



## Chapter 1

# The *Global Executive Leadership Inventory*

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**THE MOST SUCCESSFUL GLOBAL LEADERS** play two roles simultaneously: the first is charismatic; the second is what we might call “architectural.” These two roles—never easy to balance—are all the more difficult to accomplish successfully in the context of a global organization. And for organizational leaders to be effective, these two roles must be aligned.

The charismatic role involves visioning, empowering, and energizing—behaviors that direct, inspire, and motivate. The architectural role involves implementing processes to improve organizational design and to acknowledge and reward the contributions of employees.

If we look more closely at these two roles, we see that executives of world-class organizations must focus on twelve main tasks:

- Articulating a compelling vision, mission, and strategy with a multi-country, multi-environment, multi-function perspective, free of gender bias, that connects employees, shareholders, suppliers, and customers on a global scale;
- Giving workers at all levels a voice by empowering them through the sharing of information and the delegation of decisions to the people most competent to execute them;
- Energizing and motivating employees to actualize the organization’s vision of the future;
- Creating organizational design and control systems to make the guiding vision a reality, and using those systems to align employees’ behavior with the organization’s values and goals;
- Setting up reward structures and giving constructive feedback to encourage the kind of behavior that is expected from employees;

- Creating team players, focusing on team effectiveness by instilling a cooperative atmosphere, building collaborative interaction, and encouraging constructive conflict resolution;
- Making employees aware of their outside constituencies, emphasizing the need to respond to the requirements of customers, suppliers, shareholders, and other interest groups, such as local communities;
- Inculcating a global mentality in the ranks—that is, instilling values that act as a sort of glue between the regional and/or national cultures represented in the organization;
- Encouraging tenacity and courage in employees by setting a personal example for taking reasonable risks;
- Fostering trust in the organization by creating, primarily through example, an emotionally intelligent workforce whose members know themselves and are able to deal respectfully with others;
- Articulating and modeling the importance of the need for life balance for the long-term welfare of employees; and
- Paying attention to work, career, life, and health stress issues, and balancing appropriately the various kinds of pressures that life brings.

The purpose of the *Global Executive Leadership Inventory* is to deepen an individual Leader's understanding of his or her capabilities in each of these twelve critical areas or dimensions. To accomplish that purpose, the Inventory asks Leaders and their selected Observers to respond to one hundred questions, each of which is designed to measure the Leader's competence in one of the twelve dimensions:

- Visioning
- Empowering
- Energizing
- Designing and Aligning
- Rewarding and Feedback
- Team Building
- Outside Orientation
- Global Mindset
- Tenacity
- Emotional Intelligence

- Life Balance
- Resilience to Stress

## The Twelve Dimensions

Below are detailed descriptions of the dimensions, including the Inventory questions that relate to each of them.

### Dimension A: Visioning

Leaders seize new opportunities; they are enterprising. They have the ability to perceive and act on salient trends in the environment, because they are future-oriented. They give direction and guidance, structuring complex information in a way that makes it accessible to their subordinates. They expand the horizons of others. They are prepared to challenge the status quo and are open to change.

The dimension of VISIONING implies a Leader who:

#### **Seizes Opportunities and Challenges the Status Quo**

1. I actively encourage new business opportunities.
2. I often challenge the status quo.
3. I am actively involved in defining strategy.
6. I consider how future events will affect our organization.
7. I am open to new ways of doing things.
8. I inspire my people to look beyond existing limitations.

#### **Sees the Big Picture and Simplifies Complex Situations**

4. When making decisions, I consider the whole situation rather than the details only.
5. I find ways to simplify complex situations for my employees.

### Dimension B: Empowering

Excellent Leaders express high expectations for, and confidence in, their employees. Knowing the dangers of secrecy, they make an effort to keep their people informed. They know how to involve people, and they make sure that everyone with a vested interest in a decision is part of that decision-making process, thereby creating a sense of ownership among their people. They make clear to their followers what is expected of them. These Leaders view mistakes as learning opportunities.

The dimension of EMPOWERING implies a Leader who:

**Keeps People Informed and Minimizes Secrets**

- 9. I make sure that all employees have a clear idea of where the organization is going.
- 14. I encourage people to share information within the organization.
- 15. I try to minimize secrecy within our organization.

**Delegates Tasks**

- 10. I try to involve my employees in decision making.
- 11. I encourage my people to make their own decisions.
- 16. Once I have delegated a task, I let the person in charge take full responsibility.

**Creates a Sense of Ownership**

- 12. I do everything in my power to create commitment to the organization.

**Tolerates Mistakes**

- 13. I tolerate mistakes made by employees who are taking the initiative.

## Dimension C: Energizing

Leaders should have the ability to channel their followers' energy in a constructive way in the pursuit of goals. Successful Leaders are proactive and action-oriented, and they are passionate about what they do. They lead by example. They know how to sell their ideas, and they radiate self-confidence. Through their enthusiasm, they mobilize their people to accomplish things.

The dimension of ENERGIZING implies a Leader who:

**Mobilizes People by Selling Ideas**

- 17. My leadership style is action-oriented.
- 18. I make people aware that I am available to them.
- 19. I convey my ideas in a clear and understandable way.
- 20. I show my enthusiasm for projects.
- 21. I see myself as an important source of motivation for my people.
- 22. I mobilize people to get things done.

**Leads by Example/Is a Strong Role Model**

- 23. I try to be a role model for my people.
- 24. I make an effort to interact with people at all levels of the organization.

**Dimension D: Designing and Aligning**

Strong leaders give their vision a solid structural foundation. They build alignment among values, attitudes, behaviors, and systems. They hold people accountable for commitments and deadlines; they are results-oriented. As guardians of the organizational culture, they also make sure that their people behave according to the organization's cultural values.

The dimension of DESIGNING AND ALIGNING implies a Leader who:

**Sets Performance Milestones and Holds People Accountable**

- 25. I set clear performance standards and goals for my people.
- 27. I make sure that performance standards are adhered to.
- 29. I make people accountable for their commitments and deadlines.

**Builds Alignment Among Values, Attitudes, and Behaviors on the One Hand and Systems on the Other**

- 26. I work to develop organizational systems that reflect our corporate values.
- 28. I make sure that our management systems facilitate effective behavior.
- 30. I emphasize corporate values that serve to unite people in our organization.
- 31. I ensure that people respect the basic values of our corporate culture.

**Dimension E: Rewarding and Feedback**

Leaders know how to reward and compensate their people, and they work to ensure that the reward systems are fair. They celebrate achievements, both large and small, and reward outstanding performance appropriately. They mentor their people, giving constructive feedback as well as smiles and praise.

The dimension of REWARDING AND FEEDBACK implies a Leader who:

**Ensures the Fairness of All Incentives, Sanctions, and Rewards**

- 32. I use various types of incentives to compensate my people.
- 33. I make sure that compensation for my employees is fair and reflects individual efforts.
- 34. I make sure that an employee's performance review is a summary of ongoing feedback.

**Gives Effective, Constructive Feedback in an Ongoing Manner and Engages in Mentoring**

- 35. I spend time mentoring others in our organization.
- 36. I make sure that outstanding performance is rewarded appropriately.
- 37. I give ongoing constructive feedback to my people.
- 38. I make sure that people's achievements are recognized.
- 39. I give feedback with respect.

**Dimension F: Team Building**

Effective Leaders build alliances and create a sense of commitment among coworkers so that the group can accomplish its goals. They manage conflict well and look for win-win solutions when dissension arises. They foster cooperation and strive for an atmosphere of trust. They put the interests of the group before their personal organizational goals. They recognize that diversity makes for better decisions.

The dimension of TEAM BUILDING implies a Leader who:

**Encourages Constructive Conflict**

- 40. I try to resolve conflict among team members in a way that strengthens the team.
- 46. I make a serious effort to ensure that, when a decision is made, everyone stands behind it.
- 47. I try to make sure that all members of the group feel that they contribute to the decision-making process.
- 48. I welcome differences of opinion.
- 49. I look for solutions to problems that are satisfactory to most parties.

**Creates a Cooperative Atmosphere and Is a Good Corporate Citizen**

- 41. I encourage team members to build collaborative relationships with one another.

- 42. When on a team, I put the interest of the group before my own personal goals.
- 44. I make a great effort to earn the trust of other team members.

**Sees Diversity of Team Members as an Advantage**

- 43. I build on team members' individual strengths.
- 45. I look for a variety of personality types when forming a team.
- 50. When possible, I include people from different regional/national cultures and genders in teams I create.

## Dimension G: Outside Orientation

Top Leaders realize that their organization will only perform well if a relationship of trust and mutual respect is established with shareholders and other stakeholders. They pay considerable attention to meeting their customers' needs, and they are in close touch with all of their constituencies. They are also aware of their social responsibility to the communities in which they operate.

The dimension of OUTSIDE ORIENTATION implies a Leader who:

**Manages Customer Relations**

- 51. I make sure that everyone on my team recognizes the importance of knowing and meeting customers' requirements.
- 52. I make sure that customer satisfaction is the focus of our efforts.

**Manages Outside Constituencies**

- 53. I make sure that customers, suppliers, and other stakeholders are treated fairly.
- 54. I encourage effective interaction with outside stakeholders.
- 55. I ensure that our organization makes positive contributions to the communities around us.

## Dimension H: Global Mindset

Successful Leaders have a strong awareness of the global socioeconomic and political scene. They are curious about other cultures. They feel comfortable in culturally ambiguous situations. They know how to manage and be part of multicultural teams. They have an acute sense of the pros and cons of other cultures, and they recognize their own biases, avoiding the trap of cultural stereotyping.

The dimension of GLOBAL MINDSET implies a Leader who:

**Has a Strong Global Awareness and Exhibits a Curiosity About Other Cultures**

- 56. I keep myself informed about global developments that might affect our business.
- 57. I am aware of the ways in which cultural differences affect the way people behave.
- 58. I am comfortable in situations where the culture is unfamiliar to me.
- 59. I enjoy working on multicultural teams.
- 60. I assume that no culture is better than another.
- 61. I enjoy learning and speaking foreign languages.
- 62. I make cross-cultural experiences into learning opportunities for myself.
- 63. I am good at adapting to business practices in cultures other than my own.

## Dimension I: Tenacity

Strong Leaders have the courage and tenacity to defend unpopular decisions that they believe are necessary. They are prepared to take risks in the pursuit of excellence. Very resilient, they are not easily discouraged.

The dimension of TENACITY implies a Leader who:

**Takes a Stand for Personal Beliefs and Is Resilient**

- 64. I have a set of principles that I defend.
- 65. I am prepared to stick to an unpopular decision if I feel that it is the right one.
- 66. I am willing to take risks when I strongly believe in a certain action.
- 67. I am not easily discouraged.
- 68. When I believe it is necessary, I try to change the opinions of others.

## Dimension J: Emotional Intelligence

True Leaders strive to expand their self-awareness, engaging in an on-going process of self-reflection. They manage their emotions well. In addition, they excel at “reading” people and know how to deal with the

emotions of others. Recognizing how their own behavior affects others, they actively use feedback to improve themselves and help others to do the same. Their care and concern for others helps people open up to them and inspires trust.

The dimension of EMOTIONAL INTELLIGENCE implies a Leader who:

**Engages in an Ongoing Process of Self-Reflection and Handles Emotions Well**

- 69. I consider how my emotions can affect others.
- 70. I can “read” other people’s feelings quite well.
- 71. I understand the reasons why I feel the way I do in a particular situation.
- 72. I analyze my feelings before acting on them.
- 73. I make sure that my behavior is appropriate to the situation.
- 75. I engage in an ongoing process of self-reflection.

**Learns from Mistakes**

- 74. I analyze my mistakes in order to learn from them.

**Inspires Trust and Is Able to Help People Open Up**

- 76. When someone is talking to me, I give the person my full attention.
- 77. I make a great effort to help people feel at ease with me.
- 78. I actively show my respect for and interest in individuals.
- 79. I try to generate trust among the people I work with.
- 80. I get people to open up by being easily approachable.

## Dimension K: Life Balance

Excellent Leaders try to create a balanced lifestyle for themselves. They diversify their interests and know how to prioritize. Recognizing the importance of self-renewal, they actively engage in non-work-related activities. They have confidants with whom they can talk about very personal issues.

The dimension of LIFE BALANCE implies a Leader who:

**Thinks About Life Balance**

- 81. I take the time to think about my life on a regular basis.
- 82. I look for opportunities to learn more about myself.

89. I set priorities in both my private and my professional lives.

**Diversifies Life Interests**

83. I actively look for new ideas and learning opportunities outside of my specific field of expertise.

84. I am physically active (regular exercise).

85. I engage in non-work-related activities (such as sports, hobbies, or volunteer activities) at least once a week.

**Has Confidants**

86. I have at least one close friend with whom I can talk about very personal issues.

87. I frequently spend time with my spouse/partner and/or other close family members.

88. I have caring and trusting relationships with my spouse/partner and/or other close family members.

**Dimension L: Resilience to Stress**

The best Leaders make an effort to manage the stress in their lives. Understanding the various dimensions of stress, they carefully monitor their level of stress at work. They realize the impact of career decisions on their mental and physical health and understand how life pressures exerted by family or financial concerns can affect their mental state. They recognize the importance of good health to being effective both at work and in their personal lives.

The dimension of RESILIENCE TO STRESS (which is reverse-scored) implies a Leader who:

**Monitors Work-Related Stress**

90. My workload is too heavy.

91. I never seem to be able to complete all the work I have to do.

92. The pressure at work has become excessively stressful.

**Monitors Career Stress**

93. I feel that my career is not progressing the way I would like it to.

100. I feel that I have not been managing my career in an effective manner.

**Monitors Life Stress**

94. I have too many responsibilities.

- 95. I feel that I have little control over the things that happen to me.
- 98. I am worried about my financial situation.
- 99. My relationship with one or more close family members is a source of stress.

#### **Monitors Health Stress**

- 96. I am currently worried about my own health.
- 97. I worry about the health of one or more close family members.

## About the Questionnaire

The *Global Executive Leadership Inventory* questionnaire, which resulted from a five-year investigation of what it means to be a world-class Leader, has gone through elaborate testing procedures to obtain a highly reliable definitive version. After identifying the twelve dimensions essential for exemplary leadership, the development team designed questionnaire items and tested several versions of the Inventory on approximately two thousand senior executives, including many CEOs, from many nationalities. Well-represented groups are the British, the Swedes, the Dutch, the French, the Germans, the Americans, and the Russians. This is one of the only existing 360-degree questionnaires that measures performance at a global level. By definition, the norms for each dimension are derived from a very diverse group of leaders, and the questionnaire has proven to be valid for a vast sample group. Over time, for greater specificity, norms will be developed for well-represented culture groups in the database.

During the analysis of each test version of the questionnaire, items showing inconsistencies or ambiguity were eliminated or modified. In particular, the wording of the questions was simplified to prevent problems in interpretation, especially for respondents who are not native English speakers.

The twelve dimensions have sound psychometric properties. The dimensions are internally reliable, implying that the questionnaire items are highly correlated within each scale. Factor analysis has shown that the theoretical structure fits the data: twelve oblique factors can be extracted, and the relationships between these factors and the items confirm the correlation of the items within their scales. The strength of the links between the oblique factors is not very high, suggesting that the factors are measuring different aspects of leadership.

In addition, the dimensions of the *Global Executive Leadership Inventory* possess high face and predictive validity. As the use of the questionnaire

has shown, the results not only make intuitive sense to people, but they also (as revealed in follow-up studies of participants) predict how effective an executive will be in an organizational context.

*NOTE:* The conceptual basis for the twelve leadership dimensions comes from work with top executives at an ongoing INSEAD seminar entitled “The Challenge of Leadership: Creating Reflective Leaders.” A more elaborate discussion of the reasons for selecting the twelve dimensions can be found in the books *The New Global Leaders* and *The Leadership Mystique*. A discussion about the psychometric properties of the *Global Executive Leadership Inventory* can be found in the article “The Global Leadership Life Inventory.” (See Appendix E for these resources and further readings.)