

Reaching Out Globally to Advance Women's Leadership

Advancing global leadership for women is an important strategy for some companies ... and for some individuals. What is the best way to help develop women for key international assignments? Is there a different set of strategies for men and women?

The importance of women as leaders and consumers worldwide elevates this question since:

- The participation of women in the workforce is increasing worldwide — for example, to the tune of up to 74% in Denmark and 54% in the U.S.
- Women are increasing their political and consumer influence. Women worldwide have decision-making influence in 50-85% of consumer purchases.
- Fortune 500 companies with the highest number of executive women had a 35% higher return on equity and 34% higher return to shareholders than companies with fewer women.

Still, stereotypes and misconceptions limit the development of women globally. For example, according to one study, women are stereotyped as having lesser roles, ambitions, and abilities, but these stereotypes couldn't be further from the truth. While stereotypes suggest otherwise, women are equally interested in achieving top level leadership positions as men.

Barriers to Advancement/Critical Success Factors

One of the barriers to women's development is the lack of role models and mentors. Research indicates that mentoring is a critical factor for the success of women in business, yet women around the world lack senior role models in the workplace and cite this as a major barrier to their advancement. The lack of role models is even more pronounced in technical professions.

The lack of line management experience may also be an issue. In survey after survey, women say they would like to be trained for and offered midlevel positions that prepare them for top positions. *In the U.S., most CEOs agree that a major obstacle for women is not getting the key business experience they need.* This can include especially critical global assignments. In a recent panel discussion at the Forum of Executive Women, both Ann Wilms, Vice President, CIO and Director of Human Resources at Rohm and Haas Company, and Denise Morrison, President, Campbell's USA, discussed key factors that influenced their success in high level roles. Both acknowledged that taking on large risky assignments with a "backer," someone in the background with whom they could discuss business issues and concerns as they evolved, was critical to their achievements.

Success in a Global Setting

In a global setting, complex dynamics and cultural differences, while in many ways opportunities, can complicate leadership. Required skills may be different. There is diversity, but power isn't necessarily shared. Communications can be complex. Traditions that may be second nature are not always appropriate in a global setting.

Five Rules for Success

To achieve success in an international role, women need to know five basic rules:

1. Understand that *international success = cultural competence*. Becoming culturally sensitive and aware are important 21st century leadership competencies. What goes with awareness is participating with others. Being social is part of what puts you in the position to learn more and to have others learn more about you.
2. *Having a learning mindset helps you learn about yourself as you learn about others*. Open-mindedness and flexibility are part of the right formula. Self-awareness is both a product and an outcome of a globally focused learning mindset.
3. *Do your homework — sometimes cultural differences occur at the perspective level*. This perceptual difference can explain many things. For example, some cultures are more oriented toward the collective, others toward individualism. This can influence the way problems are perceived and handled. Collectivist cultures believe it is important to look after the collective in response to loyalty to it. The goals of the collective and the individual are the same. People are expected to serve the groups to which they belong and prefer group to personal recognition. The U.S. and Australia are highly individualistic, while many Asian countries are highly collectivist. This is just one example of how a cultural perspective influences what people and organizations value and do.
4. *Self confidence is an important foundation* on which to build. Connecting to individuals based on their perspective means being able to suspend your own perspective at times — and keep confident enough to deal with curiosity.
5. *Find the bridge*. Even though we all differ, there are always some similarities. Being curious is the key, and women have the right bridging skills: empathy, awareness, and understanding.

The demands of work and career for women can be complex when mixed with the commitment to family and personal responsibilities. And getting on the radar screen requires learning the criteria for business success.

For the 8 Axioms for Success developed by Catalyst Consulting, go to www.keyleadership.com/women_leaders.htm

News You Can Use

KLI Founder in the News

KLI founder Paulette Gabriel is recognized as a dynamic speaker with extensive experience. After receiving rave reviews the first year, the American Society of Women Accountants has asked Paulette back for a second year to speak about negotiation skills. Further, a global organization invited Paulette to speak at its annual women's executive conference on subtleties and strategies for leadership in international firms.

KLI Achieves Preferred Vendor Status

Being selected as a preferred vendor is an honor that Key Leadership Initiatives takes seriously. Why? Being accepted into companies' preferred vendor programs is a testament to KLI's reputation and credibility in the industry. Being a preferred vendor means that our products and services are held in high regard and that you can be comfortable asking us to *provide services without concern about quality and value*.

We are proud to announce the most recent companies that have selected KLI as a preferred vendor: the Delaware Valley's largest health insurer and a world leader in biomedecines.

150 North Radnor-Chester Road
Suite F 100 / Radnor Financial Center
Radnor, PA 19087
610.971.8162 (p) 610.971.3330 (f)
info@keyleadership.com (e)

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Leadership Matters

It's a Matter of Trust...

"The long-term costs of deception are very high."

That's the conclusion of three Wharton School professors in their research paper entitled *Promises and Lies: Restoring Violated Trust*. The professors devised a unique laboratory experiment to see what happens when trust breaks down. They found that when a person's trust is violated — and that violation includes deception — it's difficult to restore that trust. The researchers note that "while deception may be tempting because it can be used to increase short-term profits for the deceiver, ... the long-term costs of deception are very high."

We Need Trust in Our Organizations

Studies have shown that managers lead more effectively and negotiate more efficiently when they are confident there is trust in their companies. The authors of the Wharton study cautioned that, in the workplace, trust is essential to day-to-day business, whether it's one colleague trusting that another will do his or her share of a project or a customer trusting that a company will fill an order correctly and on time.

Building trust used to be a fundamental in every leader's guide as a key to motivating others. At KLI, we work with a variety of teams on issues of strategic performance, including trust. *But why is trust even more essential to the bottom line today?* As more and more organizations structure in ways that are fluid and less hierarchical — where self-managing and virtual teams are the basic work unit and where collaboration is essential — higher levels of trust are required.

Building and Sustaining Trust

Leaders need to avoid a classic mistake when it comes to trust — *Don't fall into the trap of viewing trust as a soft issue detached from business realities, of thinking there is little you can do about developing a climate of trust*. Quite the opposite is true. Building and sustaining trust are important business strategies that are inextricably connected to leadership and how leaders enact their leadership agendas.

How do you build trust at the organizational level?

- *Build alignment*. Teams respond best when there is a sense of "being in this together." A clear vision helps, but it's not enough. A clear roadmap and shared values create the deep alignment that prompts trust.
- *Build belonging*. People are proud to be part of something special. That's a fundamental source of satisfaction and commitment. To sustain trust, belonging and pride, leaders need to use a variety of methods to increase "connection" —

and must make people and information accessible at all levels and locations.

- *Build controls and consequences*. How those who succeed ... and those who fail ... are dealt with can be interpreted by managers and employees as indicators of the leadership and organizational agenda. It is important to be fair, direct and consistent and to establish a backdrop of safeguards (policies, etc.) that reinforce the value and importance of trust.

Defining Trust

According to the Wharton researchers, we trust when we "accept vulnerability based upon positive expectations about another's behavior." But in organizations today, trust is becoming more elusive. The traditional basis for trust — stability and loyalty — has been replaced with changes in strategies, structures, work processes and in the workforce itself.

When Trust Is Broken ... an Assumption?

When asked what happens when trust is broken, our first reaction may be that *once trust is broken, it is difficult to regain*. But we know now that may not be true. The Wharton researchers found that "trust harmed by untrustworthy behaviors can be effectively restored when individuals observe a consistent series of trustworthy actions." What that means is that *you can build trust if you're willing to work at it*. And that's good news for any organization.

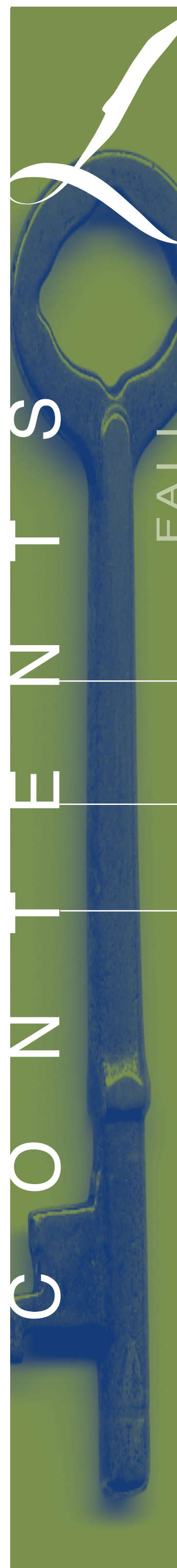
How to Enhance Trust in Your Organization

There are several ways leaders can enhance trust in their organizations:

1. *Demonstrate personal integrity*. Behaving in ways that align words, actions and outcomes is fundamental.
2. *Show concern — real concern*. Bring a personal touch to demonstrating that you see and appreciate individual differences. Let your team members know that what they bring to the team as individuals is tied to the overall success of the team. This approach builds commitment and trust.
3. *Make trust building practices an overt part of your strategy*. As a leader, part of your job is to architect and foster the right climate for professional excellence.

Trust reveals itself as a significant factor for just about every team. It rises in importance in ways you might not expect. Trust-based environments seem to bring out the best in people ... creativity, innovation, positive team behavior. The highly regarded team instrument, Knowledge Team Effectiveness Profile (KTEP), used by KLI is backed by research with more than 10,000 people. We know from our experiences that trust is the number one factor for promoting team effectiveness.

Would you like to check in on your trust strategy? Take the quiz at www.keyleadership.com/quiz and get immediate feedback online!



It's a Matter of Trust

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Our Mission
Key Leadership Initiatives:
Providing expertise to you and your organization in critical areas where business issues and people issues intersect.

Human Resources

Developing a more strategic function with an emphasis on business partnership.... that's the goal of many internal service functions in today's organizations

Human resources practices today are critical to ensuring that people and organizations perform at their best ... that business strategies move from ideas to action.

Several years ago, Dave Ulrich, a University of Michigan professor, talked about new business "realities" and their impact on human resources.

Making a Contribution

Ulrich said human resources professionals need to be more than partners ... they need to be players who contribute and add value. A player is a collaborator who makes a difference as a:

- **Coach** who focuses on behaviors and attitudes, who understands how to motivate and encourage teamwork. As a coach, the human resources manager must establish a relationship of trust with management.
- **Architect** of the organization who turns ideas into actions. The architect knows how to talk with management and focus on the issues – and choices – at hand.
- **Designer** who can implement ideas, who can shape and encourage employee behavior that is consistent with the organization's business strategy. KLI has assisted human resources managers in staying current with human resources theory and practices — absolutely necessary if they are to shape employee actions.

A CASE STUDY IN :

Developing a Strategy to Action Focus for a Changing Organization

A large services organization had a human resources approach that was primarily tactical. During a strategic overhaul of the business, company management realized that since human capital was the primary asset of the organization, the human resources function could deliver a significant amount of value. While revenue growth in the past had come at a reasonable pace, it was no longer a given. Real growth in strategic areas was central to the new strategy. Specifically, this organization needed to focus on:

- **Building leadership bench strength.** Attracting, developing, and retaining the best became crucial to the company's growth strategy.
- **Linking compensation to strategy.** In the past, compensation based on revenues was a major driver and key to attracting the entrepreneurial types who were relevant to earlier stages of the business cycle. Going forward, though, different factors would contribute to the formula for success. The compensation strategy needed to be updated and focused on appropriate levers ... including growth.
- **Fostering a performance and accountability culture.** In this regulated industry, measures of performance centered mainly on meeting standards. But to become global ... and to grow at double digit rates ... different measures of performance would be needed. Developing and then embedding these new fundamentals was a key function of human resources management.

It's easy to see how business strategy and human resources strategy went hand in hand. But strategy wasn't everything. Their question is: **How do you turn strategy into real action that matters?** KLI worked with a human resources executive to develop a more strategic focus for the department that would result in actions aligned with strategy.

Vision, Mission, Beliefs, Values

First, it's important to understand that every good human resources strategy is founded in the overall vision for the organization. And that strategy reflects the company's values and beliefs. **The first step is understanding how human resources is a linchpin in the organization** ... and then translating that understanding into direction-setting statements and approaches.

Human resources executives must be able to **understand what drives their business** and then accelerate, coordinate, link, and execute these drivers in a way that will make the most significant difference to their businesses.

Culture, People, Systems

The job of human resources is to align important organization levers to deliver the value that supports business goals and objectives. Human resources might ask:

- What are the capabilities the organization needs to be successful?
- How does the company gain access to these capabilities?
- What does the organization need to do ... and do it well? For example, how do we open new offices with speed and continuity? What is our approach to recruiting? How do we stand out as an employer?

We can break this down into several fundamental concerns of human resources, including:

- What can the company do to acquire, develop, and retain talent for the linchpin role in the growth strategy?
- What industries and companies excel at the kind of growth we are looking to achieve — and where can we look for approaches that may not be in our industry but share some of the same approaches to developing business, markets, and customers?
- What is the best way to accelerate and reinforce the new strategy and culture?

These concerns have both an operational component and a strategic focus. KLI partnered with human resources to challenge existing assumptions about critical issues and frame these issues in a way that considers the consequences. The decisions, then, pinpointed the mix of human resources systems that will make the most significant differences in the business.



- **Facilitator** who can focus on the team, shape the point of view and offer feedback. Ulrich says facilitators know how to manage power and authority. Human resources executives know how to use resources to achieve their goals ... to make decisions.
- **Leader** who has what it takes to be in the forefront ... who knows the behaviors he or she must exemplify to be leaders.

What the organization should focus on: Content for Strategic Action

Ulrich said specifying content for human resources comes from three primary sources:

- Human resources deliverables, which shift the focus from activity to outcome,
- Organizational capabilities — or what the organization is good at, and
- Investor tangibles — the true value of a company to shareholders that goes beyond earnings.

In order to deliver, human resources professionals need to be particularly knowledgeable about:

- The business and how the human capital of the organization contributes value.
- How to transform cultures and practices to align with organization strategy and goals.
- How to deliver talent as an asset to the organization ... just in time.
- How to deliver human resources practices in the most cost-effective and valuable way.
- Globalization and how to streamline while maintaining local identities and practices.

It is no longer enough to be good at functional human resources. The strongest human resources departments add real value to the bottom line.