The Quest For a New Paradigm of International Leadership

Inauguration of the Van Rossum Professorship on European Multiculturality at the Solvay Business School

Opening Lecture of Professor Fons Trompenaars, Holder of the Professorship Van Rossum

In the presence of:
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Culture for business

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Fons Trompenaars

Abstract

In today's rapidly changing world with the continuously evolving global perspective, the paper argues that existing models and theories of leadership are failing to serve both the academic and business communities. After a decade of consulting and research, a new model of leadership is proposed that transcends both national and organisation cultures.

The principal research question addressed is:

> *'How can we construct a new robust framework to explain leadership in the 21st Century and to inform professional practice?'*

The paper reviews the classical theoretical frameworks of leadership including trait, behavioural and situational theories. Such frameworks owe their origin to either a North American or Anglo-Saxon base and are increasingly inadequate to explain leadership or inform professional practice when applied to cross cultural environments. It is argued that the dilemmas that leaders are facing in the current world are hardly even considered.

Thus it is concluded that a new theory of leadership is needed to tackle the way in which leaders will deal with value dilemmas. The core proposition that evolved from the earlier stages of the research and provides the basis of the new theory is that:

> *Successful leaders in the 21st Century have the propensity and competence to reconcile dilemmas to a higher level.*

We adopted a broadly inductive approach ~ with both quantitative and qualitative data collection and analysis. Data has been accumulated over time from our consulting as and when it arose based on client needs, but also we have sought to collect data pro-actively to 'fill in the gaps' in our enquiry. The extensive data from these multiple sources serves to provide triangulation to our evidence. We can claim both high reliability from our volume quantitative questionnaire based studies and high validity from our in-depth interviewing, consulting and coaching.

The research reveals clearly that competence in reconciling dilemmas is the most discriminating feature that differentiates successful from less successful leaders. This also implies, increasingly, that the culture leads the organization. The leader defines what an organization views as excellent and develops an appropriate culture, thereby ensuring that the organization cannot do anything other than excel.

The paper enumerates key dilemmas that leaders frequently face and explores how these can be reconciled. Thus a new *Integration Theory of Leadership* is proposed and justified.

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Increasingly, the phenomenon of leadership has become the focus of attention in both the academic press and professional practice. The attempted mapping of the personality of outstanding leaders is an objective that has fascinated a diverse number of researchers. But we now see that the CEO seems to have fallen from his/her pedestal after recent financial scandals, particularly in the United States. For this reason and many others, it is clear that there is a need for a new paradigm of leadership because, as I will demonstrate, existing frameworks do not serve current times.

Thus my principal research question has been:

> *'Can we construct a new robust framework to explain leadership in the 21st Century and to inform professional practice?'*

We first need to review established theories of leadership and explain why they no longer serve us in today's global market.

Over the last century a number of theories were developed which can be conveniently classified under the following three categories:

First there is the trait theory, which examines whether there is a relationship between personal characteristics of leaders, varying from physical, social to psychological characteristics, and the success with which they perform their task. Particularly Bennis et al. (Bennis and Nanus, 1985) claimed to have found a relation between the effectiveness of leaders and properties such as logical thinking (translating ideas into simple forms), persistence (learning from errors and swimming against the flow), empowerment (enabling and enthusing others) and self-control (working under high pressure and resisting intimidation).

The criticism of the much-cited work of *trait theory* by Bennis and others, focuses particularly on the low correlation between effectiveness and personal properties. Moreover, it is frequently mentioned that such approaches don't consider contextual factors such as the type of industry or culture. Also, it does not seem likely that one can develop physical characteristics such as height, gender and skin colour. All this has been very helpful for the proponents of the theory of those who say that leaders are born and not made. Further, the effectiveness of many of the properties appears culturally dependent. For example, it is improbable that the traits of a good American leader have the same impact in Japan or France

A second stream of thought is known as the *behavioural theory*. This approach does not rely so much on personal properties of the leader, but rather focuses on the behaviour of the leader, particularly the behaviour which influences the performances and motivation of employees. Obviously here leadership style comes to the fore. It focuses on the behaviour of leaders towards subordinates and the manner in which tasks and functions of leadership are conducted. The classic study of Ohio State University, in the forties and fifties, concludes that an *initiating* style exists, for which performance-targeted behaviour is initiated with clear supervision, results in

orientation and role clarification, and a more 'participative' *consideration* style, for which leaders aim their behaviour at cooperation and satisfaction at work.
This model is very much centred around the research of scholars such as Tannenbaum & Schmidt (1973) and Blake & Mouton (1964) who respectively distinguished autocratic versus democratic or participative styles and task-specific versus person-oriented styles of leadership The weakness of this approach is that it ignores the complexity of the world of the relationship between both styles. Moreover, the context (of culture for example) is not taken into consideration in the behaviour theory and our research evidence shows this to be important.

It is not surprising therefore that the third stream of thought represents the *situational theory*. In case certain aspects of behaviour - and trait approaches are related to a certain context or situation, a new and promising predicting explanation of the effectiveness of leadership evolves from this. The so called contingency theories of Fiedler (1967), House (1971), and Vroom & Jetton(1973) show that environmental variables are significant for the effectiveness of leadership. The 'one best way ' is buried forever. It all depends.

Fiedler, for example, hypothesizes that leadership behaviour interacts with the 'favourableness of a situation' to determine effectiveness. He draws the conclusion that a focused task-oriented leadership does better in extremely predictable and unforeseeable situations, whereas a people oriented leadership does better in a situation of average complexity. Vroom and others distinguish an autocratic, consultative, and group style of leadership, for which the choice would have to depend on the structure of the problem, the available information and the required quality of the decision.

Although many situations are described by these three leadership frameworks, strikingly little attention is given to the cultural context within which leadership is practised. In fact, the dilemmas that leaders are facing in the current world are hardly described. Our research has revealed that the most important quality of a leader is to reconcile the distant ends of a dilemma to a higher level. Both the trait - and the behaviour theory continue to stall at the dilemma when faced with culturally bound characteristics and how they can be overcome, particularly in a globalizing world. Situational leadership would stipulate different behaviour in different cultural surroundings. But how would leaders then deal effectively within multicultural surroundings?

A new theory of leadership is needed to tackle the way in which leaders will deal with value dilemmas. We can infer from our research findings that a successful leader in the current epoch of rapidly changing situations and multicultural surroundings needs to operate with a people-oriented style in order to accomplish his/her task. The leader will have to be participative in order to be able to take autocratic decisions on a higher level. He/she will have to think logically, fed by illogical intuition. Finally a leader must be very sensitive to the situation in order to take consistent decisions regardless of the situation. Only then can one observe whether a leader is born, or whether a leader is made.

The need for an Integration Theory as a New Paradigm of International Leadership.

Thus our core proposition that evolved from our work is that:

> *Successful leaders in the 21st Century have the propensity and competence to reconcile dilemmas to a higher level.*

Before describing how we tested this proposition, we will first assemble our argument based on our interpretations of business events and observations from our consulting practice.

Why do leaders face dilemmas?
As a leader you have to inspire as well as listen. You have to make decisions yourself but also delegate, and you need to centralize your organization around local responsibilities. As a professional, you need to master your materials and at the same time be passionately at one with the mission of the whole organization. You need to apply your brilliant analytic skills in order to place these contributions in a larger context. You are supposed to have priorities and put them in meticulous sequence, while parallel processing is in vogue. You have to develop a brilliant strategy and at the same time have all the answers to questions in case your strategy misses its goals. No wonder there is so many definitions of effective leadership.

There is a need for a new paradigm, for the development of a meta-theory of leadership that transcends culture. This is again based on the same logic that encompasses this paper. Our research clearly reveals that competence in reconciling dilemmas is the most discriminating feature that differentiates successful from less successful leaders. (Trompenaars and Hampden-Turner, 2001) Leaders increasingly need to "manage culture" by – very carefully – fine-tuning dilemmas. This also means, increasingly, that the culture leads the organization. The leader defines what an organization views as excellent and develops an appropriate culture, thereby ensuring that the organization cannot do anything other than excel.

Reinterpreting leadership behaviors in terms of Culture and Dilemma Theory

You just need to open the newspapers to be faced with a variety of descriptions of successful leaders. During the first round of the 2002 French presidential election, the *Financial Times* outlined the fact that Chirac had surpassed Jospin in the popularity polls for the first time, ascribing this to the fact that his very affectionate relationship with his grandson was helping to promote him as a real father figure.

Chirac was seen as "sympa, génial et approachable." A while back *De Volkskrant*, a quality Dutch newspaper, reported that entrepreneurs were not "sympa" at all, they were contrary machos who dared to fail. In the same newspaper the American columnist Michael Lewis declared that American entrepreneurs distinguished themselves by having unshakeable faith in their own ideas. European entrepreneurs prefer to play it safe, as Nina Brink showed when she sold WorldonLine to naïve Dutch investors and the internationally-known rich, like Mick Jagger and Tina Turner, for 400 percent of its real worth.

An examination of the key literature on leadership reveals striking differences over time (Kotter, 1990, 1999; Bennis, 1994, 1997) as well as between French, American, and Japanese authors. (Ockrent, C. and Séréni, J. P. (1998), Hiroshi Mannari (1986), van Wolferen (1990), Gerald L. Curtis (1999)

That is understandable. To be successful in France you need to be part of the right network, have the right education, and possess a certain amount of charisma. In Japan, being male, possessing seniority, and the right education (yes, even going to the right kindergarten) helps; wisdom certainly does no harm. In the US having a touch of vision, mission, and some Business Principles would suffice. But what makes a good leader in an international context?

Methodology

We have adopted a broadly inductive approach ~ with both quantitative and qualitative data collection and analysis. Data has been accumulated over time from our consulting work as and when it arose based on client needs, but we have also sought to collect data pro-actively to 'fill in the gaps' in our enquiry. The extensive data from these multiple sources serves to provide triangulation to our evidence. We can claim both high reliability from our volume quantitative questionnaire based studies and high validity from our in-depth interviewing, consulting and coaching.

Factual findings

Recently we have interviewed thousands of leaders and asked them a series of semi-structured, linguistically programmed questions (Trompenaars, Hampden-Turner, 2001). One example asks what it takes to be a good manager:

Take these descriptions of a good manager. Which one would you choose?
> (a) Good leaders are people who continuously help their subordinates to solve the variety of problems that they face. They are like parents, not teachers.
> (b) Good leaders occupy a position between that of a private coach and a teacher. Their effectiveness depends on how they balance both roles.
> (c) Good leaders get things done. They set goals, give information, measure results and let people do their own work in that context.
> (d) Good leaders give a lot of attention to work streams, so that goals, tasks and achievements are aimed at improving those processes.
> (e) Good leaders get things done. They set goals, give information and measure results so that everyone is embedded in continuous work streams.

In parallel, we also extended our own cross-cultural instruments[1] to account for and assess how individuals reconcile cultural differences. Using this ILA instrument (Intercultural Leadership Assessment profiler), we have already tested some 4,000 international managers and leaders. We have triangulated this with evidence collected from workshops, simulations and interviews and found that the data supports our core proposition about the importance of reconciling dilemmas. Furthermore it confirms that these behaviours also correlate with bottom line business results and 360-peer feedback. (Trompenaars, Hamden-Turner, 2001, appendix 1.)

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[1] ILA: Inter-Cultural Leadership Assessment profiling system. See: www.thtconsulting.com and use password 'evaluate'.

We also asked a selected number of top leaders to complete this questionnaire. It was consistent with our proposition that leaders such as Richard Branson of Virgin, Michael Dell of Dell Computers, Kees Storm of AEGON, and Laurent Beaudoin of Bombardier made significantly different choices when compared to the more "ordinary" managers on our database of. Do you know what the difference was?

The leaders described in answer "**a**" look like those of the beginning of the last century: Listen to father and everything will be OK. This style is still very popular in Latin America and Asia, where we have also collected research data, compared to Europe and the US. There is nothing wrong with this approach, simply that it is limited in its applicability outside these regions.

Answer "**b**" is a typical compromise and will not work very well anywhere ~ and is certainly not the optimum approach.

Answer "**c**" is very popular amongst Anglo-Saxons and North-West European managers. The ever-popular "Management by Objectives" is again applied recklessly. Add some vision and mission, and you're the modern leader; but the French would quickly argue: "Whose vision and mission is it?"

Answers "**d**" and "**e**" are two alternative ways to integrate seemingly opposing values on a higher level and would therefore have my approval. Answer "d" suggests that good leaders guide people who make mistakes and learn from them, while "e" integrates the dichotomy of task orientation with work streams in the opposite direction. The last two choices were selected much more frequently, by more successful leaders. Why all the fuss?

Some recent studies on leadership by Kouzes and Posner (2002) have tried to capture certain finite characteristics of good leadership. In typical American fashion they have listed five universal keys to effective leadership: pave the way, inspire a shared vision, challenge the process, enable others to act, encourage the heart. Other Anglo-Saxons have come up with alternative lists. If you read the French book *Les Grand Patrons*, by Christine Ockrent and Jean Pierre Séréni, you will find a completely different view of what makes leaders effective. This causes a great deal of confusion for the trans-cultural manager. If the French manage in France, the Japanese in Japan, and the Americans in the US there is no problem. But increasingly you find that leaders have to deal with multicultural groups. Which paradigm should they follow? Which meaning should they create? Which principles should they follow if they need to act in a multicultural setting? This is where the need for a meta-theory of leadership, transcending culture, is most clearly seen.

Leadership dilemmas in a multi-cultural environment
Managers very often have to cope with problems they need to solve; leaders that operate in an international world are continuously dealing with dilemmas that they need to reconcile on a higher level. It goes without saying that managers often can't sleep, because they don't achieve their goals, while this happens to international leaders only when they can't reconcile a number of conflicting objectives. It is difficult enough to complete a job; however, it is even harder if you don't know which job to complete. Even worse, integrating seemingly opposing values often leads to a new dilemma. It is a continuous process.

So what kind of dilemmas do leaders face? After interviewing many leaders face to face, and several thousand more by our 'web-based' Internet interviews, and mining our database of 55,000 manager responses to our questionnaires (Trompenaars, Hampden-Turner (1997) we found that the following are those which most frequently occur.

Dilemma 1: standard and adaptation. It is remarkable how often leaders mentioned this dilemma. Do we have to globalize our approach or do we just have to localize? Is it more beneficial for our organization to choose mass production than focus on specialized products? Effective leaders found the solution in the "transnational organization" where best local practices are globalized on a continuous basis. "Mass customization" is the keyword for reconciling standardized production and specialized adaptations.

Dilemma 2: individual creativity and team spirit. A second leadership dilemma is the integration of team spirit with individual creativity and a competitive mindset. The effective leader knows how to make an excellent team out of creative individuals. The team is stimulated to support brilliant individuals, while these individuals deploy themselves for the greater whole. This has been called co-opetition.

Dilemma 3: passion and control. Is a good leader an emotional and passionate person or does the control of emotions make a better leader? Here there are two clear types. Passionate leaders without reason are neurotics, and neutral leaders without emotions are robots. Richard Branson regularly checks his passion with reason, and if we look at the more neutral Jack Welch, the former CEO of General Electric, we see a leader who gives his controlled reason meaning by showing passion once in a while.

Dilemma 4: analysis and synthesis. Is the leader of the 21st century a detached, analytical person who is able to divide the big picture into ready-to-eat chunks, always selecting for shareholder value? Or is it somebody who puts issues in the big picture and gives priority to the rather vaguely defined stakeholder value? At Shell, Van Lennep's "helicopter view" was introduced as a significant characteristic of a modern leader – the capability to ascend and keep the overview, while being able to zoom in on certain aspects of the matter. Jan Carlzon (SAS) called the integration of specific moments with profundity, as a part of client service, "moments of truth." This is another significant characteristic of the modern leader, namely the ability to know when and where to go in deep. Pure analysis leads to paralysis, and the overuse of synthesis leads to an infinite holism and a lack of action.

Dilemma 5: doing and being. "Getting things done" is an important characteristic of a manager. However, shouldn't we keep the rather vulgar "doing" in balance with "being," as in our private lives? As a leader you have to be yourself as well. From our research it appeared that successful leaders act the way they really are. They seem to be one with the business they are undertaking. One of the important causes of stress is that "doing" and "being"

are not integrated. Excessive compulsion to perform, when not matching an individual's true personality, leads to ineffective behavior.

Dilemma 6: sequential and parallel. Notably, effective leaders are able to plan in a rigorous sequential way, but at the same time have the ability to stimulate parallel processes. This reconciliation, which we know as "synchronize processes to increase the sequential speed" – or "Just In Time" management – seems also to be very effective in integrating the long and short term.

Dilemma 7: push and pull. This final core competence for today's leaders is the ability to connect the voice of the market with the technology the company has developed and vice versa. This is not about technology push or market pull. The modern leader knows that the push of technology finally leads to the ultimate niche market, that part without any clients. If you only choose for the market, your clients will be dissatisfied. I believe that leaders are not adding value, because only simple values add up. Values are combined by leaders; a car which is both fast and safe, high-quality food which is also easy to prepare. Nobody claims that combining values is easy; nevertheless, it is possible. A computer that is capable of making extremely complex calculations can also be user friendly. The ever-expanding system of satisfaction of values will form the ultimate test for the leaders of this century.

Conceptualising our findings: A proposed new framework for leadership: The Integration Theory
So far we have been describing the need for a new paradigm of leadership by transcending trait, behavioural and situational theories. Our alternative is the *integrating theory* that focuses on the competence of leaders to reconcile dilemmas. We have also argued that there are a number of key dilemmas that need to be reconciled to make leaders effective in particularly international environments. We will now address whether it is possible to use the logic from such a concept to select this type of leader.

I clearly remember a cartoon in which a huge HR manager, sporting a moustache, cigar and a tartan jacket is interviewing a tiny candidate with the same style of jacket, a little moustache and a cigarette. The HR manager is saying, "Yes, in view of what you have told us, I think you would be a very good candidate for the vacancy." Don't we all recognize this? Don't we all look for the same characteristics that we ourselves have, consciously or unconsciously? Indeed, recruitment is often a sophisticated way of cloning. This is the major reason why professionals have sought to develop tools to assess the main traits of a candidate in a more rigorous and objective manner.

Particularly well known is the MBTI tool developed by Myers-Briggs. The Myers-Briggs Type Indicator MBTI was "designed to make Jung's theory of psychological types understandable and useful in everyday life." (Myers, 1991)

This Myers-Briggs Type Indicator has probably been the most widely used personality inventory in history. HR professionals have seized on it in order to help their clients make important business, career, or personal decisions. Last year alone,

two million people gained insights into themselves and the people they interact with on a daily basis by completing the MBTI. The MBTI is an explicit application of the tacit genius of Carl Jung. (1971)

One of Jung's most significant findings was the realization that, by understanding the way we process information, we can gain insights into why we act and feel the way we do. In particular he determined that, in order to better understand ourselves, we first need to understand the way we perceive, and then act upon, information. Derived from Jung's insights, the MBTI distinguishes four basic psychological processes that can each be plotted on a bi-polar scale. It attempts to differentiate personal preferences on four scales:

Extroversion-Introversion (E versus I)

Sensing-Intuition (S versus N)

Thinking-Feeling (T versus F)

Judging-Perceiving (J versus P)

The first scale describes where you tend to focus your attention and from where you get your energy. On the one extreme you have Extroversion, where the source of energy comes from the outside world. Introversion, on the other extreme, is where one's power derives from within oneself. A second scale describes how one gathers information. This distinguishes Sensing - when information is captured in a literal and concrete sense - and Intuition, when we give meaning to our data by putting it in a larger context. The way we judge information, and take decisions based upon how we perceive them, is captured in a third scale. Those who take decisions on the basis of logic and ratio can be spoken of as having a preference for Thinking. In contrast, when one prefers to take decisions on the basis of values or things one stands for, we speak of a dominant Feeling preference. The final scale describes a preference for how one orients oneself to the outside world and how one organizes information. On one extreme there is a dominance of Perceiving information, preferring flexibility and spontaneity. At the other extreme is Judging, for those who have a preference for organizing things in an orderly and disciplined manner.
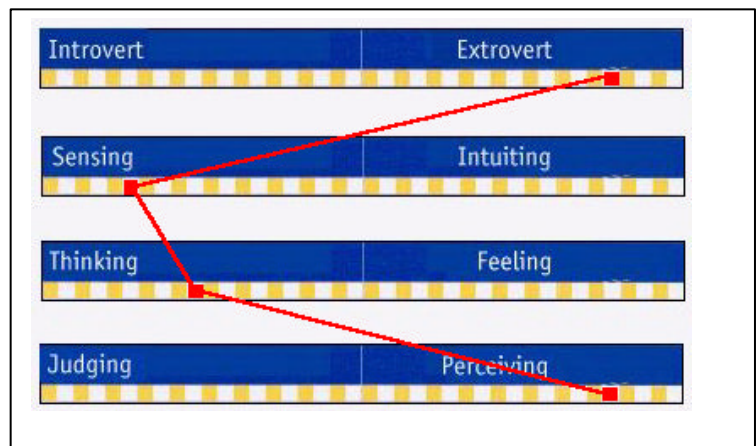
Beyond Meyers Briggs

MBTI and other models have proved their worth because they help respondents to identify where they are starting from and thereby the nature of their own orientation, compared to those of others. Our concern is that MBTI and similar HR frameworks categorize people according to mutual exclusivity. Why, if you are a 'judging' person,

can you not also be a 'perceiving person'? Why, if you are an 'individualist', can you not also be a 'team player' (collectivist)? Now we know that U.S. and UK leaders tend to be more individualistic and Japanese more teamwork oriented, so as long as American leaders remain in the U.S. managing all Americans and the Japanese stay in Japan, then presumably there is no problem. However, in today's multi-cultural world, an American leader could be running a team overseas with Korean, Japanese and French members.

The problem derives from the notion that you can only be **one** type **OR** the **other**. For example, Lenore Thomson[2] defines each dimension with the use of 'either'…'or'.

? ?　　　We can **either** adjust ourselves to the external situation (E) **or** relate the external situation to ourselves (I).

? ?　　　We can **either** focus on what is right in front of us (S) **or** see other possibilities in our imagination (N).

? ?　　　We can **either** analyze impersonally (T) **or** evaluate personally (F).

? ?　　　We can **either** experience events directly as they happen (P) **or** organize events rationally and prepare for them (J).

Myers and McCaulley (1985) suggest it is useful to treat the dichotomous preference scores as if they were continuous scales', but this still assumes that if you are more 'E' then you must be less 'I'.

The classic MBTI Step 1 contains 88 items, comprising question and word pairs representing both poles of a preference dimension and the computed profile will indicate the degree to which the individual tends to each pole.

Thomson criticizes people who tend to score towards the middle of scales in that they haven't yet developed a clear-cut sense of self because they don't know where they are starting from consistently.

Finally, the "Big Five" model has been proposed as a replacement for MBTI but even this is based on dichotomous scales. The five factor personality model attempts to measure 1. Negative Emotionality, 2. Extroversion, 3. Openness, 4. Agreeableness and 5. Conscientiousness. (Howard and Howard, 1995)

The Integrated Type Indicator

We believe that there is too much one-dimensional thinking when it comes to leadership. Thus our quest is to ask how can we extend one-dimensional models like MBTI by slightly adjusting these instruments and the way of thinking that forms the context of their application, hereby making them jewels that go far beyond any cultural preference?

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[2] L. Thomson, *Personality Type, An owner's manual*, Shambhala, Bosten & London, 1998.

We can recall that research has sought to correlate these original MBTI scales with different job categories and functions. Thus, there is evidence to suggest which dominant type best fits a marketing role and which type is found most often amongst successful managers. However, with the internationalization of business we are suddenly confronted with some interesting dilemmas that challenge this principle. Consider for example the situation where the culture in which people are being recruited has a preference for Sensing, what could be done when one is facing an environment where Intuiting is the preference for making a successful career?

Our fundamental concern with the classic MBTI and other such profiling tools is that each dimension is based on the single axis continuum. The MBTI logic asks if you are Sensing **or** Intuiting? The **more** you identify yourself as Sensing, the **less** you must be of the Intuiting type. When seeking to apply the MBTI typology, or indeed any other associative model in an international context, we find that accretion to the extremities of each scale is constraining. Despite professional psychologists discussing preference with reference to the dominance of our right or left hand when writing, it remains a poor solution. Both could be used, but one is usually dominant. Whilst this model is applicable in explaining individual writing; it hardly helps one when clapping. During applause it doesn't really matter which hand is dominant, but success will depend on the coordination between both the hands.

Although users of MBTI do talk about combining the variety of preferences in teams and organizations, one cannot derive this approach from the basic MBTI instrument as it is based on forced choice bi-modal questions.

We have to remember that much of this type of research owes its origin to Anglo-Saxon or North American thinking, even though it has been 'exported' across the world. When we begin to incorporate other types of logic, such as Ying-yang or Taoism, we soon realize that we have been restrictive in basing the profiling on bi-modal dimensions. Let's apply this thinking and new logic to the scales of Myers-Briggs.

To test the preference for thinking or feeling, a forced choice question such as the following is usually asked:

a.   I like to subject a problem to rational thought and logical analysis. Wishing something were true, does not make it so. Feelings are not "wrong". They're irrelevant.
b.   I always ask myself what I feel about a problem, because "the heart has its own reasons which Reason knows not of". I seek to develop emotional muscles.

Thus with a series of such questions, we are trying to place the individual along the scale:


How the respondent answers this question gives insight when the dominant culture in which it is applied prefers decisiveness or being consulted (as in the original mode for which MBTI was conceived). But what if in a multi-cultural environment one finds

people with different opinions? The decisive leader will agonize over the fact that many want to go for consensus. Conversely, the sensitive leader will not succeed because of an apparent lack of decisiveness. Thus we have a dilemma between the seemingly opposing orientations of Thinking **OR** Feeling.

Charles Hampden-Turner et al (2001) shows how we can reconcile seemingly opposing from his meta-level Dilemma Theory. Thus the addition of two alternative options provides a means of evaluating the individual's propensity to reconcile this dilemma:

c.   I like to subject a problem to rational thought and logical analysis. Yet feats of intelligence or folly arouse feelings within me, so these too guide my intelligence.
d.   I always ask myself what I feel about a problem, because my boredom, irritation or excitement is an early clue to whether I can engage intelligently and find a solution.
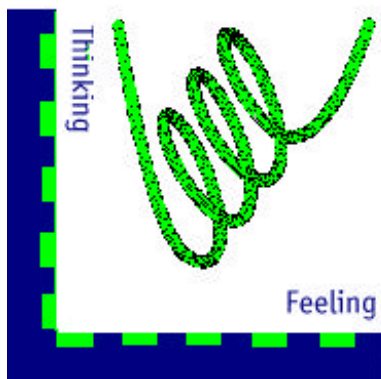
Those who answer 'c' are starting from a 'Thinking' orientation but accounting for the Feeling of others. They have successfully reconciled the opposites. This process involves starting from one axis and spiraling to the top right (10,10 position) and thus the individual has integrated both components.

Similarly, those who answer 'd' are starting from 'Feeling' but spiraling towards 'Thinking' and again integrating the two seemingly opposite orientations.
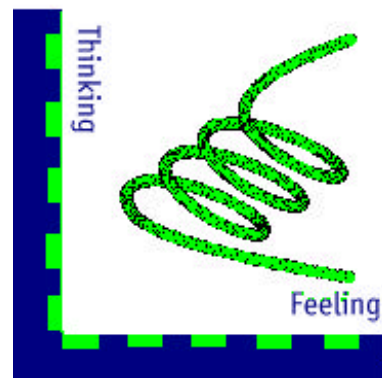
A second example focuses on the preference between Judging or Perceiving:

Conventionally instruments pose questions such as the following:

While tackling an issue I rather work in a …
a.   structured and organized way,
b.   flexible way, with the necessary improvisation.

In Germany there is a tendency to one score higher on *a*. while *b*. would rather appeal to the French. Thus in a team/group of both Germans **and** Latinos, wouldn't the following be more effective to diagnose effective orientations?

While tackling an issue I rather work in a …
c.   structured way in order to stimulate improvisation in certain boundaries
d.   way with the necessary improvisation trying to develop the best procedures and organization.

In our extended model of MBTI, which we call the ITI (Integrated Type Indicator), we use our own questions that represent the two extreme opposing values for each conjugate pair. However, we also add two additional choices that represent the clockwise and anti-clockwise reconciliation between these extremes.
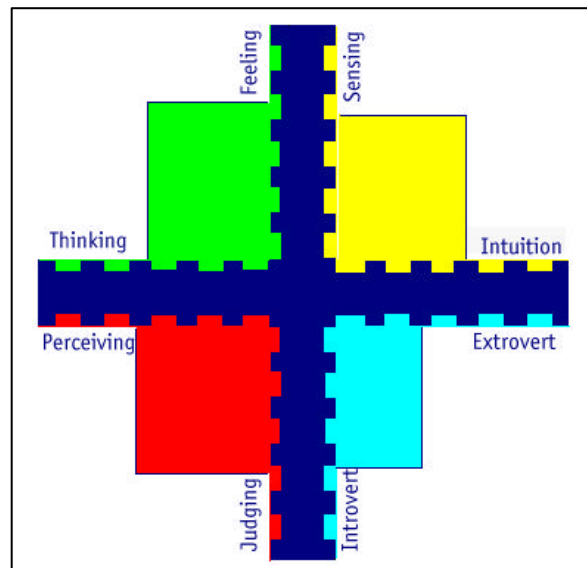
By combining the answers from a series of questions in this extended format, we can compute a profile that reveals the degree to which an individual seeks to integrate the extreme dimensions.

Each variable is scaled from 0 to 10 by combining responses to these extended questions. A typical ITI profile could then be $\mathbf{I}^9 e^5 \mathbf{N}^6 s^2 \mathbf{T}^9 f^1 \mathbf{P}^8 j^7$ compared to the standard **INTP** description.

Then the overall propensity to reconcile (= a index between 0 and 100) is

$$\sqrt{[(\text{Introver} \quad \text{t x Extrovert}) \quad ? \quad (\text{Sensing} \quad \text{x Intuiting}) \quad ? \quad (\text{Thinking} \quad \text{x Feeling}) \quad ? \quad (\text{Judging} \quad \text{x Perceiving} \quad)]/0.04}$$

$$\sqrt{[(9 \text{ x } 3) ? (6 \text{ x } 2) ? (9 \text{ x } 1) ? (8 \text{ x } 7)]/0.04} = 51$$

In our database, high performing international leaders score typically 75 and over ~ on our own ILA instrument.

Reconciliation ~ the new paradigm for Leadership

Simply rejecting opposite orientations will get you nowhere. Abandoning your own and adopting the other extreme is like trying to impress on your first date by acting out an opposite, unfamiliar role ~ and you are soon found out.

The significance of the integrated approach is that it enables us to determine the propensity of the individual to reconcile dilemmas and this is a direct measure of leadership. We name this propensity to reconcile dilemmas *trans-cultural competence* and it transcends the single culture in which it may be measured and thus provides a robust, generalisable model for all cultures. Reconciliation is the real essence of leadership.

Out approach based on a framework such as the Integrated Type Indicator is different because it has an underlying fundamental conceptual framework that while managers work to accomplish this or that separate objective, effective leaders deal with **the dilemmas of seemingly "opposed" objectives which they continually seek to reconcile.** Given the importance of reconciling opposites, we are surprised that no instrument measuring this has been devised (published).

Published models of leadership tend to lack any coherent underlying rationale or base pre-proposition that predicts effective leadership behaviours. These models tend to seek the same end, but differ in approach as they try to encapsulate the existing body of knowledge about what makes an effective leader. Because of the methodology adopted, these are only prescriptive lists, like a list of ingredients in a recipe – you can only guess at what the dish is going to be – and there is no underlying rationale or unifying theme that defines the holistic experience of the resulting meal.

This creates considerable confusion for today's world transcultural leader. Which paradigm should he fit into? Which meanings should he espouse, his own or those of the foreign culture? Since most of our management theory comes from the USA and other English speaking countries, there is a real danger of ethnocentrism. We do not know, for example, how the lists cited fare outside the USA, or how diverse conceptions of leadership may be. Do different cultures necessitate different styles? Can we reasonably expect other cultures to follow a lead from outside those cultures?

Part of the difficulty in researching leadership has been that without an agreed model of what effective leaders do, it is difficult to assess the value of this participant observation. To the interpreting observer, many of the best leadership behaviours are often inexplicable and are not the stuff of science. The observations are difficult to code, classify and regurgitate. Can we know with certainty that it would work for others?

Let's learn from two extreme leaders. Sir Isaac Newton observed carefully and sensed his way in to science. But he also generated deductive insights from intuiting his objective investigations. As illustrated, he scored high on Sensing initially, which he then integrated with Intuiting.

In contrast, Albert Einstein started with his intuition and inspired guesses. Many of his breakthroughs came initially from 'thought experiments' which he and others later
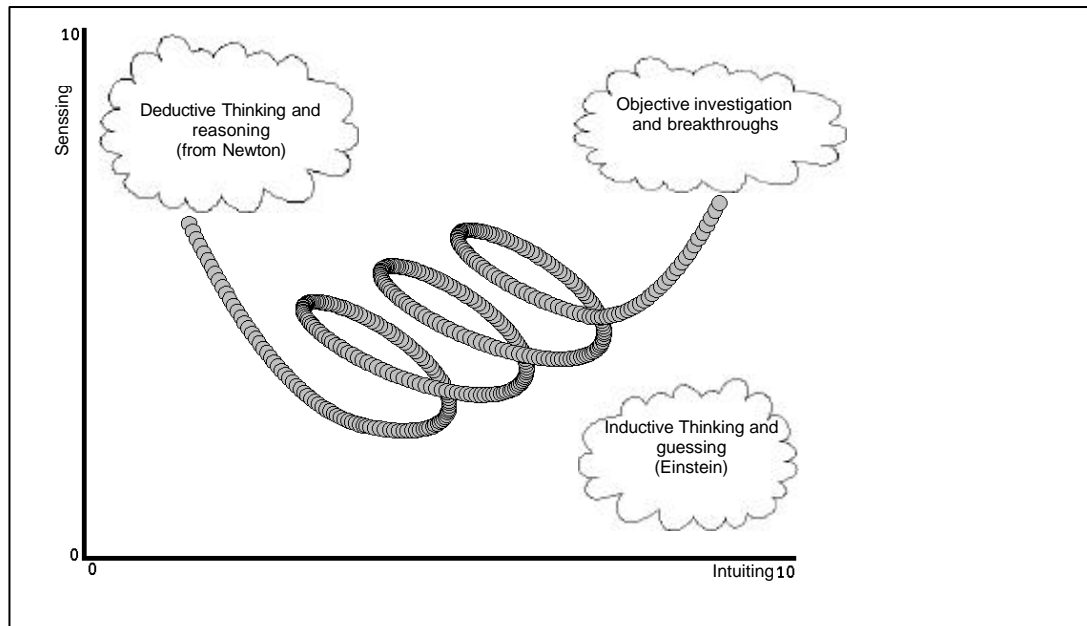
verified and demonstrated experimentally as well as theoretically. Einstein scored high on Intuition, which he then reconciled with Sensing.

We continually observe how effective leaders are able to reconcile opposites. For example, Richard Branson is able to switch from being David in one business situation to being Goliath in another. He reconciles the big player with the small player so that the smaller player becomes big.

Our objections to applying MBTI across international boundaries might be explained by our own over-developed reconciliation profiles. But we insist that with the combination of seemingly opposed orientations the leader of today can flourish in diversity. And no one has ever measured anything like that in us.

The Leader as Leading a Team
Another aspect of the proposed Integration Theory of Leadership within organizational life is to consider the leader as a team player. The anthropologist Margaret Mead once said "Small groups have changed the world. Indeed nothing else ever has." The qualities of a leader, of their team and the interaction between both are the most important criteria making or breaking the success of an organization. On both subjects many books have been written, and rightly so.

For me the most original thinker on management teams is the British author and consultant Meredith Belbin. In his first book, Team Roles at Work (1981), he described how the Apollo team of highly talented people achieved significantly less than a second team made up of very much less gifted people, but who cooperated infinitely better. For Belbin an effective team is a group of people who aim for a shared goal, and therefore go through a number of phases. After 40 years of research he concludes that the effectiveness of a team is dependent on the fulfilment of eight complementary roles. They don't have to be there proportionally; nor need one individual play each of the roles since one person can incorporate different ones.

In the first phase of the definition of the task Belbin distinguishes the roles of the Shaper and the Chairman. Shapers are extrovert goal getters who integrate different

aspects of relevant activities into a coherent whole. They will frequently test the ineffectiveness of a team in a very impatient way. On the contrary, Chairmen complement Shapers in the first phase by their rest and patience, but simultaneously appreciate all potential contributions and meld them together in the context of a very strictly managed set of goals.

In the second phase of generating ideas and gaining information, two new roles are dominant. First is the unorthodox Plant, generating creative ideas. Plants are loaded with imagination and creativity and generate one proposal after the other. Just what the Plants contribute in terms of content, the Resource Investigators add to the level of process. They will sell ideas enthusiastically and will be able to negotiate extra budgets from management.

In the third phase there is a need for planning and collection of resources. Here the specialized roles of the Team Worker and the Company Worker are crucial. Team Workers are emotionally intelligent people with great social skills, reconciling the conflicts in the team and giving the necessary support, even if it means making the coffee. Company Workers translate the ideas into concrete tasks and are also willing to execute them personally. They have analytical minds and love organizing.

Finally, in the fourth phase, tasks need to be critically analyzed and completed. Here is where the Monitor Evaluator and the Completer/Finisher come in. The first role takes care of distant and mild criticisms, critically evaluating problem analyses. Completer/Finishers are the conscientious and anxious perfectionists, assuring in a professional way that the team finishes all its tasks. What I mostly appreciate in the Belbin model are the implicit values that are associated with the diverse roles. In most theories about team roles many characteristics of the differing roles are summed up as though they were stable and as if they could independently guarantee certain continuity. In reality, however, the effectiveness of a team is fully dependent on how it takes advantage of the different roles whereas the dynamic of complimentarily is essential. In particular, in the transitions between each of the four phases, the differences between the roles become even clearer, and the reconciliation of the different orientations becomes essential.

For example, consider the tension between the relaxed but task-oriented Chairman and the opportunistic Resource Investigator who continuously looks for new possibilities. A team will be able to function effectively when the issues that the Resource Investigator introduces from the outside can be reconciled with the more inwardly directed goals of the Chairman.

A second dilemma that needs to be resolved by the leader is the tension between the deviating Plant and the mediating Team Worker. Quite frequently, a new idea from a Plant initiates a fight between deviation and consensus. However, if some members of the team support the idea, there is nothing that can stop them and the team will flourish.

A third field of tension occurs between the Company Worker and the Completer/Finisher. The first believes in the success of hard work; the latter believes in a focus on details. This can result in many tensions that can be relieved if the first can convince the Completer that no details are being overlooked.

A final dilemma is created between the sceptical view of the Evaluator and the more optimistic approach of the action-oriented Shaper, who is often irritated by the amount of time that the process of evaluation and discussion is costing. The Shaper furthermore needs to transfer the apparent lack of inspiration and motivational image of the cool calculator into passionate enthusiasm. As with all these types of dilemmas, reconciliation can lead to groundbreaking new solutions and elevate the team to higher levels. The creation of wealth is often created by complimentarily of roles within a society and its organizations. The success of a team is dependent on whether one or more of its members acts out all the roles. This gives us a deeper meaning of the concept of diversity. The identification of these roles is only the beginning. The role of a leader needs to be particularly aimed at reconciling the crucial dilemmas created between the team roles, and in this way organizing the relationship between the roles. In such a way, the basic seeds for the team's success are well planted and ready to grow.

The Leader as Change agent
Another role of the leader is that of change agent. How would the Integration Theory deal with the leader as change agent? Here (as well) we see a new approach to change emerging.

It is striking how much the Anglo-Saxon model of change has dominated the world of leading change (Kotter, 1996). This is based on a task-oriented culture and the idea that traditions need to be forgotten as soon as possible. This seems to be fine in an Anglo-Saxon environment: you formulate a bunch of new goals, preferably in the context of a clear vision, you hire some consultants for a marginal US$ 300,000 a year (that figure excludes their bonus), and you dump the ones that do not believe in your clearly set goals. In this "Guided Missile" model the organization is conceived as a task-oriented instrument at the disposal of shareholders, where managers have an MBA and employees are called human resources (Trompenaars and Hampden-Turner (1997). The challenge lies in what to do when the surrounding culture is not aligned with this type of change logic. I remember an American manager from Eastman Kodak who had launched a very successful change program in Rochester, New York, and who cried on my shoulder after launching the formula in Europe. In great misery he said:

Fons, these French and Germans are unbelievably inflexible. I have done a whole round in Europe and in each of the countries many people seemed to support our vision. OK, the Germans had some problems with the process. They wanted to know all the procedural details and how these were connected to the change envisioned. The French were very worried about the unions. However we, as internal consultants and management, left with the idea that we agreed on the approach. When I returned some three months later to check how the implementation was going, I noticed that in France and Germany nothing had been started. Nothing!

Anyone with a bit of sensitivity to cross-cultural issues could have predicted this. Germans often believe in vision, but without the proper structures, systems, and procedures that make this vision come alive, nothing will happen. Germans have a "push" culture: you push them in a certain direction. Compared to the North Americans they are not easily "pulled." You give them a goal or task and they follow,

particularly when you pay them well to do it. In Latin and Asian countries management of change often means change the management. In their power-oriented, family ideology change will only happen when new points of departure are personalized. If "Monsieur le Président Directeur Général" does not fully back these points of departure, no pull or push will be effective.

This is one of the areas that creates dilemmas for Western leaders who, in their effort to globalize their activities, like to acquire and change foreign operations. Here's another example – an American organization thinks its Singaporean management takes too long to come to a decision. Consensus is nice, but doesn't serve in these times of great speed. The Singaporeans, for their part, think that the Americans take decisions too fast and without sufficient deliberation. They perceive that this will lead to major implementation problems, largely because too few people have been involved in the process.

On one extreme, you'll find that the desire of quick-on-their-feet managers often results in a "follow me, follow me," attitude causing a situation where – like lemmings – people all fall off a cliff together. At the other extreme you'll find the Asians who spend their time involving all ranks in order to gain consensus: the "Lost Democracy" model. Change is best directed towards the integration of both, guided by the Servant Leader. In this model you'll find that father figures, so popular in both Latin and Asian cultures, derive their authority from the way they serve their teams through their colleagues' sharply formulated tasks.

How do you change the "Incubator" culture of an R&D laboratory, if your organization looks like the role-oriented culture of an "Eiffel Tower"? During my last job at Shell I often had to deal with sulking researchers who were failing to appreciate the HAY system of job evaluation. Firstly, they had to describe their job in great detail and then there was a panel that determined the number of points you could gather by adding the categories of Knowledge, Problem Solving, and Accountability. Finally, whether the incumbent actually performed that particular job had to be assessed. As the people responsible for this efficient, but rather ineffective, process we could only classify about five jobs a day. Moreover, the researchers often criticized the end result because their jobs had changed in the meanwhile: the job descriptions had been written some three months prior to the actual assessments. Can this rather static and rule- and procedure-driven instrument be applicable in a dynamic Incubator?

Yes, it can – when we resolve some basic dilemmas. On the one hand you have the swiftly changing environment of the R&D culture. On the other, there is the need for consistency between functions, both internationally as well as between divisions. We described the functions in a more abstract way, resulting in three types of researchers operating at three levels, and restricted each description to one page only. In this way, we were able to summarize the jobs of some 1,200 staff in nine job descriptions. Points were allocated and the boss had to show that the jobholder met all relevant criteria. This made the system less vulnerable to change. Management in London told us that this was to be considered an exception for R&D and that we should keep it to ourselves. It is interesting to see that five years later the whole of Shell took this benchmarking process as best practice and turned it into the new rule. Management of

change across cultures will be effective when one integrates opposing values on a higher level.

The Leader as A Learning System
We would like to conclude this speech with the leader as a person who creates a learning organization. How does the Integration Theory of Leadership deal with this metaphor? Leaders are increasingly confronted with questions from clients of how their knowledge can be embedded into the company's long-term learning processes, or how they can help the organization build and sustain "cultures of learning," "cultures of continuous development," and "cultures that embrace change and diversity."
Many educational programs in our schools, universities, and within our organizations are based on presenting codified knowledge, which is dumped on their students' heads . The teachers, who have developed or captured this knowledge, fulfill their roles as "knowledge dumpers" with great gusto. Just look at the way that many classrooms and even professional conference centers are designed. The podium (preferably in an elevated position) stands out in great contrast to the uncomfortable chairs that are huddled behind folding tables in the rest of the room (Ackoff, 1987).

In order to break out of the imaginary square of the traditional principles of learning and to build a true learning organization, the leader needs to first distinguish a certain number of dilemmas that characterize an alternative learning process.
Firstly, there is the dilemma of a universal team style versus a diversity of learning styles. In a recent research project within Heineken we found that their employees' team styles differed more significantly than their cultural backgrounds. As a business, how can you cope with this if you need to develop and apply globally consistent learning programs? One suggestion is to globally apply the learning cycle as developed and described by David Kolb in his book *Experiential Learning*. (1983) Kolb's cycle includes four stages: experiencing, reflecting, conceptualizing, and planning and generalizing. He suggests that each culture needs to go through the full cycle. However, in the USA the case study or simulation seems to be the most effective starting point, whereas in France, a kick-off with theories and conceptualizations leads to better results because they tend to say "I see what happens in practice, but first prove to me that it will work in theory."

By choosing a particular approach, a learning organization can take better advantage of the diversity of its members. In this way, you can see that within a learning organization the learning cycle can be universalized while the points of departure within the cycle are culturally dependent. And what about universal, supply-driven training curricula versus particularistic, demand-driven, ad-hoc sessions?
A second dilemma that needs to be reconciled is that of the value of individual versus group learning. Many learning processes focus solely on the individual. The individual completes tests and receives feedback. Obviously, the learning organization is dependent on the knowledge of individuals, but the organization will only increase its effectiveness when the surrounding group inspires the individual.
One way of achieving this might be to have the individual sales person or researcher compete for the best cooperation with the customer or fellow-researchers. You could also have an approach aimed rather at stimulating the cooperation between colleagues to share best practices in such a way that everyone learns from each other. This reconciliation can be described as "cooperative competitive learning" – you raise the

best ideas in a competitive context in order to have the entire organization cooperate around the best practices. You have to frame individual learning in a group context. A learning organization is also a changing one, in which you can only change individually, if the organization around you changes in parallel, and I refer here to changes in a sustainable way. In other words, while individuals are trying to implement cultures of continuous development, which takes time and patience, their organizations can deal at the same time with a series of pressures that fly in the face of their original desire (cost pressures, urgent need to deliver value to the customer today, etc.).

A third dilemma that arises when challenging traditional learning processes is that between
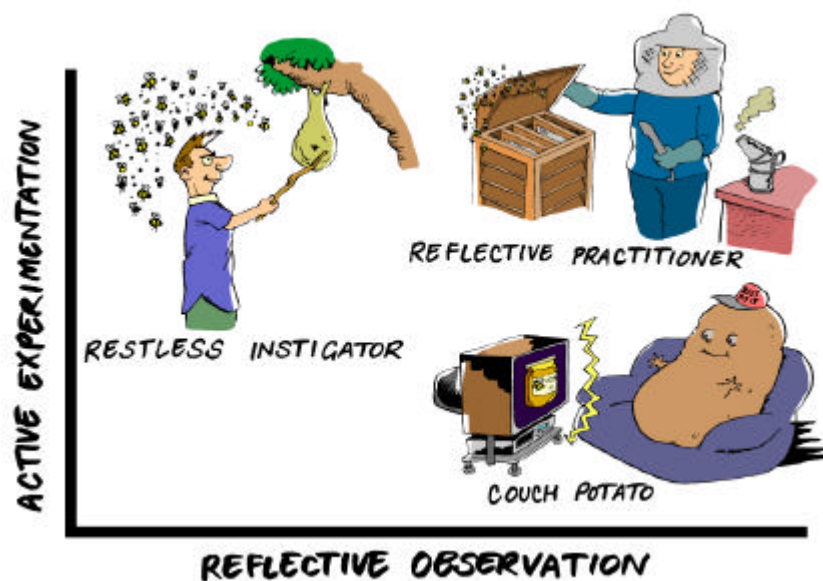
action and reflection. For a long time it has been recognized that purely cognitive learning or "reflection" results in limited learning. It creates the Ivory Tower scientist. To counter this, many organizations go for "action learning," as can be witnessed by the increased popularity of the case study approach in universities. But action learning also has some constraints. Take the example of a Harvard student in his first well-paid job, struggling with a particular problem. The only thing he could offer as an excuse to his boss, was that he had never worked on this kind of case before.

The particular weakness and limitation of action learning programs is that they are too often disconnected from any reflection on the overall context of the individual problems the organization is facing. A learning organization can benefit by having "action learning" as a principle, where action is undertaken on specific issues, also workshops for sharing knowledge and reflection, but only in order to move into action once more – this time in a more informed and effective way. It was Donald Schon (1983) who beautifully described the effectiveness of a leader by combining action and reflection. Again an example of the importance for a leader to integrate seemingly opposing values on a higher level.

The tensions I have mentioned may all be challenges a leader faces when creating a learning organization. But they can also definitely bring about real change if reconciled, which can result in companies' becoming, for example, more diversity-

minded or more global. In all these dilemmas, one discovers an organizational principle that is based on the idea of integration. One will have to leave the Cartesian and deductive model behind, and generate synthesis of the dilemmas that form the basis of learning.

Contribution to Knowledge

Does it Work in Theory?

In this paper I have sought to demonstrate that the dominant theories of leadership, categorized in three main paradigms known as trait, behavioural and situational theories, do not resolve the main dilemmas leaders are facing. Trait theory claims a one best set of traits for the leader and ignores the culture in which these traits need come to fruition. Behavioural theory claims that there are different styles of leaders vis-à-vis task and followers. The weakness of this approach is that one hardly considers the complexity of the relationship between both styles. Again, the cultural context is not taken into consideration. Finally, the situational theory of leadership introduces the (cultural) context as an important aspect in the effectiveness of leadership. One aspect, however, has not been resolved. How can a leader be effective in a multi-cultural environment? We believe the integration theory resolves most blind spots in existing leadership theories. We have given conceptual and empirical evidence that one needs to focus on the reconciliation competence of leaders.

Originally the investigative work on dilemma theory was inductive. In an action learning exploratory phase over several years, Hampden-Turner (1990) undertook many interviews with senior international leaders. The interviews included the use of a number of challenges/decision options posed to leaders in situations with seemingly opposing views and values.

We undertook similar questionnaire based investigations in parallel on value dilemmas leading to the construction of our main cross cultural database of 55,000 managers/leaders. (Trompenaars, Hampden-Turner (1997) The latter required the development of a range of instruments that were originally focused at discriminating value systems at the ecological level (country specific) to derive models of cross culture and measure cultural differences. The high reliability of these instruments is well known as extensive statistical and other analytical studies have been undertaken and published extensively. This database and its principal questionnaire instruments have been used extensively in training workshops and consulting interventions across the world. Face and content validity have been constantly improved from qualitative and quantitative studies, including internal formalized research and also by external university PhD doctoral students.

Does it work in Practice?
Following an interpretative and inferencing phase, the underlying schema of dilemma reconciliation and its relationship to leadership evolved. This was tested initially by the principal authors working both separately and in collaboration in preliminary research, consulting and workshops with major global companies across the globe.

Through our consulting work we have found that the Integration theory of leadership is effective in a variety of key business processes ranging from selection, team building and learning. Selection instruments need to be adapted to be able to 'scan' intercultural competence. As an example we worked out an enrichment of the MBTI instrument from a bi-polar to a two-dimensional instrument that can measure the degree to which the leader under selection has a propensity to reconcile. (Trompenaars, Woolliams, 2002) We have also found that leaders can be more effective in practice by reconciling dilemmas raised within teams and learning environments.

Resulting from these activities, a number of core propositions concerning the underlying behaviours that are characteristic of high performing leaders in the global workplace were assembled. The interest was to develop underlying robust theory to explain effective performance of the global leader (and global manager) and thereby provide a model for improving professional practice through what we have described as intercultural competence.

The central premise that evolved is that *the propensity to reconcile seemingly opposing values is the key competence behaviour to be an effective leader in today's world.*

Finally we show how we have reconciled our own dilemma as researchers!

Reconciling the researcher's dilemma
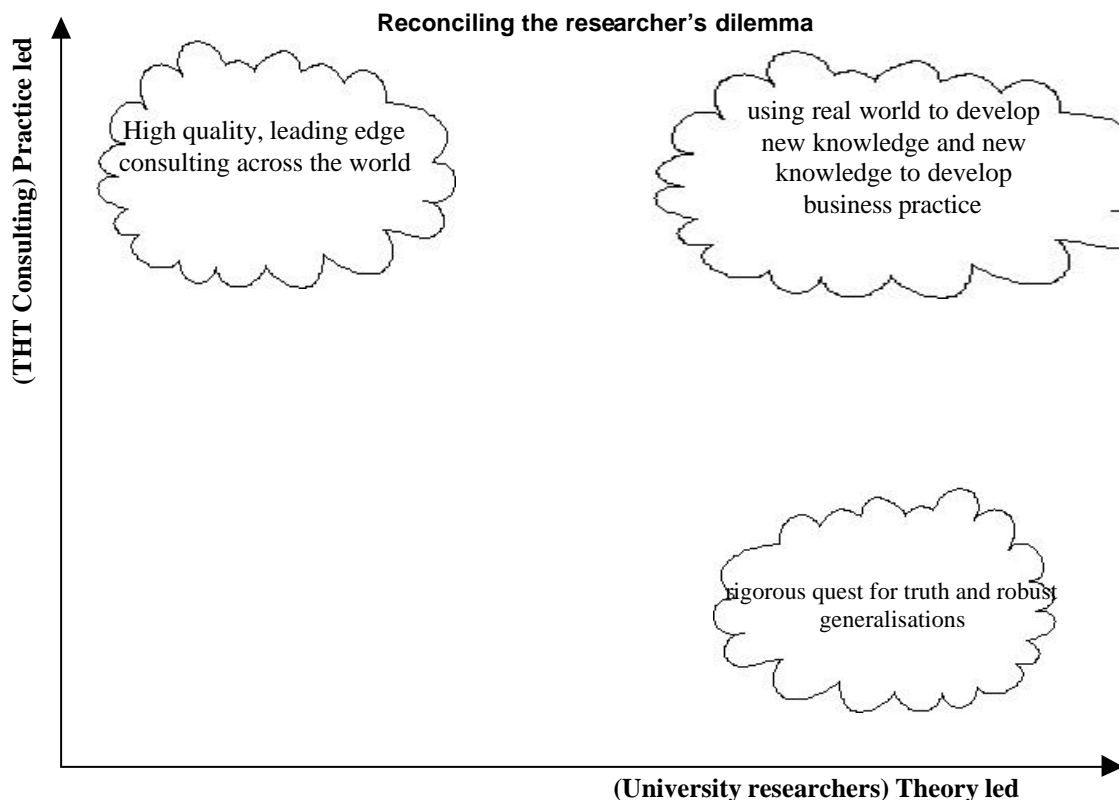
Future work and extending the analysis

Clearly, we would wish to do more work in this whole area, to collect more data, to increase the validity of the generalisations and extend the findings.

We are currently building a neural network that is expected to give further insights in to the data.

A final word of thanks for the excellent support from all colleagues at THT-consulting and in particular the great minds of Charles Hampden-Turner and Peter Woolliams to whom I owe so much. Thank you colleagues at the Solvay Business School for allowing me to communicate the insights in this important field of inquiry.

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