Global leadership is shared leadership: How smart global leaders build cultures of collaboration to drive results and get things done

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Technology and globalization have transformed organizations and the lives of individuals in dramatic ways. Between 2000 and 2015, American multinationals hired more people overseas than they did in the United States (Furhmans, 2018). New communication technologies have made information transfer between low-cost labor markets, headquarters countries, and centers of commerce easy, fast, and affordable. Relationships among regions and countries opened up profitable markets for multinationals, requiring domestic leadership to manage the complexity encountered by different legal jurisdictions, languages, stakeholder groups, and cultures (Lane et al., 2004).

Along with the new markets, new forms of global leadership emerged and new definitions evolved. We define global leadership as influencing a range of internal and external constituents from multiple national cultures and jurisdictions in a context characterized by significant levels of task and relationship complexity (Reiche et al., 2017, p. 556).

Complexity is the hallmark of global leadership. To illustrate, we offer an example of a pharmaceutical company’s effort to change its organizational structure, which required the tracking of 12,000 separate items across more than 100 countries and in 70 languages (Osland et al., 2017). In the face
of such complex change, it is impossible to imagine that any single individual leader could alone possess the skills and capacity needed to lead. Increasingly, leadership is a collective activity, enacted across geographic boundaries. We propose that globalization is changing the nature of leadership such that effective leaders must rely heavily on personal and relational versus structural sources of power, thereby engaging others in the process of shared leadership.

In this chapter, we support our proposal with findings from three empirical studies. In the first study, we offer an inside look at the nature of global leaders’ work. We spent a week each with five global leaders and conducted interviews and semi-structured observations (Huesing & Ludema, 2017; Mintzberg, 1973) to gain insight into what they do and how they lead on a daily basis. Our second study draws from interviews with leaders in the global auto industry to compare the bases of power used by global leaders versus those used by domestic leaders. In the final study, we provide a case study of a major change initiative in a global organization, demonstrating how contextual complexity, unique local knowledge and expertise, and the requirements of organizational structure contributed to the emergence of shared leadership on a highly-diverse global team.

**SHARED LEADERSHIP AND BASES OF POWER IN GLOBAL LEADERSHIP**

**Shared Leadership**

In a 2016 bibliometric analysis of published studies between 1965 and 2014, researchers found that shared leadership and collective leadership are the second and third most researched leadership models, respectively (Tal & Gordon, 2016). The authors argue this shift is a byproduct of the Knowledge Era, with its focus on democracy, globalization, and complexity. In other words, the forces that are currently shaping the global economy require new forms of leadership that are shared.

Shared leadership is defined as “a dynamic, interactive influence process among individuals in groups for which the objective is to lead one another to the achievement of group or organizational goals” (Pearce & Conger, 2003, p. 1). In contrast to traditional downward theories of leadership, shared leadership proposes that group members can “actively and intentionally shift the
role of leader to one another as needed by the environment or circumstances in which the group operates” (Wassenaar & Pearce, 2018, p. 168). Shared leadership places an emphasis on the role and behavior of leadership rather than on a specific person (Lord et al., 2017).

Shared leadership is applicable where there is a high level of interdependence between group members (Wassenaar & Pearce, 2018). In the presence of shared leadership, we can expect to see leadership behaviors such as giving direction, removing obstacles, or providing support and motivation to other teammates to be practiced by more than just the positional authority (D’Innocenzo et al., 2016).

Four forms of shared leadership can emerge (Pearce & Manz, 2014). The first is rotated shared leadership, where the role of the leader is determined at different points in time based on expertise. Second, integrated shared leadership is a more dynamic form in which leadership roles shift fluidly and rapidly within a single meeting or incident as topics change or the focus on different aspects of an initiative emerge. Third, distributed shared leadership reflects organizational structures that allow for autonomy and decision-making across the organization. Finally, the fourth form of shared leadership is comprehensive shared leadership, which is reserved for organizational cultures where shared approaches are infused throughout. In all of the four styles, it is important to note that hierarchical leadership structures often still exist, but leadership roles and behaviors shift as needed by the environment or circumstances (Pearce & Manz, 2014).

In a meta-analysis of the shared leadership literature, shared leadership was found to have a greater effect in complex environments (Wang et al., 2014), making it especially suitable for global teams. Sharing leadership has been shown to increase dispersed global team performance and thus help to overcome the challenges of virtual team collaboration (Hoegl & Muethel, 2016). Researchers suggest this is true because shared leadership pushes decision-making to the local level, allowing for more culturally-relevant and efficient processes (Pearce & Wassenaar, 2014).

**Bases of Power**

To explore shared leadership in a global context, it is important to understand the ways in which leaders exercise power. The concept of power was
introduced into leadership studies by Robert Dahl in 1957. Power is defined as, “A has power over B to the extent that [A] can get B to do something that B would not otherwise do” (Dahl, 1957, pp. 202–203). This definition was expanded by French and Raven (1959) by outlining five bases of power: (a) reward power, (b) coercive power, (c) legitimate power, (d) referent power, and (e) expert power. By 1998, the list was expanded to 11 and subdivided into structured and personal bases of power (Raven et al., 1998). The consolidated list is shown in Table 3.1.

For global leaders, the six bases of power are particularly important to understand. Two of them are relatively weak when compared with domestic leaders, which makes the other four essential and moves global leaders in the direction of shared forms of leadership. Impersonal reward power is the power a leader has to provide financial reward to followers. This base of power is weak for global leaders because it is typically diminished or unavailable. Survey results show that only 40% of global leaders have direct responsibility for a follower’s annual compensation assessment (Hinds, 2019). Legitimate power of position is also weak for global leaders because they often have no direct line of authority over the members of the global teams they lead.

In contrast, four other bases of power are more evident in the work of global leaders. Legitimate power of dependence refers to the reciprocal interdependence between leaders and followers and among team members on the same project (Castañer & Ketokivi, 2018). It is essential for global leaders because they rely on the unique cultural, technical, and relational expertise of each team member to accomplish shared goals. Referent power, described

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<tr>
<th>Structured Bases</th>
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<td>Impersonal Reward Power</td>
<td>Referent Power</td>
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<td>Impersonal Coercive Power</td>
<td>Expert Power</td>
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<td>Personal Coercive Power</td>
<td>Informational Power</td>
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<td>Legitimate Power of Position</td>
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<td>Legitimate Power of Equity</td>
<td>Personal Reward Power</td>
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<td>Legitimate Power of Reciprocity</td>
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Source: Adapted from Raven et al. (1998).
as a feeling of membership between individuals, is also essential for global leaders because their team members are often geographically and culturally dispersed. A strong sense of connection and membership supports trust, collaboration, and investment in the success of the team as a whole. Expert power and information power are the most important bases of power in a global environment because they incorporate local knowledge, including policies, practices, and cultural understandings, which may not be available to all team members and could significantly affect the outcome of a project. Global leaders depend on global team members to exercise their context-specific expert and information power on behalf of the whole, promoting shared leadership.

THE EMPIRICAL EVIDENCE OF SHARED LEADERSHIP

To further illuminate the idea of shared leadership as an essential ingredient in global leadership, we provide in this section empirical evidence from three original studies of global leaders. The first study shows how the task, culture, and relationship complexity of global leaders’ work makes traditional hierarchical forms of leadership inadequate and requires collaborative approaches. The second study goes a step further and shows how the complexities of global leadership constrain bases of power that support hierarchical leadership and enable bases of power that favor shared leadership. The third study provides a case of shared leadership in action in a global change initiative characterized by high levels of task, culture, and relationship complexity. It shows how shared leadership can be put into practice through shared decision-making and organizational structure to drive successful global change.

Study 1: The Nature of Global Leaders’ Work

Similar to Mintzberg (1973), we observed five global leaders at their workplace for a week each. Our study participants came from the telecom industry, aerospace and energy, software development, tracking technologies, and for-profit higher education. Three worked in the United States (two on the West Coast and one in the Midwest), two worked in Europe (Belgium and Spain). All five were global leaders whose responsibilities crossed multiple
boundaries and who worked with others from multiple national cultures and jurisdictions. During our study, we took extensive field notes, complemented our observations with informal interviews and archival documents, and analyzed our data using the conventions of grounded theory (Charmaz, 2014).

We identified 10 characteristics of global leaders’ work:

1. Working continuously across multiple time zones and geographical distances;

2. Working extremely long hours to accommodate the needs and calendars of the corporate offices along with those of team members scattered around the globe;

3. Navigating flexible schedules and fluid time to be available at all times to meet the immediate resource requirements of others;

4. Depending primarily on various forms of electronic technology for communication, none of which are as rich as face-to-face interaction;

5. Spending long periods of time alone connected only electronically to others;

6. Traveling extensively to establish and maintain relationships and negotiate complex deals;

7. Serving dual roles as functional experts (e.g., CFO, COO, VP of Sales) with the added responsibilities of global leadership;

8. Facilitating vast amounts of information, advice, and action among global team members and up and down the chain of command;

9. Managing the complexities of multiple and often conflicting political regimes, legal systems, labor laws, ethical standards, HR practices, financial requirements, currencies, exchange rates, cultures, customs, and languages; and


These 10 factors illustrate the task, culture, and relationship complexity of global leadership and establish the need for shared forms of leadership. Since their territories spanned multiple time zones, it was not uncommon for...
the global leaders in our study to work from early in the morning to late at night. The participant located in Barcelona, Spain, often worked from his home office when he was not traveling. This made it easier for him to be at work early in the morning when he would communicate with his team members in Singapore, where it was afternoon already. He would respond to email that had come in during the night and be in phone conversations. The global leader used a sticky note attached to his computer screen to remind him of the various time zones he was dealing with. Around lunchtime, the VP would take a longer break, perhaps to go for a walk with his wife, before he returned to his desk in the afternoon when his colleagues in Chicago would come online. He would often stay at his desk until 10 p.m. (local time) or later. His schedule was very flexible with work and other aspects of his life intermingled.

Global leaders travel regularly to meet with their dispersed team members in person. All five participants of our study stated that face-to-face meetings were still the best way to lead and an absolute necessity because they strengthened relationships and facilitated collaborative problem solving and innovation. Since they were not always able to have face-to-face meetings, they had to rely heavily on communication technology to remain in touch with their teams. A global leader located in San Francisco, the CEO of a software company with business units in multiple South American countries, used technology that his software developers preferred and was connected to his teams via various tools (SMS, Skype, Slack, email) throughout the day.

We observed a constant interaction between the global leader with individual team members or groups of team members. All of the global leaders we studied adjusted their time and the means of communication to what their team members preferred, even when this meant long work hours or multiple tools and channels of communication for them. They also worked hard to handle multiple time zones, national holidays, and cultural differences in work habits, making sure that arrangements were convenient for their team members rather than imposing their schedules on others.

The work of our global leaders was made increasingly complex because multiple national entities were often involved. In one example, team members based in Argentina working for an American company did not want to receive their pay in Argentine pesos or have it deposited in Argentine banks because of chronic currency devaluations. To accommodate the team members, the global leader explored various alternatives such as depositing
the money in US dollars in US banks, depositing the money in US dollars or Uruguayan pesos in Uruguayan banks, paying in cash in Uruguay with either US dollars or Uruguayan pesos, and other offshore options. Each alternative had legal, ethical, and financial implications that needed to be considered and required a complex blend of local and global knowledge and understandings.

In another example, a global leader explained how changes to tax law in one legal entity needed to be addressed at the corporate level:

*When the UK tax law changed, it was not material to our financial statements. Yet, I had to write a seven-page memo to show it doesn’t apply to us. There are just too many things. We spend a tremendous amount of time trying to understand the rules.*

These examples provide a small glimpse into the complexities facing global leaders. Such complexities cannot be managed with traditional hierarchical forms of leadership. They require local expertise, and the global leader relies on local leaders’ insights into what is important and how it should be handled. Research, understanding, problem solving, and decision-making need to be conducted jointly, requiring shared forms of leadership.

**Study 2: Global Leadership and Bases of Power**

To gain additional insight into the emergence of shared global leadership, we interviewed 18 global leaders in the automotive manufacturing industry using the Critical Incident Interview technique (Flanagan, 1954). The interviews explored global leadership through the lens of bases of power. We asked the interviewees to share two stories of leading a change in a follower’s work practices, one involving a global follower and the other involving a domestic follower. As the global leaders told their stories, we looked for similarities and differences in the way the global leader used bases of power with global followers versus domestic followers. The interviews were recorded, transcribed, and analyzed using the conventions of Grounded Theory (Charmaz, 2014).

Of the 23 interviewees, 11 were US citizens, 6 were Chinese citizens, 4 were Japanese citizens, 1 was a citizen of Great Britain, and one a German citizen. Seventeen worked within the engineering function and six worked
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within the purchasing function. Seventeen interviewees were men, and six were women. All global leaders were in a structured supervisor role versus a team leader role, which meant that legitimate power of position was always present. The leader–follower relation also had high levels of reciprocal interdependence (Castañer & Ketokivi, 2018), which meant the success of both the leader and follower were dependent on one another.

Our results showed that the application of expert power or information power was the primary basis for shared leadership. When a global follower possessed information or knowledge that was important for the global leader and the success of the project, the roles of leader and follower became less defined and shared leadership emerged. Bases of power such as legitimate power of position, forms of reward and coercive power, and referent power did not have the same fluidity of transfer within a leader–follower relationship and did not contribute significantly to shared leadership.

During the interviews, there were two general cases in which shared leadership emerged. The first case was where the global leader and global follower were from the same functional domain (e.g., engineering) and working in different regions of the world. In this case, the follower could possess regional knowledge that was not available to the global leader. This regional knowledge introduced both strong and weak shared leadership examples. When the regional knowledge, such as regional market conditions, regional customer wants, or regional government regulations were critical to the decision-making, the regional knowledge gave the global follower regional expert power and a strong shared leadership role. If the global follower possessed regional knowledge that was valuable but not critical, the global follower demonstrated regional information power (as opposed to regional expert power) and established a weak form of shared leadership in which he or she provided information but was not responsible for decision-making. During the interviews with global leaders, EG, a senior executive interviewee working in the United States, described how her experience in the United States and close proximity to US customers was a benefit to her global leader who was South Korean and based in South Korea.

Now, I got their attention because I’m living here. I know what’s happening a lot more than they could ever know by reading the snip-its. I provide additional information that may not be on the internet through web searches because of the relationship I may have with the various members of the different companies here.
After a visit to EG’s US office, her South Korea manager acknowledged EG’s regional expert power with the statement, “They’re all very close to the tech center, less than an hour away. You will always have better information than we have being 7,000 [miles away].” This is an example of rotated shared leadership (Pearce & Manz, 2014) where the role of the leader is determined at different points in time based on expertise.

The second general case where shared leadership emerged was where the global leader and global follower worked in different functional domains (e.g., one in engineering and the other in purchasing). If the global leader and global follower work on the same project but in different functional domains, there is a clear separation of expert power and information power within the project team. As tasks progressed through the life of a project, different functional domains were called upon to provide input and make decisions. This ebb and flow of domain expert power and domain information power is an example of integrated shared leadership (Pearce & Manz, 2014) in which leadership roles shift fluidly and rapidly within a single meeting or project as topics change or the focus on different aspects of an initiative emerge.

Study 3: Global Leadership Is Shared Leadership in Action

In Study 3, we use a single-case example to explore the emergence of shared leadership across a global executive leadership team. This demonstrates how complexity (as established in Study 1), the presence of expert and information power (as established in Study 2), and organizational structure create the conditions for the emergence of shared leadership. The example provided here is one case from a larger comparative-case study of the success factors in leading global change projects (Johnson, 2019).

WaterOrg is a multinational non-governmental organization based in Houston, Texas, and working throughout Africa, Latin America, and Asia. The organization began when oil industry executives decided to use their technical drilling expertise to help bring clean water to developing communities. They turned to local non-profits to create connections and develop relationships in these areas, and the US-based leaders provided funding and drilling expertise. As the organization grew, this division of labor led to quality control issues and a lack of accountability. WaterOrg decided to
restructure to address these concerns. A new role of Regional Vice President (RVP) was created to provide executive-level leadership to large territories, such as all of Latin America or West Africa. This is an example of distributed shared leadership in which structures are created that allow for autonomy and decision-making across the organization (Pearce & Manz, 2014).

RVPs provide an important boundary-spanning role for managing complexity (Butler et al., 2012), as they draw on their connections to different levels of the organization and the cultures in which the organization works. In this boundary-spanning context, one RVP explains how organization-wide decision-making works: each leader is expected to contribute their expert knowledge (a form of expert power) to identify ways in which a decision may challenge national or local cultures or may require consideration of professional functions such as HR or finance policy. When included in the decision-making, the RVPs are then better able to support new policies as they are implemented in the field:

*If I’m part of the development process, then I’ll make noise during that time. I’ll make sure I’m representing my constituents so that I can say [to the field], “What we decided.” I can speak of “we,” not what Houston decided.*

Mutual decision-making, a component of shared leadership, is particularly important on global leadership teams as representatives from different regions bring local knowledge (expert and information power) that impacts the outcomes of change initiatives. For example, during a recent restructuring at WaterOrg, headquarters-based staff questioned the need for employees in the field to manage purchasing of office and cleaning supplies. In headquarters, this function is easily managed through online shopping. An RVP explained that purchasing supplies in developing communities cannot rely on online shopping or delivery and can be time consuming. In this, the RVP advocated for the field; likewise, leaders at headquarters received the expert knowledge of the RVP and adapted decisions to accommodate it. This cycle of *advocacy* using expert power and *adaptation* illustrates a simple process of shared leadership.

In more complex work, an example of expert power contributing to shared leadership can be seen as leaders from different functions at WaterOrg worked as equals to create a new set of global project standards. Historically, processes and standards were set by headquarters. In the new
structure, however, the CEO tasked two RVPs and a global operations director with creating a new set of standards for the organization’s program area model. To design the model, the global operations director spent two months in Africa, working with the continent’s RVP. They began by talking about what they wanted to happen, shaping a vision of what a program area might look like and then working to define the terms and create measurements and formal objectives. Their design was sent to the RVP of Latin America for revision before the final design was submitted to the CEO. This mutual process of visioning, defining, advising, and revising is another model of shared leadership that again relies on reciprocal contributions of expert knowledge.

Taken as a whole, this case study provides an example of comprehensive shared leadership in which an organizational culture is created that infuses shared approaches throughout (Pearce & Manz, 2014). The creation of RVPs elevated non-US leaders into positions where the emergence of shared leadership became more probable. More recently, RVPs were made members of the global executive team. One executive team member explains:

> When we initially established the regions, RVPs were not part of the [global executive] team. I think that created some tension because they felt like it was a them and us kind of culture. But in the more recent reorganization, we’re bringing them to the table as part of the senior team, in a much more collegial, collaborative environment. And I think they see that they’re part of the solution.

Members of the global executive team report this shift has led to more consistent information sharing and shared decision-making, and that it has allowed team members to rely on one another. One executive of a functional area notes RVPs now say, “You’re the technical expert. I’ll trust you on this one,” where previously they might have said, “It’s my region, I’ll make the decision. You’re just the advisor.” This significant structural change, coupled with the creation of processes for mutual decision-making and collaborative visioning, defining, revising, and refining on key initiatives created a culture in which shared leadership was institutionalized, supported, and leveraged throughout the organization.

Study 3 provides an illustration of the central points of Studies 1 and 2: Within global leadership teams, complexity created by the multiplicity of languages, cultures, time zones, legal jurisdictions, etc., necessitates reliance on other leaders who hold expert and information power, creating
conditions where shared leadership can emerge. If attention is paid to creating structures and processes that support rotated, integrated, and distributed forms of shared leadership, a comprehensive culture of shared leadership can be developed, leading to regular rhythm of cooperative acts such as advising, adapting, visioning, defining, revising, and relying.

SHARED LEADERSHIP FOR A GLOBAL FUTURE: IMPLICATIONS

This chapter connects the literature on global leadership with that of shared leadership and bases of power. The chapter then illustrates the changing nature of shared leadership in the global context with findings from three empirical studies. In the first study, we observed that complexity of the global context necessitated a shared approach. In the second study, we researched the bases of power that global leaders utilize when leading global and domestic followers in the global auto industry, finding that shared leadership was more likely to emerge in the presence of expert and information power.

In the third study, our case illustrated how the presence of global complexity and expert and information power, along with organizational structure, contribute to the emergence of a culture of comprehensive shared leadership as demonstrated by a regular rhythm of cooperative acts such as shared decision-making and advising, adapting, visioning, defining, revising, and relying. Together, these studies argue that the future of global leadership is one of shared leadership, which allows global leadership teams to navigate complexity, rely on regional and functional expertise, and contribute to cooperative acts.

Our chapter has both academic and practitioner implications. Fruitful channels of future research can be envisioned; for brevity, we will identify just three. First, Mintzberg’s (1973) seminal study could again be replicated, this time with an intentional focus of identifying the nature of shared leadership among global executive teams. While recent uses of Mintzberg’s methods revealed the nature of global leaders work (Huesing & Ludema, 2017), the finding of shared leadership was an unexpected discovery. Repeating this study in a shared global leadership context could extend our understanding of how and why shared leadership emerges on global leadership teams.
Second, enacting a shared leadership approach allows global leaders to call on the team’s expert knowledge: intellectual, psychological, and social capital that can navigate the complexity of global work. Further consideration of the role of expert and information power in global teams is needed, in contrast with their use in domestic teams. Are expert and information power used differently among global teams, and under what conditions do they contribute to the emergence of shared leadership? Our study focused on the auto industry; can the findings be extended to other industries? And finally, a third research question arising from this chapter considers the role of organizational structure in the emergence of shared leadership on global teams. What structures allow for shared leadership and cooperative acts to emerge across regions and functions, and what structures or practices inhibit shared leadership emergence?

Additionally, this chapter suggests important implications for practitioners who want to engage shared leadership in a global context. First, we propose that in light of increasing globalization, leaders must turn their attention to the creation of shared leadership among their global executive teams, especially in areas in which the work is interdependent (Wassenaar & Pearce, 2018), as seen in Study 1, and reliant on expert knowledge and information, as seen in Study 2. Study 3’s findings encourage leaders to consider whether the organization’s structure might inhibit or enable the emergence of shared leadership. If leaders are not seeing the shared decision-making they desire, for example, they could consider whether team members with the relevant expert knowledge also have the organizational position needed for their voice to be heard. Practitioners may also find benefit in revisiting the models of shared leadership (Pearce & Manz, 2014) to assess what, if any, model their team is enacting; the absence of shared leadership may be instructive for global leaders. Where it is not present, is the organization too reliant on more coercive forms of power? Can those forms of power be exercised effectively across geographic boundaries? If not, it may be a warning sign to invest in the creation of a shared leadership culture.

Globalization has changed the way we work. The nature of leadership must adapt as our organizations grow to encompass more geographies, cultures, languages, and ways of working. Shared leadership emerges in these complex environments as a means of managing the interdependency of boundary-spanning work; but enacting shared leadership means shifting
the bases of power on which leaders historically relied. It may also require shifting organizational structure to accommodate more voices. Scholars and executives alike must adapt quickly to keep pace with the changes of our ever more global world.

REFERENCES


AUTHOR QUERIES

AQ1: Please provide details of the citation [Reiche et al., 2017] in the reference list.

AQ2: Please provide expansions for CFO, COO, VP, HR, EG, and IL.

AQ3: Please provide details of the citation [Flanagan, 1954] in the reference list.

AQ4: Please provide the citation for the Ref. [Dugan (2017)].