



ASLON CHRONICLE

Dedicated to bringing interesting leadership trends to senior executives focused on integrity and values.

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Global Talent Development on the Rise

According to a report released by the Conference Board, a global research and business membership organization, a majority of companies want to accelerate the development of their global talent. They surveyed 81 companies on global leadership development and found that 77% are seeking a variety of approaches to improve their global talent development.

The most effective practices to develop global business leaders are longer-term international assignments (cited by 33%) and international cross-functional team participation (18%)...

"The best way to accelerate global leadership development is to have a sound framework," says Robert Kramer, Principal Researcher, The Conference Board, and author of the report. "It is important to identify what lessons and performance demands are needed to build international business proficiency, and to find key talent and focus attention on the fast learners."

Because the primary vehicle for developing international leaders is experience, it is important to recognize early the experiences that prepare talented people to become global executives...

Several of the survey participants suggested that early assessment can be executed through assessment centers, rating scales, and manager input. Selection criteria for this review include job performance, learning agility, evidence

of early leadership skills, and demonstration of adherence to company values. Assessing early leadership attributes requires at least three years of work experience to demonstrate performance and potential.

Well-managed firms (firms with a return on investment equal to or higher than their respective industry averages) are more likely to accelerate global leadership development by giving qualified executives access to a few, targeted, developmentally-rich positions, providing greater opportunities for global networking, using assignments in foreign client or supplier organizations, employing focus groups, and using off-site education or training programs.

The report says that well-managed firms make use of longer-term international assignments (2-3 years or more) to develop global business leaders. Additionally, well-managed firms say they involve their global leadership talent in expatriate assignment goal-setting. These firms also say that their global business leadership activities differ distinctly from their general business leadership activities in that they require learning how to handle stress, both business and personal.

Overall, survey participants rated early career overseas experiences such as specialized off-shore assignments as one of the most frequently used accelerating techniques. Approximately 86% of the survey participants that use it report that it is a moderately to very effective development technique.



Our desire to lead should be based in our genuine desire to serve.
Fred Smith, Sr., author and mentor

CHINA'S SECRET WEAPON

"Made in China" doesn't mean what it used to. Manual labor from the country's 1.3 billion citizens was long considered its sole competitive advantage in the global economy. While American business has turned a blind eye, the country's burgeoning skilled workforce now stands as its biggest competitive threat. How did this happen?

Americans love to fixate on their largest (in terms of sales) company, and, when it comes to Wal-Mart and China, their focus is stuck on the cheap labor that brings \$25 billion annually in Chinese goods. Today, Chinese business is powered by the leadership required to take hold of sectors like finance, telecommunications and computing.

A year has already passed since Lenovo acquired IBM's personal computing division, and recently U.S. investors were scrambling to get in on the biggest initial public offer of 2005, a Chinese bank with \$521 billion in assets. This IPO marks the first major Chinese financial institution to offer shares overseas, and despite its tremendous size, it's only the third-largest bank in China. The sleeping giant is stirring.

What are business leaders in China doing that Americans aren't? ...

Researchers at [TalentSmart](#) spent the summer measuring the leadership skills of 3,000 top Chinese executives from the public and private sectors. The executives completed the Chinese translation of the American EQ test, the [Emotional Intelligence Appraisal](#). The researchers compared the Chinese executive's scores, to those from a matching sample in the U.S.

Emotional intelligence, or EQ, has been the subject of a flood of research during the last decade. It's the single-biggest predictor of a leader's success, regardless of industry. EQ is that "something" that is a bit intangible in each of us. It gives a succinct name to how we manage behavior, navigate social complexities and make decisions that achieve positive results. And today, it can be measured.

The [TalentSmart](#) study revealed American executives lag far behind the Chinese in the two, most critical EQ skills: self-management and relationship management. In a nutshell, these skills amount to a key ingredient in China's

economic success and a serious threat to America's ability to compete in the global marketplace: discipline.

American executives average 15 points lower than the Chinese in the EQ skills that have the strongest ties to job performance. Scores in self- and relationship management capture an executive's ability to use emotions to his/her benefit in managing time, making sound decisions and relating to others. It appears that Chinese executives use these skills to their benefit at work --and in business, actions speak louder than words.



What is it, specifically, that Chinese executives are doing that Americans aren't? They are living the qualities that American executives only pay lip service to. The typical American leader is not willing to expend much energy in seeking feedback, getting to know his or her peers and following through on commitments for the sake of others. Making business personal is nothing new in China. Executives ordinarily schedule dinner meetings with their staff to talk about business trends, career aspirations and family. People expect their leaders to set an eminent example in how they make decisions, connect with others and improve. There is genuine shame in not fulfilling these duties because people really care about them--everyone knows it's important.

What we aren't doing naturally in America, we can only learn. To the credit of U.S. executives, their appetite for learning is strong, but the opportunity must be provided...

The most successful leaders maximize their EQ, for it is the one who employs a blend of reason and feeling who earns the greatest results. And unlike regular intelligence, or IQ, EQ is a flexible skill that can be developed.

Travis Bradberry, Ph.D., is co-author of the [Emotional Intelligence Quick Book](#), which includes a free code to test your EQ online using [The Emotional Intelligence Appraisal](#). He is the president and co-founder of [TalentSmart](#), a provider of emotional intelligence tests and training.

"They (Chinese) are living the qualities that American executives only pay lip service to."

STRATEGIC PLACEMENT= SUCCESS

One of our candidates we met back in 2001 had a commanding personality and executive experience that we knew would lead him to the top at the right organization. He came from a large local manufacturing company and we were fortunate to identify him as the Vice President of Products for one of our clients. This client mines a product that is used to manufacture parts that serve the automotive, appliance, consumer products, electronics, and medical industries.

One of this individual's first strategies at his new position was to segment the markets they were selling into and find outside industry specific business development skills to build these divisions. During his time there he quickly advanced to President of their specialty products division. In 2004 he contacted us and asked us to find industry marketing leaders in electronics and plastics. These positions came about from his segmentation strategy and helped the company start a successful transition into more products.

In 2005 he was appointed President and COO for all company operations as a result of his successful effect on earnings in preparation to succeed the Chairman and CEO. Just recently, as planned, it was reported that he was named the new Chairman and CEO.

Our candidate appeared to be overqualified for the original position but we, as well as our client, recognized his potential for re-positioning and growing a company. Now, with much success under his belt, we may have underestimated how well he answered the succession planning question for the current Chairman and board.

We take pride in following the careers of the candidates we place and look forward to maintaining long-term relationships with them and their companies. We congratulate him on his accomplishments.

GLOBAL TALENT DEVELOPMENT ON THE RISE, CONTINUED FROM PAGE 1

In addition, more than two-thirds of companies regard education and training to be only a supplement to actual expatriate assignments in the development of global leaders. Less well-managed firms, however, feel the use of education or training programs is of equal or greater effectiveness than expatriate assignments in developing global business leaders. "This signals that expatriate assignments in these less well-managed firms are not producing the leadership development benefit they could be," says Kramer.

Other actions that can speed development of talent:

- Align development activities closely with known corporate leadership requirements.
- Make use of external international management education and training opportunities.
- Move work experiences to people instead of moving people to experiences by redesigning jobs and relationships without reassigning staff.
- Tighten the company's approach to talent development by actively managing the careers of top talent.

http://www.greaterdiversity.com/mt_career/archives2/000697global_talent_development_on_the_rise_in_most_companies.html#comments

LARGE VS. SMALL COMPANIES—GLOBAL REACH LEADERSHIP ACQUISITION

Well managed firms may have more money to spend on developing global talent but that is not to say smaller firms are left out in the cold. Two of our clients that are smaller, successful US companies are both making headway in international development. One company chose to hire a foreign national to open their overseas manufacturing plant and were so successful that they are now planning another expansion by hiring a local who can easily fit in with the culture and make contacts quicker. The other firm chose to use an expatriate for the overseas position and is finding the progress to be a bit slower, contacts taking longer and managers getting burned out. The article on page 4 gives more details on the two options.



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EXPATRIATE VS. LOCAL TALENT

The debate raised recently by the clearly-stated intent of Antonio Perez, Eastman Kodak's CEO to hire a more powerful local to run Kodak's operations in Asia-Pacific and replace its Western expat managers is not a new one... and it remains a hot issue, because there are two sides to the argument, each of which carries significant weight.

Obviously, if as a Western Multinational company (MNC) you are aiming to build any kind of B2C business in a market like China and most kinds of B2Bs, you would gain a significant advantage by having your China operation run by a Mandarin speaker who was fully acculturated to this vast and non-homogeneous market.

And if he (or she) happened to speak Shanghainese or Cantonese and had personal connections in Shanghai or Guangzhou, so much the better. However, you would not be appointing your China CEO based purely on their linguistic and cultural skills.

They would not have made it to the final selection short-list had they not been capable of delivering business results within the matrix structure and operating environment of your corporation.

Now, on the other side of the debate, it is equally clear that an executive who has sector expertise, is skillful at dealing with a familiar corporate matrix, and is totally at ease in the organizational culture also comes equipped with a higher probability of success, even if he (or she) originally hails from the middle of Nebraska. Sure, he is going to be faced with a hugely challenging learning curve in coming to terms with a market as different as China (or for that matter India, or the Tiger economies, or the Little Dragons). But an executive coming in from the parent company organization and the home market culture to a completely unfamiliar environment is not arriving without a few competitive advantages of his own. Of course, in the ideal world there would be an inexhaustible supply of multi-lingual, multi-cultural, multinational executives... Well, don't hold your breath be-

cause the latest projections are seeing a huge shortfall of home-grown CEO talent in Asia that will stretch on for at least 20 years.

There are of course many world-class Asian executives who have served their time in western MNCs and are equally skilled and comfortable in international business circles as they are in the teeming mass markets of emerging Asia. There are simply not enough of them, and this supply shortfall is not going away any time soon.

In the interim which is to say the next couple of business generations unless you happen to secure one of those rare talents

Select the best executive for the role against a specification built around the key business imperatives.

who can effortlessly span both sides of the international-local divide, the choice is inevitably going to lead you to a compromise solution. You either choose a local national - someone who is probably highly effective on the ground in-market, but suffers in the international

matrix, or a Westerner - someone who is powerful in the matrix and persuasive at Head Office but probably weak in the field.

So the debate has two balanced and equally worthy points of view, with significant risks on each side. How would one resolve this dichotomy? Select the best executive for the role against a specification built around the key business imperatives.

We know that the ultimate winners in any corporate race will be those who secure the best available talent. And, because of the chronic long-term talent shortage, identifying the best from a complex set of candidate choices will require astute, balanced and well-informed judgment.

<http://searchwire.aesc.org/searchwire/main/newswirearticle.aspx?id=d69515f8-3c71-4fd0-84f0-ce507b24c50f> Vincent Swift , Regional Managing Director, [Wright Company/TRANSEARCH](#)

"You may be disappointed if you fail, but you are doomed if you don't try."

Beverly Sills
Opera Singer

Mission Statement

Our mission is to be the leading integrity-based retained search firm focused on identifying, assessing and delivering world class leaders.