a conviction
that their contribution has meaning. (See Appendix One.)

In a workplace that recognizes and provides for the essential human needs of attachment and
meaning, work contributes to feelings of community and accomplishment. These factors are
self-affirming, celebrating the individual’s place in the world and cementing a secure sense of
identity. The challenge facing global organizational leaders, then, is to build community and
find a purpose or objective that employees see as meaningful, inspiring them to strive in ways
that surpass simplistic formulas for return on investment and profit maximization.
Organizations that meet the human needs discussed above—organizations that are the new paradigm in this global world—are what we might call authentizotic. This term is derived from two Greek words: authenteekos and zoteekos. The first conveys the idea that the organization is authentic. In its broadest sense, the word authentic describes something that conforms to fact and is therefore worthy of trust and reliance. As a workplace label, authenticity implies that the organization has a compelling connective quality for its employees in its vision, mission, culture, and structure. The organization’s leader has communicated clearly and convincingly not only the how but also the why, revealing meaning in each person’s task.

The term zoteekos means “vital to life.” In the organizational context, it describes the way in which people are invigorated by their work. People in organizations to which the zoteekos label can be applied feel a sense of balance and completeness. In such organizations, the human need for exploration, closely associated with cognition and learning, is met. The zoteekos element of this type of organization allows for self-assertion in the workplace and produces a sense of effectiveness and competency, of autonomy, initiative, creativity, entrepreneurship, and industry.

In such organizations, cultural barriers and boundaries fall, and people put their imagination and creativity to work. They more easily discover a feeling of total involvement and commitment; they experience a deep sense of meaning about the work they do. As one CEO said, “People work for money but die for a cause. Slogans like profit maximization and shareholder value have only limited pulling power.” There is an important element of truth in this observation. The meta-values of the authentizotic organization—values that go beyond what frequently turn out to be slogans without substance (consider, for example, “respect for the individual,” “delighting the customer,” and “empowerment”)—are those that enable
followers to let go of their old expectations (based on the concept of lifetime employment with a “safe” domestic company) and become fully engaged global employees.

**Creating the Authentizotic Organization**

Some of the world’s most respected companies—world-class authentizotic organizations—are globally recognizable: General Electric, Microsoft, British Petroleum, Coca-Cola, IBM, Goldman Sachs, ABB, Intel, Merck, Johnson & Johnson, Wal-Mart, Nokia, NovoNordisk, and Southwest Airlines are a few examples. It comes as no surprise that many of the CEOs of these organizations are also well known: Jack Welch (GE), Bill Gates (Microsoft), Doug Ivester (Coca-Cola), John Browne (BP), Lou Gerstner (IBM), Percy Barnevik (ABB), Andy Grove (Intel), and Herb Kelleher (Southwest Airlines) are among the most admired business leaders in the world. Many of their organizations also appear on lists of best companies to work for. On closer analysis, most of these organizations reveal an authentizotic quality that plays an important role in their success.

Many of the leaders heading up these organizations have fostered a strong sense of purpose for their employees while implementing the processes necessary for a global organization. In their own search for meaning, these leaders have created a vision that clarifies what the organization stands for, highlights the organization’s fundamental purpose for existing, and recognizes the importance of each employee’s contribution. In addition, they have outlined the values and beliefs that define the organization’s corporate culture and clearly specified the strategies that will make their vision reality.

The leaders of the world’s most admired companies have shown that they have the talent not only to design a multicultural strategy but also—and perhaps more important—to mobilize and energize their people. The international acumen that they possess has enabled them to keep their organizations at the forefront in global markets. At the same time, these leaders
have created world-class firms, maintaining sustained change and innovation in their organizations without forfeiting the respect and loyalty of their subordinates.

The values and beliefs that drive these leaders are an integral part of their individual vision, motivating them to spread their message with passion and conviction. Jack Welch, in transforming General Electric into the successful company it is today, advocated a set of clear organizational values that he drove down deep into the organization. Lou Gerstner, widely admired for bringing IBM back from the brink, is credited with a single-minded drive to instill a globally valid strategy. These men are leaders who know how to create enthusiasm and a contagious commitment.

Leaders of world-class organizations also recognize the importance of their roles as change-agent, cheerleader, coach, teacher, mentor, and integrator; in these interwoven roles, they change the way their people work by helping them to reframe their attitude toward work. Many leading global organizations believe that extensive training and development offer benefits to both employer and employee. John Browne’s innovative “virtual team network” at British Petroleum, for example, allows people to transfer learning from one part of the company to another, regardless of geographical location or position in the organization.

These global leaders instill in their employees a pride that goes beyond the numbers game. Recognizing the importance of contributing to society, they foster corporate values that answer some of the basic human needs described above, but with a crucial emphasis: their organizations accomplish their goals through teamwork, not autocracy. Through the collective efforts of the men and women who make up their organizations, these leaders attempt to change the world in a positive way.
If we analyze many of these widely admired global organizations, we see that they possess values that closely respond to the human motivational needs described earlier. In these high-performance organizations, employees feel that they are part of a community, enjoy what they are doing, and believe that they are contributing something to the world, that what they are doing individually makes a difference. Given what we have said about basic motivational needs, these meta-values—what we might simplistically label “love,” “fun,” and “meaning”—could be considered the heart of the authentizotic organization.

**Love:** Since the need for attachment and affiliation drives many of humankind’s actions, the most essential meta-value contributing to exceptional organizational performance is love. Banal as this term may sound in the context of the workplace, it serves well as an umbrella label for a sense of community. It does not imply willy-nilly adaptation and accommodation, but rather a corporate culture in which attachment and affiliation are the basis for trust and mutual respect. Trust is one of the most difficult and yet most essential elements in the construction of a culturally diverse organization. A trusting culture in turn facilitates a learning culture—one where people are permitted to make mistakes and to learn from them, and to learn best practices from nontraditional and often unexpected sources. This blend of trusting and learning results in distributed leadership—leadership that, as noted earlier, is spread throughout the organization, shared among leaders and followers alike.

A Dutch company in the transportation industry serves as an example of an organization in which the meta-value of love stands central. A new leader took the company through a remarkable turnaround from a demoralized loss-maker—one described as “fossilized,” “arthritic,” and “a snake pit”—to a very profitable market-focused organization. She surprised people by saying she intended to create a culture where trust and open communication would be priorities—a focus nearly unheard of in the male-dominated transportation industry.
In her first presentation to her new management team, she emphasized the importance of people: “Don’t call people assets,” she said. “I hate that. People are people, and they are especially important in a business like ours.” She knew that her first task was to build trust among the management team and employees; only when that had been done could they begin to integrate new pricing strategies and client services. She spent the next few weeks listening to and talking with her people, travelling to all the regional offices. She rode along with delivery drivers for a day in various sectors, and checked in on personnel in the hubs and terminals. She saw these activities as great opportunities to learn what was important to the employees, what they thought about the company, and how they saw their own lives interacting with their work environment. Although she made no promises in response to any of the questions and concerns raised by the people during her visits, the employees felt that she had really listened to them. Now as then, this CEO sees feelings as facts; she believes that people should put their emotions on the table. Although she can be very demanding and has been described as having a “digital” mind, she has been able to create a “safe space,” a culture of acceptance and tolerance. In cases of conflict, her message is: Everyone is different; respect the way people do their jobs.

Organizations low on “love” are eventually troubled by dysfunctional behavior. Paranoid thinking may take hold in such organizations, along with existential loneliness (a basic form of anxiety). Furthermore, people may waste energy on defensive routines and ritualistic behaviors rather than concentrating on teamwork and striving for excellence. This lack of a sense of community becomes critical in global organizations, where the resulting negative atmosphere can be directly linked to the failure of many transformation and merger processes.

Organizations high on “love,” on the other hand, like the one we described above, are characterized by good corporate citizenship—a willingness to trust and help each other. The
meta-value of love is also the foundation for acceptance of cultural differences in global organizations. Employees with a collectivist perspective feel that they are part of a group—a feeling that provides structure and reassurance.

**Fun:** In authentizotic companies, employees enjoy themselves. When fun is an office meta-value, the distinction between work and play is blurred. Excellent companies, acutely aware of the link between play and creativity, encourage the playful potential of their people. The leaders of these companies recognize that when people have fun, they not only work harder but are also more creative, more innovative, and nicer to customers. An atmosphere of controlled exuberance can be highly motivating across the spectrum of workplace behaviors.

Unfortunately, in too many companies fun is completely discounted as a value. Work is merely a chore, carried out with very little pleasure. Indeed, pleasure is generally seen as something permitted only outside the organization. Being in the workplace is like being locked up in a psychic prison; it is a gulag experience. Employees behave like sleepwalking zombies, going through the motions without being fully present. With all enthusiasm pressed out by the corporate culture, they lead depersonalized lives in a depersonalized setting.

But corporate life need not be so dismal. Insightful executives in high-performance organizations, of whom Richard Branson of Virgin is a prime example, realize that turning work into an exciting adventure can make all the difference to employee attitudes and productivity. Richard Branson said of Virgin, “We’ve done things differently, and that’s made life more fun and enjoyable than if we’d taken a more traditional approach that business schools teach. I’ve been determined to have a good time.” Lord Simon, ex-chairman of British Petroleum, when asked what he would like to be remembered for, answered, “I think one of the nicest epitaphs I’ve heard for anybody is: ‘That’s a guy I’d like to go and have a drink with’” (Kets de Vries & Florent-Treacy, 1999).
Herb Kelleher, one of the founders of Southwest Airlines, is one of the world’s most respected businessmen, despite his almost eccentric emphasis on the importance of making work fun for employees. Kelleher, like Richard Branson, is a one-man band whose self-proclaimed purpose is to create a relentless culture of fun. His management style is a mixture of pranks, laughter, and friendliness—or, to borrow a description used by many, “management by fooling around.” Not surprisingly, Southwest employees are encouraged to liven up passengers’ travels with jokes and tricks whenever possible. This all has a serious side: Kelleher is convinced that if employees are happy, all will be well.

Although we all know of the pitfalls of humor that await those who are culturally unaware—the line between humor and insult is fine indeed—fun is less culturally contingent. Playfulness in an organization is a great leveler, allowing for a somewhat egalitarian atmosphere despite hierarchical constraints and cultural expectations. It also encourages cross-cultural networks and friendships, helping to break down barriers among people who must get to know and trust each other in order to accomplish a goal. Good spirits are, after all, universally contagious. Frankfurt police once were called to investigate a disturbance behind a local Wal-Mart. They discovered thirty-five employees practicing the Wal-Mart cheer. And in Sun City the top hundred employees of Investec, a highly successful South African investment company, amused other hotel guests by exuberantly playing musical instruments together. Neither of these episodes shows what people would consider typical behavior for companies in those regions—but in a way, that was exactly the point.

**Meaning:** When people see their jobs as transcending their own personal needs (by improving the quality of life for others, for example, or by contributing to society)—in other words, when the meta-value of meaning is honored—the impact can be extremely powerful. Naturally, companies operating in certain industries have a competitive advantage. Consider
the pharmaceutical industry, for example. Being part of a group of people who are striving to preserve and improve human life through the development of new medicines helps sustain the meta-value of meaning in the organization and is very motivating. Guidant—an American company that makes machines related to the treatment of heart disease—brings patients to the company’s annual meeting to tell employees how Guidant’s products have improved their lives. Merck produces a drug that combats river blindness, a disease that many people suffer from in Africa. Since those who need it most are unable to pay for the drug, Merck gives it away. NovoNordisk, the world’s major insulin producer, also hands out its products to many people in need, an act that creates a deep sense of meaning for employees.

Granted, these gestures are sometimes financially motivated, but we know of many cases in which CEOs and employees are driven by genuinely philanthropic motives. And the employees know the difference. Leaders of global authentizotic organizations make it clear that they want their people to feel proud of their organizations; they want them to experience their companies as something special. Percy Barnevik once said that he was motivated by a desire to make a better world by creating employment (particularly in Eastern Europe) and by providing clean energy and transportation. Though never denying that their business is finding and supplying petroleum to the world, for British Petroleum environmental issues are critically important. Some environmentalists concede that BP is at the forefront of the multinational organizations that are taking global warming seriously. Nokia is in the business of connecting people—not surprising for a company that originated in a country of vast distances.

Kazuo Inamori, one of the founders (and a former chairman) of Kyocera—the largest maker of ceramic packages for semiconductors in the world—has long been one of the world’s most respected business leaders. He is also a Zen monk. Though he is not without critics, his
business philosophy seems to be an example of a fine balance between working for the good of humankind and setting financial targets that are to be single-mindedly and efficiently achieved.

The creation of meaning in our lives is primordial, because it is the antidote to our fear of death. The challenge for organizational leaders is to recognize the need for meaning and create circumstances that allow people in organizations to go beyond narrowly defined organizational vision and mission statements. Organizational leaders have the responsibility to institute collective systems of meaning. They have to create conditions that reveal a congruence between personal and collective objectives so that the work done in their organizations makes sense to the people doing it. This congruence comes about only when employees’ motivational need systems are aligned with organizational values that allow people to make their subjective experiences and actions meaningful.

**Coming Full Circle**

Playwright-dissident Václav Havel obviously knows something about the significance of meta-values in the new global world. He made the following comments upon assuming the presidency of Czechoslovakia on New Year’s Day 1990:

> The recent past … has shown the enormous human, moral, and spiritual potential: the civic culture that has slumbered in our society beneath the mask of apathy. Whenever someone categorically claimed that we were this or that, I always objected that society is a very mysterious creature and that it is not wise to trust the face it chooses to show you. … [P]eople are never merely a product of the external world—they are always able
to respond to something superior, however systematically the external world tries to snuff out that ability (Safire, 1992).

Havel also talked about “the art of the impossible—namely, the art of improving ourselves and the world.” A master at creating meaning, he electrified his people by the power of his words, emphasizing the tenacity of the human spirit.

More than four decades earlier, an American statesman mesmerized his public in a similar way, presenting his dream for a new world order. Franklin Delano Roosevelt’s words—part of his fourth inaugural address in 1945, during a period of extreme world turmoil—could be taken as an epithet for today’s successful global organizations and their employees. He said,

> We have learned that we cannot live alone, at peace; that our own well-being is dependent on the well-being of other nations, far away. We have learned that we must live as men, and not as ostriches, nor as dogs in the manger. We have learned to be citizens of the world, members of the human community.

It is our hope that we in the business community can take the comments of these two visionaries to heart, nurturing the kind of global leaders who will foster a rich interplay among the meta-values of the authentizotic organization. Such global leaders, as part of their quest for meaning, will encourage a sense of community in their employees and a sense of continuity in their organizations, will allow their employees to “play,” will give their employees the opportunity to express themselves creatively and fully, and will highlight the value of organizational tasks. In addition, they will transmit to their employees a feeling of appreciation as individuals, a sense that their contributions make a difference. This congruence between inner and outer worlds will promote both individual and organizational health, laying the groundwork for a new psychological contract in global organizations.
Identity, Attachment, and Meaning

Freud’s definition of mental health as *lieben und arbeiten* (to love and to work) still rings true: as a way of establishing identity and maintaining self-esteem, work has always been an anchor of psychological well-being. A sense of *identity* is at the core of each person’s character. It defines the individual’s role in the world; it embodies a set of values and beliefs; it enables the individual to recognize and value his or her own capabilities; and it dictates how people treat each other and how they think of others in relation to themselves.

Although identity is deeply personal, revolving around subjective self-experiences, it is also other-focused. If we are to have a secure sense of identity, our own subjective perceptions of the self must be corroborated by the perceptions of others. In addition, our identity depends on the kind of support we receive from the *collective* sense of identity held by social groups important to us. Class, gender, race, and cultural background—as well as the work we do—contribute to the establishment of identity. Over time, aspects of the acquired social identity that were initially arbitrary—we adopted them only because the group had adopted them—become psychologically essential. This is one reason why changes in the workplace can be so traumatic for employees.

Identity formation is a natural offshoot of the innately unfolding experience of human relatedness. Humankind’s essential humanness is found in the seeking of relationships with others, in the desire to be part of something larger as a way of reaffirming one’s own identity. Out of this need for *attachment* and belonging, this universal experience of wanting to be close to others, we discover the pleasures of sharing and affirmation. When this need for
intimate engagement is extrapolated to the group context, we call the desire to enjoy intimacy a need for affiliation. Both attachment and affiliation serve a balancing role in the emotional sphere: they affirm our self-worth and contribute to our sense of self-esteem.

As adults, we spend most of our waking, active hours in the workplace. On the office stage, we act out the scripts of our inner theater as we face some of the most difficult stresses and strains of daily life. Work defines—either positively or negatively—our feelings of effectiveness, accomplishment, and belonging. It affects how we see ourselves, coloring our sense of identity, and it pulls us into relationships. Moreover, work in organizations, directed toward the achievement of shared goals, answers another human need: it allows us to feel useful. Like the need for human connectedness, the need to commit ourselves to something that is valuable, that has meaning, is essential. If we invest ourselves in meaningful activity at work—activity that transcends personal concerns—we create a sense of continuity, a feeling that there is purpose to our existence. We leave a legacy of self in the organizations we participate in—whether as an entrepreneur founding a new business, a CEO transforming a foundering enterprise, or a machinist striving to meet goals that we helped to set. In all these cases, the organization can be seen as a symbol signifying and justifying our presence in this world, no matter how small our individual contribution may have been.


