

A White Paper



The Challenges Leaders Face Around the World: More Similar than Different

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Overview

What are the challenges of those who are leading from the middle and executive levels of organizations? Many people speculate about them. Our research at the Center for Creative Leadership (CCL®) has found out what these challenges are from a proven and reliable source – from the words of those leading from the middle and executive levels of organizations facing these challenges every single day. We gathered data from 763 participants of leadership development programs from seven different places in the world (China/Hong Kong, Egypt, India, Singapore, Spain, United Kingdom, and United States). Though they come from all parts of the world, these leaders consistently face the same six challenges:

- 1** Developing Managerial Effectiveness
- 2** Inspiring Others
- 3** Developing Employees
- 4** Leading a Team
- 5** Guiding Change
- 6** Managing Internal Stakeholders and Politics

We explain what these six challenges are, and ways that leaders can cope with them. We also implore those who design and implement training and development initiatives to understand these challenges. If you understand the challenges leaders face, you will be better able to design initiatives aimed at their development.

Introduction

The life of a modern-day leader clearly is not easy. Inside their organizations, they need to lead and motivate a diversified group of people, work across organizational boundaries, improve efficiency, and achieve growth. Externally, they face a complex and globalized environment; they have to manage the requirements of government, keep up with competitors, and meet the expectations of other stakeholders. And within this global environment, there are many cultural considerations leaders must face to be effective. They must work across cultural boundaries and alongside others who, at times, are very different from them and have different ways of getting work completed.

These are difficult challenges, and many leaders feel ill-prepared to tackle them. Developing leaders who can face these challenges is tricky indeed. Of course, some training needs and content can be derived from organizational strategy and planned change initiatives. Yet many leaders have other needs and challenges that strategy or change initiatives do

not cover. So what are those challenges, and how can a company ensure that training actually is designed to meet the development needs of a specific leader?

To help companies clarify these issues, we investigated the main challenges leaders face around the globe and whether the challenges differ depending upon geographic location. The findings will not only help practicing leaders understand what they and others around the world are going through, but also inform training and development initiatives to ensure that developmental opportunities are appropriately targeted. Our research examined data from 763 participants of leadership development programs from seven different places in the world: China/Hong Kong, Egypt, India, Singapore, Spain, United Kingdom, and United States. **Through their own words, the most significant challenges these leaders face are relatively similar across all seven locations.** In this white paper, we review each of these challenges and ways leaders can effectively deal with them.

Main Finding:

Six Common Challenges across Seven Countries

Looking across the countries, there are six main categories that comprise more than half of all challenges. In addition, these six are ranked among the Top 10 challenges leaders face in each country. In order of frequency, they are:

- 1 Developing Managerial Effectiveness** – The challenge of developing the relevant skills – such as time management, prioritization, strategic thinking, decision-making, and getting up to speed with the job – to be more effective at work.
- 2 Inspiring Others** – The challenge of inspiring or motivating others to ensure they are satisfied with their jobs; how to motivate a workforce to work smarter.
- 3 Developing Employees** – The challenge of developing others, including topics around mentoring and coaching.
- 4 Leading a Team** – The challenge of team-building, team development, and team management; how to instill pride in a team or support the team, how to lead a big team, and what to do when taking over a new team.
- 5 Guiding Change** – The challenge of managing, mobilizing, understanding, and leading change. How to mitigate change consequences, overcome resistance to change, and deal with employees' reaction to change.
- 6 Managing Internal Stakeholders and Politics** – The challenge of managing relationships, politics, and image. Gaining managerial support and managing up; getting buy-in from other departments, groups, or individuals.

Table 1 displays the frequency and rank of the Top 10 challenges in each country. It may be surprising to find so much consistency in these challenges, given that leaders came from all corners of the globe, as well as different industries and organizations. It seems that, overall, **these six challenges are inherent in the role of being a middle/senior manager regardless of the context one needs to fulfill this role. Thus, the challenges should be core focus areas for managerial development, everywhere in the world, and in all organizations.**

TABLE 1

Top 10 (of 34) Challenges Mentioned by Leaders in Each Country

Rank	China (% mention)	Egypt (% mention)	India (% mention)	Singapore (% mention)	Spain (% mention)	UK (% mention)	US (% mention)
1	Developing Managerial Effectiveness (26.3%)	Developing Employees (20.8%)	Developing Managerial Effectiveness (23.0%)	Inspiring Others (23.2%)	Leading a Team (40.4%)	Guiding Change (33.0%)	Developing Managerial Effectiveness (26.0%)
2	Inspiring Others (22.2%)	Developing Managerial Effectiveness (18.9%)	Developing Employees (19.0%)	Managing Internal Stakeholders and Politics (20.5%)	Inspiring Others (20.2%)	Leading a Team (20.8%)	Managing Internal Stakeholders and Politics (24.0%)
3	Developing Employees (20.2%)	Guiding Change (17.0%)	Guiding Change (17.0%)	Developing Employees (18.8%)	Achieving Results (17%)	Developing Managerial Effectiveness (20.8%)	Guiding Change (22.6%)
4	Mobilizing Collaboration (18.2%)	Leading a Team (17.0%)	Managing Process (16.0%)	Managing Retention and Selection (18.8%)	Communicating Effectively (17.0%)	Developing Employees (17.0%)	Developing Employees (15.1%)
5	Managing Internal Stakeholders and Politics (17.2%)	Inspiring Others (16.0%)	Inspiring Others (15.0%)	Leading a Team (17.9%)	Guiding Change (17.0%)	Managing Internal Stakeholders and Politics (16.0%)	Inspiring Others (15.1%)
6	Managing Retention and Selection (15.2%)	Leading Vision (14.2%)	Managing Retention and Selection (14.0%)	Developing Managerial Effectiveness (15.2%)	Developing Employees (17.0%)	Inspiring Others (16.0%)	Leading Vision (13.0%)
7	Managing Process (11.1%)	Managing Process (11.3%)	Leading Vision (14.0%)	Leading Vision (15.2%)	Mobilizing Collaboration (14.9%)	Navigating Globalization (15.1%)	Leading a Team (11.6%)
8	Leading Vision (11.1%)	Managing Performance (10.4%)	Leading a Team (13.0%)	Guiding Change (15.2%)	Developing Managerial Effectiveness (13.8%)	Managing Process (11.3%)	Mobilizing Collaboration (10.3%)
9	Leading a Team (10.1%)	Managing Internal Stakeholders and Politics (10.4%)	Managing Internal Stakeholders and Politics (13.0%)	Managing Talent (10.7%)	Managing External Environment (10.6%)	Leading Vision (11.3%)	Being Recognized as a Leader (9.6%)
10	Guiding Change (10.1%)	Managing conflict (9.4%)	Mobilizing Collaboration (10.6%)	Managing Performance (9.8%)	Managing Internal Stakeholders and Politics (10.6%)	Driving Growth (9.4%)	Leading With Less (7.5%)

What Can Be Done to Help Leaders Overcome These Challenges?

In addition to targeted, planned, formal development initiatives and training so that leaders can deal with and overcome these challenges, other means that rely on learning in a more social and informal way are also appropriate. In the sections that follow, we give some helpful tips for leaders who are facing these challenges.

Develop Managerial Effectiveness

"I am definitely going to take a course on time management...

just as soon as I can work it into my schedule." – Louis E. Boone, Poet and Novelist

The most frequently mentioned challenge for China, India, and the United States is developing managerial effectiveness. This reflects the challenge of leaders to have a range of very specific skills such as prioritization, time management, and decision-making. Though this sort of skill development has been noted for decades,¹ it still seems to be one that is relevant in today's world of work.

My biggest leadership challenge is:

**“Workload is very challenging at times.
Lots of different critical projects and activities
going on with limited resources in the group.
Juggling priorities is always at the forefront.”**

(Manager from the United States of America)

So what can a leader do? Here are some recommendations:

- **Goal-setting is important.** Be proactive in setting goals, and with setting the timelines and deadlines required to meet those goals.
- **Delegate more.** Delegating can, in fact, make you more productive. The act of delegation can also empower the people to whom you have given work.
- **Work on tasks that maximize your unique value-add.** Among all the organizational priorities, there will always be important tasks that only you can do. These are the tasks on which you should focus. As a result, you will maximize your specific value to the organization. Everything else, try to delegate.
- **Gain some role clarity.** Understand what your work does and does not entail. With that, you may have to practice and be comfortable saying “no.”



Develop Relationship Skills

"Outstanding leaders go out of the way to boost the self-esteem of their personnel. If people believe in themselves, it's amazing what they can accomplish."

– Sam Walton, businessman known for founding Walmart and Sam's Club

Three of the challenges – inspiring others (top challenge in Singapore), developing employees (top challenge in Egypt), and leading a team (top challenge in Spain) – are all related to the relationship-oriented part of leadership. This is more important in today's context of work, where organizations are encouraging leaders to pursue and participate in relationships that develop their direct reports and team members².

The division between task- and relationship-oriented leadership has been around for decades; leaders must focus on production, as well as demonstrate behaviors that tap into interpersonal concerns³. So leaders need to build and maintain relationships by inspiring others, developing others, and leading their team.

My biggest leadership challenge is:

“ To motivate a group of 70 staff who had been working with the organization for more than 10 years. Some of the staff have been in the same position without promotion for more than 6 to 8 years. ”
(Singaporean manager)

“ Qualify my direct reports to fill in for me in the tasks previously done by myself, mainly on two fronts, 1st to develop their business knowledge and sense of perfection which will, 2nd, help them gain their team members' trust and dedication. ”
(Egyptian manager)

“ Creating a really collaborative team in a newly established unit. ”
(Spanish manager)



While developing relationships with others is a huge challenge, here are some things to consider:

- **Take an active role in mentoring, coaching, and developing others.** Provide challenging opportunities for others, promote your employees to upper management (i.e., trumpet their successes), and empower others to increase their area of competence. Support your employees by providing guidance and feedback. Assume roles such as being a sounding board, role model, or shoulder to lean on, while ensuring that organizational structures and systems enhance collaboration and accountability.
- **Meet the needs of your employees.** It's not just making sure that your employees have the right software or enough office supplies. You also have to meet their psychological and social needs. Many people need to be validated by others and desire to be part of something. A leader must try to meet the differing needs of the many individuals with whom they work on a daily basis.
- **Manage team effectiveness.** Make sure your team has a clear purpose, strong support, and effectively shares information amongst the group and with important stakeholders outside the group.

Develop Skills to Enact Change

"The nature of the global business environment guarantees that no matter how hard we work to create a stable and healthy organization, our organization will continue to experience dramatic changes far beyond our control."

– Margaret J. Wheatley, writer and management consultant

Guiding change is a top challenge for leaders, particularly in the United Kingdom. Organizations exist in a VUCA world (volatile, uncertain, complexity, and ambiguous)⁴. Leaders need to be adept at managing, mobilizing, leading, and dealing with change. Incorporating change management and enhancing resourcefulness should be at the forefront of leadership development initiatives. Here are some suggestions to develop your change leadership skills even further:

- **"Try it, you might like it."** This old television commercial slogan can help you incorporate change. It's natural that people do not like change. Leaders should try to transform their own thinking, and be more open to fresh ideas. If leaders are able to do that, they can be an example to others to embrace change as well. People may witness that shift in attitude and embrace it.
- **Embrace emotional reactions to change.** Human cognition and emotion are integrated systems. When convincing people that change is needed and desirable, it's not enough to use rational arguments. Leaders also need to be sensitive to employees' emotions and show empathy. Engage people emotionally by being visionary, passionate, and authentic.
- **Since you cannot be clairvoyant, be clear.** Nobody can tell others what the future will be, but you definitely can tell others about the present and what you're doing to reach the desired future stage. Let people know what is going on. If you reduce as much ambiguity as possible, control over the situation increases, enabling people to become proactive change agents. They will feel like masters of their own destiny.

My biggest leadership challenge is:

“ *Leading the organisation through a business-wide transformation programme as part of the executive team. This involves the consolidation of product offerings, driving customer centricity, well-managed agendas, substantial outsourcing and headcount reduction.* **”**

(Manager from the United Kingdom)

Develop Skills to Cope with Organizational Politics

*"Just because you do not take an interest in politics
doesn't mean politics won't take an interest in you."*

— Pericles, Greek statesman, orator, and general

Another frequent challenge that is in the Top 10 for all seven countries in our study is managing internal stakeholders and politics. This goes to show that no matter where you are in the world, organizations are inherently political⁵. To more effectively manage internal stakeholders and politics, leaders need to develop and enhance their political skill and savvy, defined as "the ability to effectively understand others at work and to use such knowledge to influence others to act in ways that enhance one's personal and/or organizational objectives"⁶.



My biggest leadership challenge is:

“ The ability to convince and influence other stakeholders
to follow the regional and global direction. ”

(Manager from India)

“ How to enhance the department position in the organization to add more
value to the organization in both operational and strategic perspective. ”

(Manager from China)

There are several ways leaders can enhance their political savvy so that they can navigate inherently political environments and manage internal and external stakeholders^{7,8}:

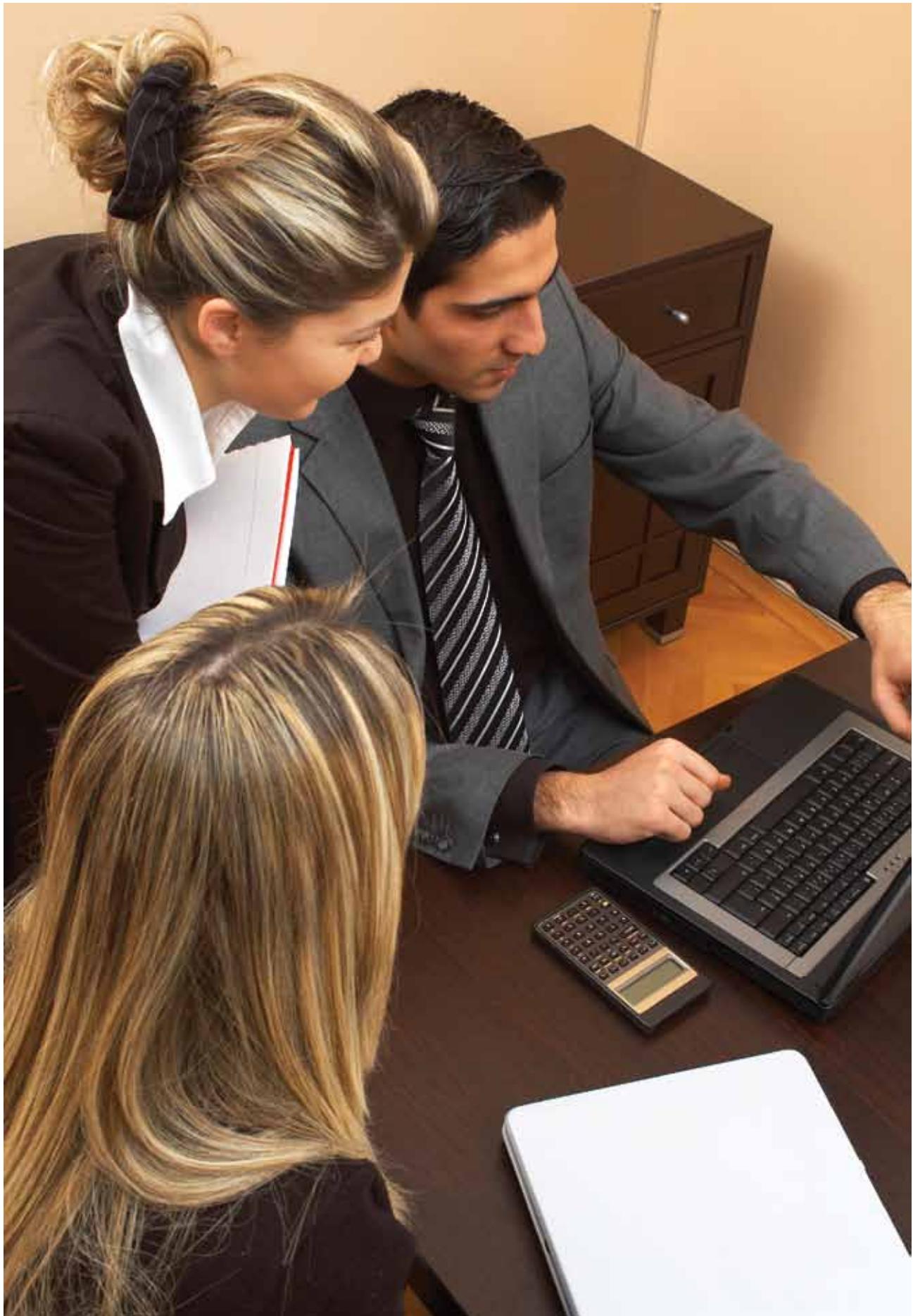
- **Mingle strategically and build strong networks and relationships with people.**

Map out your network by writing your name in the middle of a sheet of paper. Put the names of those with whom you have a strong relationship close to you, and those with whom you have a weak or distant relationship farther from you. Then ask if some of your close connections can help you meet with your distant connections.

- **Manage up.** Keep your boss informed. Be proactive in telling your boss what is going on, the struggles you and your team are having, and what is going well. Ask what you'd like to know about yourself if you were in your boss's shoes – and purposefully manage this perception of yourself. You can do this by enhancing some of the characteristics and talents your boss might consider the most important ones for the company, while making sure you keep your authenticity.

- **Read the situation.** Observe and gather information from others and the environment. Do this by actively listening to others, paying attention to the verbal and especially, nonverbal behaviors of others to understand what is really being said.

- **Leave people with a good impression.** Being politically savvy is not being manipulative. Having integrity and being authentic are of the utmost importance. Get feedback on how your message and behavior really comes across to others. Avoid gossiping. Keep confidences. Deliver on the promises you make.



Conclusion

“Human beings are more alike than unalike,
and what is true anywhere is true everywhere ...”
– Maya Angelou, poet, memoirist, novelist, and civil rights activist

There is no doubt that the work of modern-day leaders is complicated around the world. And our research shows that the challenges these diverse leaders face are more similar than different. Even though they may feel alone with the problems and challenges they have, it is likely that one leader's challenge is the same as others several time zones away.

So leaders out there, take solace in the fact that you are not alone. Help others who probably have the same challenges. At the very least, listen. Give peer feedback if you are asked for it – you probably have some great advice since you probably went through it (or are going through it).

For those who work in training and development, knowing the challenges leaders face can be the catalyst for developmental initiatives aimed at helping leaders. **Developmental initiatives are more effective if they are in line with the challenges leaders face.** So, we suggest that a majority of the content could be the same no matter where the training is tak-

ing place or who is going through the training. However, we also recognize that there may be a cultural appropriateness or awareness of how to do certain things; what is accepted in one culture may be unacceptable or taboo in another. As the second part of the aforementioned Angelou quote goes *“... yet I encourage travel to as many destinations as possible for the sake of education as well as pleasure.”* Some behaviors may be the norm in one country but different in another. One does not know unless one is educated about or knows the culture. In developing training and development initiatives aimed at helping leaders with these challenges, it is essential to be aware of the cultural nuances. With leaders around the world having the same challenges across six areas, those designing training and development initiatives can more appropriately align developmental initiatives to help managers solve problems around **developing managerial effectiveness, inspiring others, developing employees, leading a team, guiding change, and managing internal stakeholders and politics.**

About the Research

Participants

Data is from participants of the Leadership Development Program (LDP)[®] of the Center for Creative Leadership (CCL[®]) between January 2007 and October 2009. Each participant completed assessments and background forms usually between two and eight weeks before his or her respective program. Our final sample consisted of 763 practicing managers from seven different locations: 99 participants from China (60 of those from mainland China, 39 from Hong Kong); 106 from Egypt, 100 participants from India; 112 from Singapore; 94 from Spain; 106 participants from the United Kingdom; and 146 participants from the United States. In each location, there was about a 60-40 split between male and female participants (except India, where it was 84% male). Most (93.8%) participants were at the middle, upper middle, and executive levels of management. They had, on average, 4.15 years tenure in their current job and 9.38 years tenure in their current organization. Most (84.9%) worked in the private sector from eight different industries (communication, utilities; education; finance, insurance, banking; government; health; human services; manufacturing; transportation, wholesale/retail trade).

Procedure

As part of their “pre-work” before coming to their respective leadership development program, participants filled out several assessment and background biographical forms. Part of this pre-work asked participant to answer the following open-ended question: “*What are the three most critical leadership challenges you are currently facing?*” Participants used their own words to explain and illustrate their challenges and could use as few or as many words as they wished, with a maximum of 500 characters for each challenge. Overall, 2,217 challenges were collected (703 participants listed three challenges, 48 participants listed two challenges, and twelve participants listed one challenge). Our coding procedure came up with 33 categories of challenges that managers face.

Analysis

We used thematic analysis⁹ to identify themes and patterns in participants’ leadership challenges that eventually became challenge categories. The coding procedure began with two coders randomly selecting leadership challenges from 100 of the participants. The final coding system included 33 categories and one “non-codable” category. The entire challenge statement provided by the participant was examined, no matter how many words were used to describe it, and only one challenge category was used per challenge statement. All challenges were independently coded by at least two raters with frequent meetings about calibration of coding. The overall agreement for the coding by the two raters was 56% (compared to a 3% chance agreement)¹⁰. When all four coders coded the remaining 44% of the challenges, 78% of the time there were at least three that reached agreement. Where discrepancies occurred, the coding team met to discuss and reach consensus for all challenges.

Endnotes

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⁸Gentry, W. A., & Leslie, J. B. (2012). *Developing political savvy*. Greensboro, NC: Center for Creative Leadership.

⁹Boyatzis, R. E. (1998). *Transforming qualitative information*. Thousand Oaks: Sage.

¹⁰Due to the high number of categories, a computation of Kappa statistics is not applicable.

This white paper is based on findings from the following study:

Gentry, W. A., Eckert, R., Munusamy, V. P., Stawiski, S. A., & Martin, J. (in press). The needs of participants in leadership development programs: A qualitative and quantitative, crosscountry investigation. *Journal of Leadership & Organizational Studies*.

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