

# Global Mindset

Global Mindset: *The ability to perceive events, whether financial, human resources, geopolitical, or demographic within the context of an interrelated, global world.*

Globalization is here to stay. As organizations expand across national boundaries, geographic and economic barriers continue to evaporate. Revenue, staff, and operations, even for the most iconic of American firms, are growing rapidly on non-U.S. soil. Diversity and HR practitioners will have to keep up with this globalization as diversity conversations shift to how we can leverage all of our resources for a competitive advantage.

Shifting our approach to address this trend requires a global mindset—one that is different from, but related to, crosscultural dexterity. Being crossculturally competent is the skill of managing differences. It requires leaders to understand their own worldviews and those of others and use that insight to encourage innovation and creative decision making. A global mindset is about one’s stance toward the larger world. This stance begins with the world as a whole (not the country in which one is based) as the center of gravity. Just this shift changes how we seek and consume news, how we go about shaping business cases and strategies, how we craft communications and how we design structures, processes, and programs.

Here’s another take on the distinction and relationship between crosscultural dexterity and global mindset. In *Managing Multi-Cultural Teams: From a Cross-Cultural to a Global Perspective*, a 2011 report by Society for Human Resource Management, Miriam Erez, lead researcher and faculty member of Technion-Israel Institute of Technology, writes “There is a difference between having a global perspective vs. a cross-cultural one when it comes to leading cross-cultural teams... Global perspective means...developing acceptance of identity; it means holding a global identity in parallel to a local/national identity.” According to Erez, global leaders must see themselves as part of the global organization and working within a local context. Such leaders are expected to have high levels of global identity, which means that such leaders often develop a dual identity—a global identity and a local one. Erez goes on to explain that global mindset “suggests a different way of thinking, with an emphasis on managing in a global context.”<sup>1</sup> Global mindset is really a state of mind that enables HR and diversity leaders to work effectively across functional, organizational, and crosscultural boundaries.<sup>2</sup>

And like all of the other next generation diversity competencies, including the personal mastery skills, one is not born with a global mindset. However, one can develop this perspective through experiential, personal and professional experiences, and formal learning.

This mindset requires a fundamental curiosity about activities in all corners of the world. You can nurture that curiosity by reading, traveling, and meeting and engaging people from different places. One way diversity and HR leaders can hone their global mindset and curiosity is by accepting or volunteering for overseas assignments, which are not the kind of career-building elements one typically finds on diversity or HR resumes.

## **A Warning**

To be clear, all HR and diversity professionals need to develop a global mindset even if they work for organizations with no overseas locations, partners, or markets. Just as former Speaker of the House Tip O’Neill followed his father’s advice that “All politics is local,”<sup>3</sup> we need to realize that “All business is global” in this hyper-connected world. The global marketplace influences local businesses on all levels. According to the late Tom Topolinski, winner of The Outsourcing Institute’s Thought Leadership award, a business does not have to serve a global market or have a global presence to be part of the global marketplace: “Since our products or services require a global element somewhere in the business process, then we are in a global market and we are affected, impacted and even driven by global events.”<sup>4</sup> Whether it is a cyber-attack launched from foreign soil that shuts down your operations, or a foreign nation on the brink of default that threatens the U.S. economy, or a political crisis that idles your biggest client’s call centers for days or weeks, events across the globe can create challenges or opportunities for your “local,” non-global company.<sup>5</sup>

At the same time, our nation is becoming increasingly cosmopolitan to the point where we need to recognize that our own communities are becoming global. Since its founding, the United States has benefited from the contributions of immigrant populations. In a globalized environment, their impacts are even more substantial. In global communities, we need more than crosscultural understanding to fully participate in these communities; we have to embrace global cultures and integrate them into our lives and our businesses. This phenomenon, for instance, is most evident in Miami. With 60 percent of its population Spanish-speaking—half of which say they do not speak English very well—Spanish has replaced English as the predominant language in many parts of Miami. Consequently, it can be difficult to

do business in the city that has been called the “Capital of Latin America” if you do not speak Spanish.<sup>6</sup>

Miami is not an anomaly, but a harbinger. According to the Census Bureau, 60,577,020 Americans (five years or older) speak a language other than English at home, which represents more than 20 percent of the national population.<sup>7</sup> With only 100,000 residents, Lowell, Massachusetts, is much smaller than Miami, but, it, too, is a newly cosmopolitan city and home to the second largest Cambodian community in the United States. According to geoscience scholar Paul J. Foster, Cambodian culture has greatly influenced the “built environment and the cultural makeup of the city of Lowell.”<sup>8</sup> Foster writes, “The intersection of local histories, cultural constructs, and individuals has resulted in conflicting ideas as to what types of places should emerge as the city of Lowell changes. It has been the node of commonality between actors, which have emerged in these spaces of intersection that has resulted in the development of uniqueness of place in the city.”<sup>9</sup>

Of course, in many ways, this is nothing new. German immigrants remade Milwaukee, Chinese culture transformed San Francisco, and the Irish became central to Boston’s city government. However, in a globalized world, interacting with these cultures becomes more valuable, because they offer a speed ramp to the global marketplace, which did not exist when earlier immigrant surges transformed our nation’s cities. A global mindset is also valuable in gaining entrées into these communities and new local, regional, and national markets.

## Going Global

Globalization opens the way for innovation, new markets, new customers, new employees, new sources of revenue, and novel ways of addressing challenges. Greater numbers of organizations have discovered, in their quest for revenue and profitability, that emerging markets and foreign shores are places to discover profits aplenty. According to a 2011 *U.S. News and World Report* article, “Globalization has also been an enormous boon for some of the biggest names in corporate America ... Big U.S. firms...have increasingly followed global growth, with about 40 percent of profit for firms listed in the S&P 500 Stock Index now coming from overseas.” These offshore sales now represent a significant portion of revenues.

For instance, with \$420 billion in revenues, Walmart’s overseas operations contribute about 26 percent to its revenue total, which comes in part from 5,000 stores in 14 non-U.S. countries. Exxon-Mobil gets about 45 percent of its \$342 billion revenue from overseas. Fifty-four percent of GE’s \$149 billion revenue comes from overseas operations in Europe, China, Russia, India, and other countries in Africa, the

Middle East and other emerging markets. Even Ford, with \$129 billion in revenue generates 51 percent of those sales internationally. And 66 percent of McDonald's \$24 billion revenues come from overseas.<sup>10</sup>

Going global requires much more than simply making sure that the nuts and bolts of business operations—the logistics, facility management, research and development, marketing and sales, and talent management—are in place. For diversity and HR practitioners, going global requires that you grasp how global forces and events affect your customers, vendors, workforces, communities, and organizations. As a diversity or HR leader you have to be able to share diversity and inclusion perspectives with people around the world in ways that account for global and local realities and sensibilities. Furthermore, HR and diversity practitioners will use this global mindset to surface cultural distinctions that will need to be navigated with crosscultural dexterity.

## **The Makings of a Global Mindset**

Global mindset is driven by curiosity, informed by regular news consumption, shaped by being grounded in your organization's worldwide strategy and operations, and being knowledgeable of local cultural mores and diversity issues.

### *Life-Enhancing Curiosity*

What does curiosity look like? It starts, and is driven by, questions. Here are a few general questions to ask yourself as you figure out how much of a global mindset you possess:

- How much do you know about other countries and their citizens?
- How does that information inform the decisions you make about your operations overseas and domestically?

This process then can go in a myriad different directions depending on your company, industry, and business priorities. Here's a flavor of where the percolating concepts could take your thinking:

- How does the reality of the emerging economies in Latin America and the subsequent intra-region migration taking place affect workplace relationship dynamics as more Peruvians, Argentines, Ecuadorians, etc. show up in Brazil?
- With more career-bound young women emerging in places like Vietnam, India, and China, how does this affect their relationships with their mothers, husbands, and employers as they

begin to change in ways that bend or even break the traditional roles that had been designated for women?

- How is Mexico's first openly gay elected leader of a township and city, Benjamin Medrano, treating U.S. facilities operating in the township and city of Fresnillo in the state of Zacatecas? A 2013 Huffington Post article quotes Medrano: "I am going to be mayor of a township (roughly equivalent to a U.S. county) where there are 258 villages full of tough country people, who don't necessarily have much information on what's happening elsewhere, and have even less of an automatic sympathy with their gay mayor. But it's not like I'm going to paint city hall pink, either."<sup>11</sup>
- Will China's territorial disputes with Japan affect the stability of Asia and the rest of the world? How does China's relationship with African countries play out on the streets and factory floors of Guangzhou, China between Chinese citizens and West African immigrants and what implications does this have for Chinese and non-Chinese multinationals expanding their operations in this city of over 10 million?<sup>12</sup>

### *Continuous Global News Consumption*

There is too much going on around the world that affects the planet as whole and each nation's societies not to make it a habit to consume global news continuously. Demographic shifts, elections, wars, disasters, new regulations, popular culture, fashion, cuisine—all of these trends and more are moving and changing rapidly in every corner of the globe. Do you know what trends these are and the implications for your organization and the countries in which it operates?

The Internet now provides the best antidote to the excuse that the news is not readily available. Check your web bookmarks. How often are you accessing information from other parts of the world?

### *Grounding in Your Organization's Global Strategy and Footprint*

Practically speaking, for the D&I and HR professional this is not just about knowing what's going on elsewhere. It's understanding what immediate, medium-term, and long-term implications these events and trends have for your organization. In order to process the news you steep yourself in, you need to have a grasp on how your organization is organized around the world, what its evolution has been as it has extended its global reach, what are its strategies for global growth, and what obstacles and successes they have encountered.

## *Knowledge of Local Cultural Mores and Realities*

Failure to adopt a global, yet local, perspective can threaten the very viability of a company's efforts. According to *Profit Magazine*, The Walt Disney Company, for example, revealed a lack of global mindset in opening its Euro Disney theme parks in Paris a few years ago. The company drew many painful lessons that have enabled it to demonstrate a global mindset in its preparations for Shanghai Disney, which will open in 2015. Among the missteps in Europe:

- Naming the park Euro Disney was the equivalent of naming it Dollar Disney, as Euro is the nomenclature associated with currency by Europeans, not an abbreviation for their continent
- Using plastic cutlery in a country that prides itself in the culinary experience
- Touting Mickey Mouse and other Disney characters as childhood heroes at the expense of the society's actual childhood cartoon icons
- Not providing kennels in a culture of people who frequently travels with their dogs
- Not considering the “product unfriendliness” of having product instructions in English (despite the fact that most products were ready-to-use)
- Not offering wine with meals

This failure to “globalize,” among other strategic go-to-market mistakes, cost Disney dearly: After only two years in operation, the theme park ran out of cash and had to borrow \$175 million to keep operating.”<sup>13</sup>

Adding to those marketing woes, Euro Disney had several worker strikes in 2010, which suggests that talent management issues represented areas where the company also miscalculated. A global mindset might have avoided these problems. As a result, the company is approaching the design and construction of Shanghai Disney very differently. From the beginning, the company has become immersed in understanding the Chinese mindset as it relates to spending a day in a theme park like Disney. For one, they have already learned that celebrating Chinese folk heroes will be even more important than celebrating some of Disney's famed characters.

## **Developing a Global–Local Strategy**

To borrow from an environmental bumper sticker, you may have to act globally while thinking locally. HR and diversity leaders who exercise their global-mindset muscle will have to balance the creative tension between global and local concerns

as they evaluate the implications of global and multicultural issues on the workforce, customers, vendors, and the overall organization.

A case study in a 2013 issue of the *Harvard Business Review* (HBR) discusses how French cosmetics giant L'Oréal has had success doing just that. With a global portfolio of brands that include L'Oréal and Lancome in France; Maybelline and SoftSheen-Carson in the United States; The Body Shop in the United Kingdom; Shu Uemura in Japan, and others, the company has offices in more than 130 countries. Striving to be as “close to its consumers as possible,” the L'Oréal group has facilities throughout the world and created “a unique portfolio of brands organized by distribution channel and integrated industrial production.”<sup>14</sup> In 2012, more than half the company's sales came mostly from emerging markets outside Europe and North America, in places such as Africa and the Middle East.

L'Oréal must consistently hold a special tension between two elements—global operational issues, such as economies of scale, and local preferences—to generate those kinds of numbers. The company also has a strong French orientation with all CEOs having risen through the ranks and only a few senior executives being non-French. And even these few had strong ties to France and L'Oréal. The way L'Oréal approached this tension was to recruit and build teams around individual managers who held a decidedly multicultural and global mindset. These managers had developed a familiarity with multiple cultures through their upbringing and/or experience. According to the case study: “Since the late 1990s, L'Oréal Paris has placed executives from mixed cultural backgrounds in its most critical activity: new-product development.”

L'Oréal has found that these globally adept executives forged from their multicultural backgrounds and experiences can provide profitable insights. A L'Oréal manager with a French-Irish-Cambodian ethnic background, for instance, noticed that many tinted face creams in Asia had a lifting, wrinkle minimizing effect. This was in contrast to European face creams that tended to be either tinted *or* wrinkle minimizing, but rarely both. Leveraging this manager's understanding of beauty trends in Asia, the company developed a tinted cream with lifting, wrinkle-minimizing effects for the French market. The new tinted lifting skin cream was a successful addition to the company's skin care product mix.

According to *HBR*: “L'Oréal nurtures a pool of multicultural managers, placing them at the center of knowledge-based interactions among brands, regions, and functions.” The managers, with a decidedly strong global mindset and multicultural perspective, share some common characteristics:

- Sensitivity to one's own and others' cultures
- Cultural awareness and curiosity
- Cultural empathy
- Multilingual skills
- Contextual understanding and sensitivity
- Semantic awareness
- Ability to switch among cultural frames of reference and communication modes

Echoing the sentiments of Professor Miriam Erez's earlier statements on how those with a global mindset think, an unnamed L'Oréal director who worked with these special managers for several years said, "Their background is a kind of master class in holding more than one idea at the same time. They think as if they were French, American, or Chinese, and all of these together at once."<sup>15</sup> This enables those with a global mindset to insightfully assess the diversity and inclusion implication for their organizations.

L'Oréal's case study provides only a glimpse into how leaders with a global mindset leverage their perspectives. These leaders also have the ability to grasp global forces and events that affect diversity within their organizations. The most successful leaders do something similar to Lalit Ahuja, president of Target India. When Ahuja was recruited to establish the Indian headquarters for big-box retailer Target, he didn't immediately start scouting out locations, recruiting staff, or organizing the Indian operation. Instead, he headed straight for Minneapolis, Minn., Target's headquarters, and spent six months living in the United States and familiarizing himself with Target's Midwestern corporate culture. While India has its own great mix of diverse people, understanding diversity from an American perspective was important.

A *Forbes* article describes Ahuja's goal this way: "Ahuja knew that his success would depend on understanding not only the local Indian context, but also the Midwest American culture in which Target was founded and the unique corporate culture of the company itself. He also knew he would need contacts and friends in Target that he could rely on."<sup>16</sup> The major events that Ahuja invariably encountered during his six months in the United States included the BP oil spill in the Gulf of Mexico; the anti-Muslim sentiments expressed by some over the building of a mosque near Ground Zero (the site of the 2001 World Trade Center attacks); and the passage of Arizona's strict immigration law. But Ahuja was exposed to more than politics and disasters. He also may have learned about events like singer M.I.A. appearing at the Grammy Awards in a colorful burqa or the invasion of Asian carp into the Great Lakes region.<sup>17</sup> Exactly how Ahuja used this kaleidoscope of information to inform his business decisions once back in India is unknown. But it must have had an impact because Ahuja encourages his managers to strengthen their global

mindset by sending them on extended stays to Target locations around the globe. And he established an exchange program that, according to the *Forbes* article, “allows employees to flex their global muscles and develop the mindset needed to engage effectively in Target’s increasingly global enterprise.”<sup>18</sup>

## **Developing Your Global Mindset**

As you look at your company and think about your competitors, it becomes increasingly clear that a global mindset is just what your career coach ordered. But there’s a rub. For many D&I and HR practitioners, the farthest they’ve traveled from home has been only a three-hour flight or six-hour drive away. If that’s the case for you, you’re not alone. Most Americans have not traveled internationally. Between 30 percent and 40 percent of Americans hold a U.S. passport; but less than four percent have traveled overseas (this statistic does not include travel to Mexico or Canada). There are numerous reasons why many Americans, for the most part, don’t visit foreign lands, such as cost, little vacation time, fear, and the size of the United States and North America.<sup>19</sup> Compounding this lack of actual experience in other countries, few Americans speak more than one language, with the exception of immigrants and often their children. But the obvious consequence of this national parochialism is a “non-global” mindset.

As with all of the competencies for next generation diversity practitioners, a global mindset can be developed. And while traveling and meeting others on their own turf helps tremendously in developing the ability to think globally, one can begin to obtain this mindset without traveling abroad.

## **Understand Events within the Context of an Interrelated Global World**

### *The Early-Career Professional/Individual Contributors*

Developing a global mindset requires a natural curiosity about the world around you and beyond. As an individual contributor, it is important that you have a basic understanding of world events, especially in areas where your firm has facilities. This is coupled with a general knowledge of world geography and various regions around the world. However, you’ll need to dig deeper than your high school world geography class to obtain this basic understanding.

One easy suggestion is to install a world map app on your smartphone and as you watch televised news programs or read about events around the world, look up the country or region. Once you have a basic appreciation for the close proximity of many European countries, for instance, you’ll understand one of the reasons so

many Europeans speak more than one language. A car trip of 300 miles in Europe can land you in a various countries, each with a different language. More often than not, the same trip in the United States will keep you in the United States where English is the dominant language.

Taking this basic understanding a step further requires becoming sensitive to local diversity dimensions and the use of language, including colloquialisms, when communicating with those from other countries. This can pose a challenge for the early-career professional because while you can increase your awareness to local diversity dimensions by reading about them, retraining your thought processes to remain aware of language colloquialisms will take more effort. Often these informal expressions are so ingrained that you may be unaware of their use.

### *The Mid-Career Professional/Leveraged Contributor*

HR and diversity leaders at this level will need to take a more assertive stance in developing a global mindset. It's important that you stay abreast of global news by regularly reviewing region-specific newspapers, business journals, and broadcast programs. Most of these can be viewed online and many cable companies offer television programs from other countries. More than simply looking for political or business news and commentary be sure to include contemporary social, economic, regulatory issues, and popular culture in your information repertoire. For example, the L'Oréal case study touched on how its globally adept managers often remain in tune with local preferences. According to the case study, a product development manager, with an ethnic background of Indian, American, and French, explained how he is able to see opportunities that others may overlook: "I am able to do this because I have a stock of references in different languages: English, Hindi, and French. I read books in three different languages, meet people from different countries, eat food from different countries, and so on. I cannot think about things in one way."<sup>20</sup> Keeping abreast of what's going on in other parts of the world will also help you to be aware of and responsive to how others in different countries and regions prefer to get work done. For example, learning about the preparations that Chinese families make for the Chinese New Year, which often falls in January and can entail travel as family members return home for the holidays, can help you understand why during this time your Chinese colleagues may be more focused on family and celebrations than on the latest cross-border project. Think about what the week of Thanksgiving looks like in the United States. It's not just about Thursday and Friday being the official holidays.

### *The Senior-Level Executive/Leader*

As an HR and diversity leader at the executive level, you are expected to have a sophisticated understanding of global politics and economics as well as knowledge

of how world events affect the regions of the world where your company conducts business. The 2011 Japanese earthquake and tsunami represents a case in point. Along with the concerns about the well-being and safety of the people along the coastline, imagine if you were a savvy globally minded senior executive for a U.S. firm that purchased electronic components or auto parts. As soon as news reports provided preliminary information about the disaster, the savvy executive would have expected subsequent disruptions in the company's supply chain. If the company had facilities in Japan, one would also expect that the American staff would be concerned about their colleagues living in affected areas. Employees could be distracted by Internet reports or make frequent telephone calls to get the latest information.

Senior leaders are also expected to know the key political, social, and business players in regions where their organizations conduct business. This goes beyond knowing your competitive counterparts or business partners, but must include a down deep understanding of the relationships among leaders across the full spectrum of a region's public life. It's no secret, for instance, that billionaires Bill Gates and Warren Buffet have been fast friends for decades, playing bridge together, traveling together, and starting a campaign to encourage other wealthy individuals to donate portions of their wealth. Gates sits on the board of directors of Buffet's holding company, while Buffet is a director on the Gates Foundation. The two are tight.<sup>21</sup>

One of Gates' interests is the environment and the effect of global warming around the world—an authentic diversity issue because of the consequences that climate change may have on communities of color and the poor. He invited some of the world's leading scientists on climate science to help him get up to speed on the issue. Ken Caldeira of Stanford University, Harvard University's David Keith, and President Obama's science advisor John Holdren were among the cadre of experts who traveled to Seattle to tutor Gates. According to a *Guardian* article, Gates subsequently enlisted other global business leaders, including GE's Jeff Immelt and Xerox's Ursula Burns, to lobby the federal government on behalf of the issue. While Buffet has made few statements specifically about climate change, his company has made significant investments in alternative energy.<sup>22</sup> This situation suggests that the relationship between Gates and Buffet may have had an impact, no matter how small, on Buffet's investment decisions. Globally minded HR or diversity senior leaders with relationships in academia, government, and business must be able to build on those kinds of associations wherever their firms conduct business.

## **Operates within Knowledgeable Context of an Interrelated Global World**

### *The Early-Career Professional/Individual Contributor*

Your personal mastery of a global mindset must continue as you learn to put into practice your understanding of our interrelated global world. Early career HR and diversity professionals are often responsible for helping colleagues prepare for overseas assignments or returning home. Part of this responsibility may include coordinating and managing logistical issues such as understanding how to apply for visas, knowing vaccination requirements, understanding government regulations about foreign workers, and helping spouses and family members make adjustments. On the flip side, this may include assisting foreign colleagues in preparing for their stay in your country.

Closer to the office, the early-career professional has to be able to work through region-specific details such as how business is conducted when planning regional meetings or communications in other parts of the world (think: labor stoppages, election seasons, harsh weather conditions, or an unstable electrical grid).

### *The Mid-Career Professional/Leveraged Contributor*

HR and diversity managers can assist their subordinates by encouraging their early-career employees to have a positive and welcoming attitude in their work with expats and visitors. You can make sure that appropriate resources are on hand when foreign visitors or expats travel to the home office. This may be something as simple as making sure there are finances and time are available to purchase the winter wear for someone traveling from a warmer climate, such as India, to the chill of a Midwestern Chicago January. And while your subordinate may understand and work through logistical and work-related issues for expats and visitors, you will be the one to address higher-level issues around compliance and other employment issues. American companies continue to lobby Congress about raising the cap on H-1B visas, which numbered about 85,000 in 2012.<sup>23</sup>

Mid-career professionals also need to challenge themselves and their subordinates to welcome ambiguity, manage complexity, and develop a multi-dimensional perspective that enables them to work in an environment of diversity and contradiction. As management scholar Klaus E. Meyer and his colleagues have pointed out, the original assumption that globalization would homogenize business markets, practices, and processes diminishes the importance of local contexts has not played to the degree they once thought. In fact, observers have discovered that “differences between, amongst, and within regions, countries, cultures, and societies have not been greatly attenuated with globalization.”<sup>24</sup> Globalization has

led to greater interaction between cultures, communities, and nations, but the local differences, attitudes, and biases remain, and the issue because less “about creating homogeneity, but about ‘managing differences’”<sup>25</sup> Even Japan, which prides itself as a “mono ethnic nation-state,” has come to the realization that it must encourage immigration and embrace diversity.<sup>26</sup>

In their *Harvard Business Review* article on adaptability, Martin Reeves and Mike Deimler argue, “In a world of constant change, the spoils go to the nimble.”<sup>27</sup> They recommend four “organizational capabilities” for becoming nimble. These four capabilities suggest four behaviors that HR and diversity professionals should cultivate if they wish to enhance their global mindset. They should:

- Become attuned to “signals of change from the external environment,” develop the expertise to “decode” them and understand their implications for their industries and companies, and act upon their insights to gain competitive advantages.
- Experiment “rapidly and frequently” with business processes, procedures, business models, services, and strategies.
- Develop the expertise and capability of managing “complex and interconnected systems of multiple stakeholders.
- Enhance their proficiency in motivating employees and other stakeholders.<sup>28</sup>

### *The Senior-Level Executive/Leader*

Here is where the rubber meets the road in using your understanding of the realities of an interrelated global world. It is critical that you serve as your firm’s global ambassador or diplomat. Yours must be one of the key faces that personifies the global mindset of the organization. You’re the one that encourages subordinates to accept assignments in foreign countries by helping them view these assignments as career-building opportunities that support organizational growth. This is not an easy task.

Gone are the days when a company can simply assign employees to spend a year or more overseas and expect them to pack their bags as they head to the airport, with families in tow. In today’s world spouses, children, and occasionally in-laws may play a significant role on whether such an assignment is accepted. In fact, many companies are finding that employees are reluctant to accept overseas assignments.

Creativity and flexibility can help you find a way around this business challenge. VF Corp, a global apparel company, instituted short-term assignments to address employee reluctance in accepting overseas assignments. The program, called Ex-Pat

Lite, enables the company to provide three- to six-month overseas assignments with a solid reentry process for employees, which promotes global professional and learning experiences to high-potential employees. VR Corp has found that the Ex-Pat Lite program is less expensive than the cost of full relocation. And for employees, a six-month assignment is less disruptive to families.<sup>29</sup>

You're also expected to be broadly knowledgeable about global diversity and inclusion issues and challenges and sensitive to local views on this subject. This often means having the ability to bring to the surface, address, and move forward on difficult and under-the-water-line diversity challenges within different countries and regions around the world. And you have to do this without being ethnocentric. That's a tall order.

Deb Dagit, the former Chief Diversity Officer for a major pharmaceutical firm and current president of Deb Dagit Diversity, gives an example of the cultural difficulties of marketing products in Asian countries to manage adult incontinence. Few things are more sensitive than the topic of adult incontinence, and when layered on the issue of culture, well, it required a global mindset to address the overall delicacy of the situation. As Dagit explains, a senior leader does not have to go it alone when tackling sensitive subjects. It's very acceptable to ask for help. "I had to ask employees who still had families in China, who were still culturally very aligned to Chinese norms, language, traditions, and culture how to tackle this situation," says Dagit. "I found it to be very effective in helping to achieve high revenue and market share very quickly, in what would have been an otherwise challenging situation." While adult incontinence is a sensitive subject, there are other diversity issues that a globally minded senior leader will have to help employees around the world address. Issues such as sexual orientation, religion, the role of women in the workplace, and a few others easily come to mind.

The journey toward a global mindset takes more than curiosity, but a willingness to address those topics that no one wants to talk about.

## **Curiosity through Reading, Traveling, and Meeting People from Different Places**

### *The Early-Career Professional/Individual Contributor*

We can't stress enough how much a global mindset relies on your natural curiosity about different people, places, and perspectives. It's impossible to know everything about our world and its people; it's too diverse and too vast. Being excitedly interested in and nurturing your curiosity will hold you in good stead. Are you eager to meet new people from unfamiliar regions? Do you listen with an open mind and

heart to their perspectives on familiar business issues? Are you the go to person when others want information on something new or unfamiliar, because they know you'll search for the answers? This is all part of a global mindset, which you can pursue by taking practically every opportunity to learn about different cultures, regions, and languages. You can read widely, attend cultural events that represent unfamiliar perspectives, watch foreign films, or begin learning a new language. All are ways to deepen and nurture your interest in different regions of the world and, by extension, your global mindset.

This knowledge will prove invaluable if you have an opportunity to participate in a global culture by working overseas. Take, for example, the well-known story of the executive who discovered that he had to learn to manage like the Japanese if he was to lead his department successfully. Since his family was still in the United States and he little to do, the executive worked well into the evening every day during the first weeks of an overseas assignment. He began to notice that everyone else in his organization worked as late as he did. Eventually, he solved the mystery. In Japan, it is considered bad form to leave the office before your supervisor signs off for the day. When the executive stayed late, so did his direct reports, and their top people would stay until they left, and on down the line until everybody in the organization worked late.<sup>30</sup> To enable his people to go home at a reasonable hour without breaking their cultural code, the executive developed the habit of leaving the office in the early evening and returning later when most of them would have left for home.

### *The Mid-Career Professional/Leveraged Contributor*

At the mid-career level, HR and diversity professionals are expected to take their curiosity to the next level. This typically entails international travel, but not just any kind of travel. It must be one that enables you to experience how the locals live. It should be an indigenous experience instead of a tourist one. Volunteering for an overseas assignment demonstrates an interest in learning about other cultures, about your organization's global operations, and the many ways that diversity and inclusion issues show up in other cultures and work practices. Living and working alongside your global coworkers broadens your ability to view the world from different perspectives, while strengthening your capacity for standing in the overlapping space of the local perspective, a global one, and your culturally native worldview.

Perhaps your personal circumstances preclude you from taking on the ex-pat experience. There are still ways to gain an international perspective. Consider leading or participating in a global project that requires working with colleagues from different world regions. The wide availability of technological tools can make it seem as if you're in another region of the world, at least for the moment. It's not

the same as living in another country, but can still expand your understanding of diversity and inclusion issues on a global scale.

### *The Senior-Level Executive/Leader*

International travel is often expected of senior leaders in global organizations. You may have to visit company operations in different parts of the world to foster and maintain relationships, or if you're traveling from a global outpost, to learn what the home office expects of your facility. These visits help deepen your understanding and practice of global diversity and inclusion issues. But you must supplement these fly-in, fly-out excursions by reading widely and conversing with in-country experts. You have the responsibility to model the behavior you want others to emulate. Your visible attempts to expand your global mindset can inspire subordinates to follow your example and facilitate their learning.

Perhaps one of the most important aspects of your global diversity efforts is your willingness to engage in those difficult global diversity issues concerning business ethics and corporate social responsibility. For example, bribery is a business ethics conundrum for many global organizations. About 25 percent of the world's population paid a bribe in 2010, according to a report by CNN World. Economists estimate that bribery costs the world economy approximately \$1 trillion a year. And the United Nations estimates that about a fourth of Afghanistan's annual GDP comes from bribes.<sup>31</sup> Bribery is an ethics issue with diversity implications that are of concern to all organizational leaders. It is a particular concern for HR and diversity leaders because those world regions with the most corrupt or ethically indifferent business operations also happen to be in many emerging countries, where the populations are primarily poor, non-western, and non-white. It is also where national economies are growing rapidly. Paying or accepting a bribe, for some, is just the usual way to conduct business. In Africa, South America, China, and many other places in the world official corruption represents a way of life, a way to hasten the plodding pace of obtaining, for instance, essential governmental services.

Senior executives have a special duty to help root out unethical business practices in order to foster the public's trust and embed transparency in global business activities. This may mean joining with other like-minded leaders to advance anti-corruption initiatives. Or it could mean accepting speaking invitations at local, regional, and national conferences and workshops. Speaking out about the effects of bribes and other forms of corruption can shed light on the topic and possibly reduce the incentive for accepting these special payments.<sup>32</sup> The challenge is how to do it in a way that does not merely impose a Western worldview but acknowledges culturally acceptable business practices.

Globalization has actually created opportunities for transnational conversations and solutions on global ethics. There are public, private, and government sector leaders in India, the Sudan, and Singapore pressing to change this culture of corruption. As journalist Fareed Zakaria says, “Corruption or bribery are not innate cultural qualities.” HR and diversity leaders with a robust global mindset can effectively navigate myriad issues that emerge in this complex arena with no simple answers.

## **Obstacles to a Global Mindset**

We’ve emphasized throughout this chapter how much a natural curiosity about the world and its people is essential for a global mindset. Yet, curiosity alone is not enough. You must also have a willingness to be open and receptive to learning and understanding how others view the world, make decisions based on those worldviews, and most importantly, embrace unfamiliar styles of behavior and communication. This is not easy, but can be learned if one is willing to put forth some effort. The lack of knowledge of history and current events coupled with a rejection of any attempts to gain understanding or exposure to the unfamiliar represents one of the biggest impediments to acquiring a global mindset. Imposing one’s home country standards and demonstrating insensitivity to the behaviors and communication efforts of others (particularly people who may lack full fluency in an organization’s preferred language) suggests that there is more work to do.

Senior executives who cannot hold differing ways of thinking in their minds or fail to use multiple frames of reference when making decisions that have global impact may have difficulty establishing credible and reciprocally beneficial relationships with their overseas counterparts from other regions of the world.

Perhaps the greatest impediment to obtaining a global mindset is indifference. And the most glaring sign of indifference is the failure to stay abreast of global events and issues that touch diversity and inclusion initiatives in those areas of the world where an organization operates. Indifference is the antithesis of curiosity.

## **Conclusion**

It is not practical for someone to become an expert on all of the cultures in the world or the myriad ways other cultures conduct business. It is reasonable, however, to expect diversity and HR professionals to become receptive to the unfamiliar, the uncomfortable, and the unnerving cultural and behavioral mores of those from other parts of the world. That is at the heart of this work.

An article in *Profit Magazine* states: “There is a significant difference between a company that is multinational, and a company that is truly global. The difference is that a multinational company simply operates in multiple nations; a global company has embarked upon the journey of systematically updating its policies, procedures, and systems across multiple cultures.”<sup>33</sup> The global mindset reflects this difference and is more than merely another diversity initiative, but represents a fundamental business asset for both individuals and organizations. It represents an entirely different way of conducting business that recognizes local concerns and issues within a global context. This way of thinking affects HR and the diversity function in recruitment, retention, compensation, employee development, benefits, and all the other employee-related functions. It also affects other business operations, such as IT, logistics, marketing, research and development, accounting, sales, and other business processes.

Going global has caused many organizations to rethink how work gets done. No longer can we only rely on getting bigger, better, or faster. Although that’s still important, organizations now have to be able to leverage the power of culture while simultaneously remaining true to brand in order to optimize the bottom line.

Fundamentally, a global mindset represents a way of thinking that is reflected by behaviors that indicate constant and ongoing investigation into different ways of operating. It’s the ability to stand in the gap between what you know and feel in your bones is correct, and what others feel just as strongly about. Employees and organizations who can master this way of operating will have a competitive advantage in the global marketplace during these uncertain economic times.

## Conversation Starters

How does globalization affect your operations – whether your organization operates globally or domestically?

What impact does globalization have on your organization's diversity and inclusion (D&I) strategy?

What is your organization's global strategy?

How does your D&I strategy support the development of a global mindset?

Where does your organization find information on other regions or countries, cultures, or people? How do these sources affect your D&I efforts?

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