

Leadership Competencies for the challenges in the Global Era: A Research Study

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ABSTRACT

This paper presents the findings of a research study on Leadership in Indian organisations in the context of the Globalised economy. The study attempts to identify the challenges being faced by the Indian managers, competencies required to deal with them and the initiatives being undertaken to develop the leadership competencies. The study has generated data on the challenges and competencies in the context of task, issues, interpersonal relationships and the change in the environment. This exploratory study brings out certain crucial factors that can give direction to the developmental interventions, and can also be used to design more in-depth or comparative research in specific areas of significance emerging from this research.

THE CONTEXT OF THE STUDY

This is a global era. Whether operating globally or not, most organizations are impacted by globalization, confronting the managers face to face with the new challenges and complexities. Leadership competence is critical to the success of organizations, perhaps more than ever before. The current environment is creating the need for higher and newer leadership competencies, and also leadership skills at all levels of the organisations.

No doubt, quite a few HR managers, have addressed the issue of identification and development of leadership competencies in their own organizations to help the leaders in turning the competitive forces to the organisations' advantage. Some have found success to their satisfaction, others have not and many questions are still confronting the HR professionals and leaders today.

Some of the patterns of change taking place under liberalization and globalization are reasonably clear, and can be envisaged and hypothesized through common sense. Also, many writings, models, and theories are available on the subject. However, a vast majority of the writings are based on studies conducted in the western countries. We thought it was necessary and worthwhile to conduct a research on the subject, focusing on the opinions and experiences of Indian Managers about leadership in the current scenario, to generate knowledge which will enable the HR professionals and leaders to give the relevant focus to their development efforts. This study draws on the pool of practical knowledge and experiences of managers who are facing and dealing with this reality in India. Also, with the impact of globalization, both challenges and required competencies for leadership are changing and, hence, the need for continuously updating the knowledge in this area. It was also our interest to find out whether the challenges and required competencies of leaders, as perceived in India, are comparable to those found in other countries. However, to avoid forcing the opinions of Indian Managers into the pattern of a model developed somewhere else, we intended to conduct an exploratory research instead of verifying or falsifying some existing hypothesis and model. Therefore, as an exploratory study, it did not have a preset hypothesis about the answers but it did have a hypothesis, that, in the context of the current globalised environment, something is happening in terms of challenges and competency requirements which needs to be studied.

RESEARCH DESIGN & METHODOLOGY

Most theories about leadership bring out that there are at least two important areas that have to be dealt with by leaders. Though the names may vary, these relate to task issues on the one hand and people issues on the other hand. Furthermore, in the changing environment of globalization and liberalization of the Indian economy, there is little doubt, that environmental issues also play a crucial role and impact the requirements

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for effective leadership. In these three areas of tasks, interpersonal relations and changing environment, there are the challenges as well as the competencies required to master the same.

A questionnaire was designed to collect data about the challenges and competencies regarding these three areas. The questions were as follows:

- What are the specific challenges faced by managers related to task while playing the role of a leader in the organisation?
- What are the specific challenges faced by managers in managing interpersonal relations while playing the role of a leader in the organization?
- What are the specific challenges faced by managers while playing the role of a leader in the organization due to the change in the environment after globalization?
- List the competencies leaders need to develop to manage task issues.
- List the competencies leaders need to develop to manage people issues.
- List the competencies leaders need to develop to cope with the changing environment.

In addition, questions were also asked about the extent to which the competencies are possessed by the managers in the opinions of the respondents, need and availability of training opportunities, the methods used, and the effectiveness of the training. In order to get a wide range of answers grounded in the experiences of the respondents, most of the questions were open-ended, while a few questions had multiple options for the respondents to choose from.

The questionnaires were sent through e-mail to a large number of professional managers (about 800), a significant percentage of whom are either in the HRD/Personnel field or are interested in HRD, since they are part of the HRD network or have been in communication with the Academy of HRD. The questionnaire was also posted on the website of the Academy. The HRD managers/professionals were also requested to get the questionnaires filled up by some line managers in their company. Some HRD professionals and line managers were personally contacted for interviews. Therefore, questionnaires were filled up either in personal interviews or sent by mail. 62 responses were received from 47 organisations. To characterize the participating companies, data about their sector and their number of employees was also collected. About 70 per cent belong to the private, 22 per cent to the public, 5 per cent to the social sector and 3 per cent to the educational sector. The respondents were a mix of HR managers/professionals and line managers (about 50 per cent each). Questions were the same and they related to leadership in general and not for a particular function. Also, we believe that in response to the questions, the respondents were bringing not only their experience but their observations of others. 54 per cent of the companies employ 100-999 people, approx. 20 per cent had 1000-4999 people, and another approx. 20 per cent even more than 10,000 people, which makes it a wide range in terms of size. Analysis of the data at this stage has been done on an overall basis, to find out some significant challenges and competencies in the globalised environment rather than the differences between sectors or organizations of different size.

A content analysis of the qualitative data was done. Two steps of clustering were followed. In the first step, data was organized by categorizing the answers into simple dimensions. In a second step, those dimensions that are linked by their content were put together, giving us the clusters we present in our findings. These are presented in the order of the number of responses in them, the highest one being first. These resulting factors reflect the current situation as perceived by the participants of the study. For multiple choice questions, simple frequency of percentages was calculated for the various choices.

FINDINGS OF THE STUDY

Findings of the study are presented in two parts. Part I gives the significant factors emerging out of the answers to each of the six main questions from the analysis as described in methodology. Part II gives an overall analysis of the emerging themes and competencies and a critical review of the findings in comparison with some recent writings on the subject. It also presents some crucial aspects for development interventions.

PART I

1. WHAT ARE THE SPECIFIC CHALLENGES FACED BY MANAGERS RELATED TO TASK WHILE PLAYING ROLE OF A LEADER IN THE ORGANISATION?

From the answers to this question the following seven main factors emerged.

1. *People Management*. Various aspects of people management challenges were mentioned, viz., recruiting, placing, evaluating, training and development, meeting aspirations, motivating subordinates, teambuilding, retention, mediating the vision to the bottom, and creating challenges for the people. Some of the statements in this context were: keeping people motivated, mapping the competencies of the individual, creating the vision and instilling a belief in the people about the vision, organize the subordinates into a team and make them work as a team and managing talent & retention (47 items).

2. *Limited Resources*. Managing with limited and scarce resources of time, money and manpower is the next significant challenge emerging from the responses of the people. It includes statements such as reduced employee strength, meeting deadlines, delivering results within time, cost cutting, lack of support from others etc. (27 items).

3. *Inappropriate Work Habits & Culture*. Certain prevailing work habits and norms etc. are seen as a challenge by several respondents. This factor includes on the one hand, problems such as low work speed, attitude of postponing things, complaints of workforce, resistance to change, and on the other hand, the need for building a culture of high performance, where employees can relate their performance with organization's goals. Examples of statements are: 'meeting with complaints of work force', 'breaking the attitude of line managers', 'handling non-performance', and 'overcoming resistance of change' (14 items).

4. *Dealing with External Stakeholders*. This factor comes out as the fourth important factor in terms of frequency. It refers to hierarchy, bureaucracy, political threats, corruption, largeness of organisations, environmental imperatives and constraints, changing government regulations, and other bureaucratic systems and requirements, etc., which make life difficult for a leader trying to be effective. Some of the statements are 'crisis due to changing business environment & changing government regulations', 'minimizing corruption and cheating', and 'manage external threats, especially political' (12 items).

5. *Pressure of High Customer Expectations & Competition* is another area of challenge that includes not only the need for high quality and high productivity to meet the competition, but even to anticipate competitive forces. Statements are: 'to achieve set objectives at a competitive cost with international quality standards', 'managing competition', 'getting and maintaining clients for the organisation', or providing world-class services to the clients (11 items).

6. *Evolving Clarity of goals and mission*. Items categorized in this factor refer to the challenges of lack of clarity in goals, direction and mission, as well as an inappropriate division of responsibilities among the peers, and the departments. The need for an optimal prioritization of tasks is also voiced. Examples of statements are: 'indecisiveness', 'clarity from top', and 'lack of direction and mission' (7 items).

7. *Change-orientation* is regarded as another area of challenge by the respondents. It is considered to play an important role in terms of visualizing the future, facilitating the change demanded in the organisation, and adaptability to the changes in the business of an organisation. Examples of the responses are: 'keeping pace with the young blood', 'ability to relate to fast pace of changes', 'align with the changing needs and to facilitate change demanded in the organisation' (6 items).

In addition to the above, there were some other items indicating the need to make fast decisions, providing freedom, balancing internal and external matters, ensuring the balance between implementation & futuristic perspective, growth etc., conflict management, communication, action-orientation, consultation with diverse people, and integrated cross-functional approach.

If we look at the challenges under task issues on the whole, what is striking is the emergence of contrary forces: acting with speed while dealing with bureaucratic internal and external systems, bringing clarity in the midst of ambiguity and limited authority, Customer orientation and responsiveness to meet high customer expectations with limited support and in the midst of not necessarily performance-oriented work culture geared to the needs of the time.

Competing needs and demands, and the need to accomplish apparently opposite objectives on various fronts is visible: Internal and external, people and task, fast action and consultation, high expectations, limited and scarce resources and lack of support, need for responsiveness and change orientation in the midst of bureaucratic culture, providing clarity in the midst of ambiguity.

2. WHAT ARE THE SPECIFIC CHALLENGES FACED BY MANAGERS IN MANAGING INTERPERSONAL RELATIONSHIPS WHILE PLAYING ROLE OF A LEADER IN THE ORGANIZATION?

The answers to this question have been categorized in nine main factors.

1. *Managing Aspirations, Motivation and Development.* This factor has items similar to people management under the task challenges. About 20 per cent of the responses were related to the issue of motivation in different ways, such as 'Motivating staff despite their low salary', 'Right motivation to the right type of people', 'Driving people to deliver against deadline at the same time keeping the moral high and the team motivated', and 'Keeping a staff with compassion'. Providing support was mentioned in about 16 per cent of the responses. It consists of such items as mentoring, counseling, providing feedback, and managing aspirations. Some of the statements are: 'managing the expectations of subordinates', 'dependence & support: creating balance', 'giving feedback' (24 items).

2. *Inappropriate Attitudes and Work Habits of People,* such as lack of commitment & seriousness, arrogance, resistance, or self-Centered approach emerges as the next significant challenge, as seen by the participants of this survey. They state: 'sectarian attitude', 'I-know-everything attitude', 'non-empathetic attitude', 'sensitive issues taken lightly', and 'ego clashes between senior personnel' (20 items).

3. *Creating Desired Culture* in terms of team spirit, confidence, fairness, and respect for one another is mentioned as a challenge by several respondents. Some of the given statements are: 'value-based and ethical working', 'being perceived as equitable and fair while working with people', 'developing team spirit', and 'creating alignment and synergy' (15 items).

4. *Hierarchical and Rigid Structure and processes* are other areas of challenge connected with aspects of hierarchy, rigid structures, paternalism, and the need for a more participative system. Some examples of the given statements in this context are: 'overcoming paternalistic traditions of the company', 'making participative decisions', 'dependency on some influential people for getting the tasks done', and 'overcoming communication problems caused by hierarchical levels and divisions' (13 items).

5. *Balancing Task and Person considerations* is a challenge, as seen by respondents, mainly referring to the personal style of the manager regarding the balance of people and task orientations. Some of the statements are: 'sometimes if they become people-oriented, they don't know where to stop', 'a right balance between the two', 'fear of being perceived too friendly', 'develop personalized rather than very professional approach' and 'parent-child, child-child or adult to child transition to adult-adult' (12 items).

6. *Evolving Clarity of goals and mission* comprises the items referring to ensuring clarity concerning mission, strategy, goals, and priorities from top to bottom. To give a concrete picture of this factor, the statements are: 'to communicate organizational goals to levels up to grass root levels defining mission', 'communication of the mission', 'formulating the strategies', and 'clarity in direction/clear performance measures' (9 items).

7. *Diversity management.* Employees with different educational, culture, geographical, or functional backgrounds is another factor to be handled. 'Since cultures of various divisions are different, a manager is expected to change his approach for maintaining interpersonal relations'. Other statements are: 'individuals come from different educational backgrounds, culture and to make them come together for a specific purpose becomes a specific challenge', 'cross-culture members', and 'cultural diversity' (8 items).

8. *Conflict management.* Handling conflicts between peers, within teams, and between departments is mentioned by statements such as: 'resolving interpersonal conflicts among the team members', 'Interdepartmental dynamics (conflicts and clashes)', 'handling conflicts in the peer group' (8 items).

9. *Communication and information-sharing.* In terms of communication skills, an appropriate flow of information is regarded by the respondents as a challenge. The following statements demonstrate this: 'listening skills are weak', 'effective communication', 'we have to convey messages in a tactful manner', 'keeping engineers well informed about the clients' (8 items).

In addition to the above, there is a mention of some other challenges, viz., networking (6) change-orientation (5), and coordination (3). Overall, the themes of people management and the challenge of building a desired

culture of freedom, trust, etc., and the need to create clarity are emerging as common between task and interpersonal aspects. Combining the focus on task expectations with concern for people and developing a desired culture in the midst of traditional structures and processes, and the perceived work habits and behaviours of people themselves viz., ego, self-centeredness, and distrust, etc., are also the significant challenges in the interpersonal aspect.

3. WHILE PLAYING ROLE OF A LEADER IN THE ORGANIZATION, WHAT SPECIFIC CHALLENGES DO MANAGERS FACE DUE TO THE CHANGE IN THE ENVIRONMENT AFTER GLOBALIZATION?

Seven factors have emerged most significant from the answers to this question.

1. *Change-orientation*. This is the most frequently mentioned factor. It includes information update, analysis of future trends, review of strategies, facilitating change as well as innovation. Some of the statements are: 'updating oneself with the latest happenings in his field of expertise and molding himself and the team for new changing roles', 'continuous development of products and services', and 'adapting business model to changing market conditions' (29 items).

2. *Productivity and Efficiency*. Pressure to increase productivity and be efficient comes out as the next significant challenge due to the change in the environment. The focus is on cost control and reduction, increased productivity, and reduced manpower as the following examples demonstrate: 'identification of cost drivers and cost control', 'to increase man-work output ratio', 'to reduce the processing cost' (19 items).

3. *Competition* is another important challenge area. It includes the pressure in terms of providing high quality, responding to competitors and coping with the pushes and pulls of the market. Typical statements are: 'continual improvement in quality and quantity of product', 'stiff competition and question of survival' and 'to cope with the increased pressure to stand the changing markets' 'keeping a vigil on the competitors' (16 items).

4. *Inappropriate work habits, attitudes and work culture* are considered to be a challenge coming through as anxieties & resistance towards change, lack of career-orientation, employee satisfaction & productivity, and improvement of work culture as essential topics in this context. The statements mentioned are: 'anxieties towards expected structural changes' 'lack of career-oriented people', 'changing mindsets related to job security', 'low morale', and 'unwillingness to accept truth' (16 items).

5. *People management* tasks, such as recruitment, retention, development, and appropriate information flow is a factor mentioned by the respondents through statements as the followings: 'the change in market situation badly affects the recruitment & retention policies of the organisation', 'monitoring the employee', 'retention of team', and 'communicating the need for change to employees' (15 items).

6. *Changing work environment and pressures*. These emerge as a challenge in terms of the need for implementing new technologies, new kinds of teamwork and enrichment & enlargement of work, long working time, and work pressure. Statements such as 'adding quality & value to the work', 'empowering employees into cross-functional teams', 'work design for changing world', 'need to synergize technology with the business and leveraging benefits', and 'long working hours' are given (10 items).

7. *Customer-orientation* is mentioned by the respondents as providing specific solutions for customers, as the statements show: 'changing needs of customer', 'market dynamics have changed, customers want a solution-centered approach rather than just a sales transaction', and 'building a customer-oriented organisation' (9 items).

There is a mention of intercultural issues and the need to deal with external agencies by some of the respondents. Some of the factors in task challenges once again get highlighted in the environmental challenges, viz., work habits and culture, people management, competitive pressures, need for efficiency and change-orientation. However, while people management was the highest in task challenges, in environmental challenges, change-orientation appears highest, which was the last in terms of frequency in the task challenges. Productivity and efficiency, which is similar to limited resources, remains second most frequently mentioned area in both. Work habits and culture appear in all the three, with a similar level of prominence.

People management and inappropriate work habits figure high on task, people aspects, and environmental challenges.

4. LIST COMPETENCIES LEADERS NEED TO DEVELOP TO MANAGE TASK ISSUES

To this question at least nine factors emerged.

1. *Managerial abilities and skills.* It is the most frequently mentioned competence. It includes: planning, coordinating, decision-making, controlling, and time management. Some of the statements were: 'effective work planning', 'coordinating properly with other departments', 'effective problem-solving and decision-making', 'tight control and supervision of the operations', and 'scheduling' (58 items).

2. *People Management competencies.* These are mentioned by referring to aspects such as supervising, mentoring, motivating, retaining, training, and teambuilding. Common statements are: 'counseling when required', 'motivate personnel', 'competency to make the subordinates achievement-oriented, or 'face resistance without reacting strongly' (36 items).

3. *Communication skills.* These are explicitly mentioned by the respondents as listening skills, asking relevant questions, and presentation skills etc. Some of the statements are: 'listening to workers patiently', 'empathy', 'asking good/awkward questions', 'clear communication to ensure clarity up to grass root level' (24 items).

4. *Personal Qualities and Traits.* Certain personality characteristics have been stated as a necessary competence by respondents. The main ones mentioned are: 'self-confidence', 'developing high degree of perseverance and patience', 'stress-tolerance', 'decisiveness,' 'self-awareness, and 'self motivation and self-drive' (24 items).

5. *Change Orientation and Innovativeness.* This factor emerges from the responses as another area of competence. It is about being open, creative, innovative and proactive. This factor consists of statements such as: 'thinking multiple options', 'innovative approach', 'willingness to learn', 'ability to manage the change fast and quickly'(15 items).

6. *Knowledge and technical skills.* These are mentioned through statements such as: 'to have subject knowledge', 'to know the subject thoroughly', 'to have a high level of technical knowledge', and 'technical savvy' (12 items).

7. *Vision and goal-orientation.* An ability to develop, share and follow a vision and to focus on the corresponding goals comes as another essential competence. Some of the statements are: become a visionary, knowledge of organization's vision and goals, target-oriented, and focus on the end goal (12 items).

8. *Dealing with external stakeholders.* Several respondents also mention items related to the knowledge and abilities to deal with the various external agencies, viz., government banks, etc. Some of the items are: 'manage the regulatory authority', 'norms and guidelines of banks', 'fund raising ability '(9 items).

9. *Negotiation and convincing skills* are considered by some respondents to be a necessary competence. This is described as: 'negotiation skills', 'negotiating and conflict resolving skills', and 'convincing power' (8 items).

In addition, some other competencies mentioned are regarding Job analysis (such as job description, profile need, and clear definition of job descriptions and its communication and Customer orientation (i.e. customer understanding, building customer relations, and liaison with clients) (6 items each).

It is interesting to note that even in the current environment, with regard to task competencies, the highest number of items are mentioned in the area of traditional management tasks or abilities to manage them. People management competencies come out as second most frequently mentioned area, which is fairly consistent with the results in the challenges.

5. LIST COMPETENCIES LEADERS NEED TO DEVELOP TO MANAGE PEOPLE ISSUES.

From the analysis of the responses to this question, seven factors emerged as significant and are described below:

- 1. Communication.* This occurs most frequently in the form of clarity of communication and listening skills, as shown by the following examples: 'clear communication especially with subordinates', 'needs to be an effective, attentive listener', and 'listening whenever needed patiently', 'knowledge of body language' (42 items).
- 2. Sensitivity, empathy, and openness.* This area comes out as second most important mentioned, as 'sensitivity', 'openness' and 'empathy', and includes statements such as: 'sensitivity towards people's needs', 'ability to empathize with people', 'altruistic approach', 'sense of compassion for people', 'open mind', 'transparency' (37 items).
- 3. Personal Qualities and Traits.* Several personality traits are mentioned by the respondents as necessary competencies, such as 'self-discipline', 'decisiveness', 'stress resistance', 'high self-esteem', 'sense of humor', 'not being afraid of taking decisions', etc. This factor is obviously less homogeneous than most of the others. However, all the statements reflect a personality that cannot easily be manipulated or hurt, but has the power of influencing others, toughness, and assertiveness with maturity, respect for others, and fairness. A prototype of these statements is 'firm but open' (35 items).
- 4. People development* emerges as an important competence to deal with people issues effectively. It is about empowering, mentoring, and coaching as the following examples demonstrate: 'talent developer, mentor and coach', 'carrying people along in the process of development', and 'counseling skills' (18 items).
- 5. Motivating People.* It appears clearly as an important factor. Respondents speak of motivation as an important competence with regard to people issues. Besides, several answers explicitly mentioning 'motivation skills', also statements such as 'to provide positive stress to employee', 'ability to take everybody along', and 'ability to inspire people', were clustered in this category (14 items).
- 6. Teambuilding.* It emerges as the next important area of competence. 'Teambuilding', 'team spirit', and 'team work' are some of the statements mentioned in this area (12 items).
- 7. Managerial abilities and skills.* Several managerial skills were also mentioned in response to this question, such as: 'dealing with unions', 'enforcing discipline', 'develop clarity', 'administrative ability', 'synthesizing ability', 'analytical abilities', and 'system orientation' (12 items).
- 8. Strategic and innovative thinking:* The items in this factor consist of 'innovative thinking', 'attitudinal change', 'strategic approach', 'creating a shared vision', 'business understanding', and 'forecasting ability -- ability to forecast impact on long-term basis' (11 items).
- 9. Values and Ethics.* Values of 'truthfulness', 'trust', 'sacrificing' (personal and family life), and 'service orientation', 'emphasizing ethical business practices and sticking to it', 'desire to work for betterment of people', 'fairness and humanistic approach' have also been mentioned as a competence in the interpersonal area (10 items).
- 10. Conflict Management.* It is about the ability to resolve conflicts and problems as described by statements such as 'conflict management resolution to make environment friendly/conducive all the time', or 'developing qualities like confrontation', 'understanding the people issues and to manage various solutions and to select proper solution (what makes them tick) resolving issues between members' (8 items).

Some respondents have also mentioned networking abilities and customer orientation in this aspect. A wide canvas of competencies are coming out in this area ranging from self, interpersonal relationships, group-focused competencies for dealing both with people internally in the organization and outside.

6. LIST COMPETENCIES LEADERS NEED TO DEVELOP TO COPE WITH THE CHANGING ENVIRONMENT

Seven important factors have emerged from the data in response to this question.

1. *Flexibility, adaptability and positive attitude towards change* is seen as an important competence by many respondents. In addition to the three terms already used in the title of this factor, it includes statements such as 'open-mindedness to accept change without resistance', 'should be dynamic and open', and 'skills to quickly adapt to changed situation' (34 items).

2. *Knowledge & information update*. Mentioned almost as frequently, it refers to the changing technology, the market scenario, and business knows-how. Both self-learning and distribution of information to the subordinates is included. Some of the statements are: 'well-versed with changing technology', 'keep oneself updated about the happenings around', 'more knowledge about the changing trends of the market', and 'distribution of latest information to their subordinates in prompt and proper manner' (32 items).

3. *Interpersonal and people management skills*. The skills, such as networking, developing relationships, communication, and motivating others are mentioned by a significant section of the respondents. The statements of this cluster are: 'interpersonal skills-networking', 'encourage team member for further self-development', 'empathetic communication', and 'emotional intelligence', ability to understand cultural diversity, managing diversity, high level of staff motivation, converting negative into positive energy (20 items).

4. *Forecasting/anticipating*. Diagnosing future trends is an important factor for some of the respondents. They speak of 'forecasting skills', 'ability to predict and forecast future changes in short and long perspective', 'ability to analyze market trends', and 'diagnostic skills' (16 items).

5. *Managerial abilities and skills*. The respondents seem to feel the need for competencies connected with traditional management tasks while thinking of the current environment almost as often as the factor below of exploring new things. They mention competencies such as increased concentration, planning and organizing, decision-making, result-orientation, solving problems, planning/execution process orientation (15 items).

6. *Developing and exploring new things* is mentioned by referring to creativity concerning systems, strategies, and product design. Some of the statements are 'develop new systems/strategies', 'creativity and innovative skill', 'latest products and software for developing new product designs', and 'exploring new avenues' (15 items).

7. *Proactivity and change facilitation* is about change management in terms of being proactive. Statements such as 'management of change vs. responses to change', 'proactive and deliberate change management', or 'ability to act as a change agent' demonstrate the content of this factor (10 items).

In addition to the above, a few items about the customer orientation and ability to deal with external stakeholders also appear a few times. In response to this question, in various ways the theme of dealing with and keeping pace with new developments, adapting to and facilitating change appears and is very prominent, though a few other factors which are similar to other questions viz., interpersonal and people management skills and managerial abilities and skills are also fairly significant. An overview of the significant factors is given in Table 1.

PERCEIVED NEED AND EFFICACY OF TRAINING OPPORTUNITIES

Further questions of the survey allow us to go more into the training and development needs felt by respondents, current opportunities being provided and the perception of the respondents about their effectiveness. Some of the question-wise analysis in percentages is given in the appendix. The analysis shows that 57 per cent of the respondents mention that managers of their organization possess the expected leadership-skills only 'to some extent'. Only about one-third of the respondents rate the leadership skills as developed to 'a great extent'. However, it is interesting to note that if we separate the HR and Line managers, the picture is different. While about 75 per cent of the HR and personnel people have rated the skills as present 'to some extent', more than 50 per cent of the line managers have rated it as present 'to a large extent'. The percentage of people giving a rating of 'to a large extent' is higher in comparatively senior HR professionals and line managers.

Table 1: Overview of the Main Challenges and Competencies Concerning Task, People and Changing Environment

Aspect	Task issues	Interpersonal issues	Changing environment
Challenges	<ul style="list-style-type: none"> • People management (47) • Limited resources (27) • Inappropriate work habits and culture (14) • Dealing with external stakeholders (12) • Pressure of high customer expectations and competition (11) • Evolving clarity of goals and mission (7) • Change-orientation (6) 	<ul style="list-style-type: none"> • Managing aspirations, motivation and development (24) • Inappropriate attitudes and work habits of people (20) • Creating desired culture (15) • Hierarchical and rigid structure and processes (13) • Balancing task and person considerations (12) • Evolving clarity of goals and mission (9) • Diversity management (8) • Conflict management (8) • Communication and information-sharing (8) 	<ul style="list-style-type: none"> • Change-orientation (29) • Productivity and Efficiency (19) • Competition (16) • Inappropriate work habits, attitudes and work culture (16) • People management (15) • Changing work environment and pressures (10) • Customer-orientation (9)
Competencies	<ul style="list-style-type: none"> • Managerial abilities and skills (58) • People management competencies (36) • Communication skills (24) • Personal qualities and traits (24) • Change-orientation and innovativeness (15) • Knowledge and technical skills (12) • Vision and goal orientation (12) • Dealing with external stakeholders (9) • Negotiation and convincing skills (8) 	<ul style="list-style-type: none"> • Communication (42) • Sensitivity, empathy and openness (37) • Personal qualities and traits (35) • People development (18) • Motivating people (14) • Team building (12) • Managerial abilities and skills (12) • Strategic and innovative thinking (11) • Values and ethics (10) • Conflict management (8) 	<ul style="list-style-type: none"> • Flexibility, adaptability and positive attitude towards change (34) • Knowledge and information update (32) • Interpersonal and people management skills (20) • Forecasting/anticipation (16) • Managerial abilities and Skills (15) • Developing & exploring new things (15) • Proactivity and change facilitation (10)

About 95 per cent of the respondents feel the need to enhance their knowledge on leadership skills and about 89 per cent of the respondents mention that managers in their organization require training in this area. About 81 per cent of the respondents mention that in their organization training programs are carried out to build leadership competencies. However, about 59 per cent of the respondents assess the leadership programmes in their organization as successful only 'to some extent'.

On the basis of these results it is obvious that the main issue is not that training on leadership is not conducted, but how the effectiveness of the intervention is perceived in meeting the needs. This may be a reflection on the quality of the training, the relevance of the training for the competencies actually required, or the preparedness of the people in utilizing the training. The results of the study have some data to offer for improving the effectiveness of training programmes in the field of leadership skills.

LIMITATIONS OF THE STUDY

The study and its findings have some limitations. Even though the questionnaire was sent to a large number of people, the responses are limited in number. Some of the responses are from in-depth personal interviews, which add value in terms of quality but not numbers. Therefore, the analysis has been largely done to find the significant factors on an overall basis and not study differences amongst types of organizations or people from different levels and roles. It is based on opinions of managers and, thus, limited to their ways of understanding,

conceptualizing and stating the issues. It is possible that the managers are not aware of some issues or state them within their existing frameworks. Therefore, a critical review of the findings has been attempted.

PART 2

SUMMARY AND CRITICAL REVIEW OF THE FINDINGS

While the study has generated a wide range of challenges and competencies required to deal with the globalised environment, as they exist in the awareness of the respondents, it is important to look at the main themes from the point of view of focusing on development. It is also important to interpret the findings through some other existing knowledge and research to give meaningful action and developmental perspective to the data.

This section attempts to cull out significant patterns and themes, reviews some recent other writings and research on the subject of leadership competencies for the globalised environment, and proposes some of the most critical areas for leadership development.

MAIN THEMES

1. *People management competence* as a theme appears consistently in challenges as well as competencies. A careful study of the various items categorized in this theme brings the picture of a leader who can perform the whole range of people management tasks effectively to motivate, inspire, develop and mentor people.
2. *Change management/orientation*. This theme also appears repeatedly at a higher or lower rank in the significant factors in challenges as well as competencies.
3. *Managerial abilities and skills* figure in all the three lists of competencies, ranking first in task issues, seventh in people aspects and fifth in changing environment. This probably indicates that the situation is doubly complex for leadership as it requires a combination of two apparently contradictory competencies, viz., the need for competencies connected with traditional managerial tasks, and the new competencies to meet the demands of the globalised environment.
4. *Culture change*. In all the three area of challenges, inappropriate work habits and attitudes, etc., are mentioned, and in interpersonal issues, building a desired culture comes out as a separate factor which brings to focus the culture building or culture change competencies.
5. *Personal qualities*. A whole range of personality characteristics have come out in task and people competencies which a leader should possess.
6. *Knowledge and information update*. This has been particularly significant in competencies related to task and changed environment.
7. *Productivity, efficiency and limited resources*. This emerges as one of the important challenges in the context of task and changing environment.

Amongst the important themes but comparatively less frequently, mentioned, or less widely found as significant, across questions are the following.

8. Pressures for quality, innovation and customer responsiveness: Customer satisfaction in the midst of varied and changing needs, uncertainty of demand, etc.
9. Dealing with external stakeholders, viz., government, financial institutions, etc.
10. Evolving clarity of goals and mission.
11. Team building, negotiation and conflict resolution skills.
12. Diversity management.

13. Visionary, strategic thinking, proactivity, forecasting, etc.
14. Values and ethics.

Is this list of competencies new or different? Most or all of the above have been talked about for several decades now. What is new is that all of these are required together and in a great measure today. Apparently contradictory qualities are required, e.g., need to strategize as well as implement. As much as the task demands are growing, the people expectations are rising too. Also, may be the degree of importance or the urgency of the need for certain areas has increased now.

It may be useful to look at some of the other recent writings and research on the subject of leadership competencies for the globalised environment. C.K. Prahalad (1999) brings out the challenges or tasks for the leaders in the current environment and the qualities required. The main competencies that he emphasizes are: coping with ambiguities and uncertainties, reconciling the coexistence of opposites, managing diversity: race, gender, age, cultural and intellectual, personal integrity: selflessness, accountability for performance, humility and courage, a point of view about the future based on substantive knowledge of the specific field, networking across organizations and an understanding of and sensitivity to contextual influence and authority.

Walt and Goldsmith (1999) in their study on the most important characteristics of the leader of the future find some themes consistent with the desired characteristics of past, present, and future, viz., communicating vision, demonstrating integrity, focusing on results, ensuring customer satisfaction, and some emerging characteristics of the future, viz., thinking globally, appreciating cultural diversity, demonstrating technological savvy, building partnerships, and sharing leadership.

Therefore, findings of this study partly corroborate, substantiate and elaborate on the competencies in the Indian context. This study brings out certain competencies as prominent, which are similar to the above studies but some of the themes coming out as less prominent in this study are the ones emphasized by the above review of other writings, viz., external interface, networking, partnerships, appreciating and managing diversity and personal Integrity. The competencies coming out as prominent from this study have a significant focus on internal people management and seem to come from the mindset of one or a few positional leaders doing most of the leadership functions. They seem to hold consciously or unconsciously a paternalistic model in which leader is an ideal provider of everything so that everything and everyone is taken care of. The contextual or shared leadership aspect does not emerge as significant from the responses in this study. In fact, it seems that while managers are aware of the competencies required, they seem to hope and believe that they can be present or developed in one or a few people in leadership positions.

However, this is not uncommon or new. Nor is it uniquely or solely Indian. However, it needs to be addressed in the context of leadership development in the current environment. *Bolden et al. (2003)* state 'Leadership, therefore, is conceived as a set of values, qualities and behaviours exhibited by the leader that encourage the participation, development, and commitment of followers. It is remarkable how few of the frameworks (AstraZeneca, Federal Express, DfES, Northern Ireland Senior Civil Service, Employers' Organisation for Local Government, Senior Executive Service, CEML and Hamlins' Generic Model) refer to the leader's ability to "listen" and none refer to the word to "follow" (following, followers, etc.). The "leader" (as post holder) is thus promoted as the sole source of "leadership". He/she is seen to act as an energizer, catalyst and visionary equipped with a set of tools (communication, problem solving, people management, decision-making, etc.) that can be applied across a diverse range of situations and contexts'.

Is it feasible? Can all of these competencies coexist in a particular person? Perhaps not. At least, not in the short run and there is not enough time to wait till they develop. All positional managers may not have the inclination and potential to develop all of the abilities. Therefore, there are not enough leaders ready today or in the near future to bring all these competencies together. Perhaps the expectation to have all these competencies in positional managers is creating the situation where organizations and society often do not have enough leadership. While the environment is certainly generating a feeling of inadequacy, it is further enhanced due to the unrealistic expectation of acquiring all the competencies and getting that sense of adequacy through training. Perhaps this is one of the reasons that training opportunities are not found successful by a majority of people.

While honouring the experience and wisdom of the respondents and the results, it may be necessary to explore what may be required to make this range of leadership abilities available in organizations within a

reasonable time frame. It is important to find out the most critical developmental agenda which can be used for action while not undermining or ignoring the importance of the development of all the competencies in some or all, to the extent possible or wherever possible selecting people with the right ones.

The following main shifts are proposed. These are required more in the nature of changes in mindset not in specific leaders but at a wider level in the organisation as a way of looking at leadership competencies and leadership development to meet the challenges of the new environment.

1. *Capability to deal with paradoxes, polarities and contrary demands.* If we look beyond the categories and look for main themes, dealing with apparently opposite and competing pressures, goals or demands, viz., task and people, efficiency, cost reduction vs. quality, innovation and customer satisfaction, evolving clarity in the midst of ambiguity, competitiveness vs. collaboration both internally and externally, values vs. expediency, etc., is the common theme. Managing paradoxes and contradictions and learning to hold them together in complementarity and synergy through a different mindset, styles, technologies and systems which make them converge will be a crucial competence for leadership in the *Global era*. To quote C.K. Prahalad: *'Increasingly, however, we know that high quality, low cost, time compression, differentiation and resource conservation are all compatible. In fact they are an integral part of a high-performance management process. Leaders must first mentally reconcile the coexistence of apparent opposites. Then they must convince the people of the organisation to accept this coexistence and build systems capable of delivering on all these dimensions.'* There is a need to develop an and/or rather than either/or thinking, see patterns in data rather than only linear sequential thinking, diagnose and use discretion to do what will work in a situation and not look for simple straight answers or a set of rules to find a way to integrate contradictory expectations in the choices.

2. *Widespread leadership.* Mind set change from one or a few leaders with all qualities to making the competencies available in the organization. Leadership would then mean either having a diverse range of capacities or creating and managing a team with diversity. In this paradigm, leadership is seen as a shared responsibility of all to meet the necessary task and people management challenges in the new environment and the positional leaders having the right mindset of authority of competence rather than positional authority. Sense of competence and adequacy will come not from having all competencies, as it may not be feasible, but from mutuality within and outside the organization; inside the organisation, sharing of leadership and outside balance collaboration and competing. Walt and Goldsmith (1999) state 'If future leaders have the wisdom to learn from the experience of present leaders and if present leaders have the wisdom to learn new competencies from future leaders they both can share leadership in a way that can benefit the organization'. Cohen Eli & Tichy Noel (1999) consider 'leading as teaching and learning' and say that 'in circumstances where they can't exert direct control, what good leaders do is teach others to be leaders.' They also state that 'becoming such a leader requires, first, the adoption of the new mindset that a leader is a facilitator rather than a commander.'

3. *Valuing and utilizing diversity in the organisation and teams.* An ability to appreciate and utilize diversity will be crucial to the changed paradigm of leadership. It is not just diversity of race, gender, culture or age but emerging from these or other reasons, the diversity of ideas, perspectives, approaches of handling tasks, and people. The need is not to tolerate and manage diversity but to value it and channelise it to make a wide range of competencies available to manage complex tasks. Facilitating and using teams rather than attempt to be an all-knowing and evangelical figure with all qualities and respect for contextual authority will be required.

4. *Strong value base* for effective contribution to organisation and society than use position for self. This needs a shift from the widely prevalent paradigm of a helpless victim of incongruence between stated and practiced values to developing the competence for a value-based leadership (Jain, 2002).

5. *Balancing internal and external focus*, viz., dealing with stakeholders, building partnerships, networking and collaborations will need more focus from managers than seem to come out in the study. Marshall and Walt (1999) state that 'Leading across a fluid network may become more important than leading from the top of a fixed hierarchy' in the emerging world. Prahalad talks about the need for leaders to 'become an integral part of the evolving network of firms'.

6. *Self-awareness and interpersonal skills.* To accomplish the above paradigm of leadership, there will be need to develop a greater self-awareness and interpersonal skills for positional leaders as well as across the

organization. Therefore, there is no substitute for a certain amount of soft skills to deal with people inside and outside the organization, develop networking abilities to appreciate, and utilize the competence of others.

7. *Being a continuous learner.* Continuous and online, real-time learning and application, while listening and interacting, will be required because there is a lot to learn and it keeps changing and very little time is available between learning and execution. Using self as an instrument, a sense of centeredness in self, sensing and putting meaning to the data or using the resources of other people as sensors that are close to action will both require a learning orientation.

These above competencies or mindsets will certainly be required in people who claim the role or recognition of being a leader, but, more importantly in the shared beliefs and culture of the organization and practiced in a fairly widespread manner. In a world where a large majority of managers have been and are still selected and promoted on the basis of the traditional concept of managerial qualities for the positional leaders, it requires a significant change like capability to use one's inoperative hand (Jain, 1999). Robert E Quinn describes this quality in people:

These people 'know how to get lost with confidence', i.e. they know how to learn their way in to the new and emerging world. They may be found at any level in the organisation. They are master change agents capable of making deep change in themselves, in their relationships and in their organisation. They are internally driven leaders who understand the process of deep change.

Robert E Quinn (1996)

To be ready to move without adequate knowledge into the land of uncertainty and being willing to get lost with confidence will be the essential competence for dealing with this era of uncertainty and change. However, the basic mindset and competencies that will make it possible will be valuing diversity, teamwork, collaboration, congruence in stated and practiced values, continuous learning and sharing of power. These may seem difficult to acquire but may make leadership both easier and effective.

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APPENDIX

- According to you, to what extent do managers of your organisation possess the leadership competencies you have mentioned?

<i>Responses</i>	%
'Not at all'	5.45
'To some extent'	57.40
'To a great extent'	38.18

- Do you think managers in your organisation require training on leadership?

<i>Responses</i>	%
'Yes'	89.09
'No'	10.90

- Does your organisation carry out specific training programs to build leadership qualities in managers?

<i>Responses</i>	%
'Yes'	81.25
'No'	18.75

- How far are the training programmes successful in developing leadership qualities in managers?

<i>Responses</i>	%
'Not at all'	0
'To some extent'	58.69
'To a great extent'	26.08
other answers*	15.21

* Such as 'differs from individual to individual', and 'not assessed'

- Do you feel the need to enhance your knowledge and skills in this area?

<i>Responses</i>	%
'Yes'	95.83
'No'	4.16
Missing answers	13