An exploration of Global Leadership Development Programmes of Norwegian MNCs

by

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Gratefully yours

Yifei Han and Henriette Linstad

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Content

ABSTRACT

ACKNOWLEDGEMENT

1.0 INTRODUCTION ................................................................................................................. 1

1.1 Problem Statement ............................................................................................................ 2

1.2 Purpose of the study ....................................................................................................... 2

1.3 Objectives ........................................................................................................................ 3

1.4 Structure of the study .................................................................................................... 3

2.0 GLOBAL LEADERSHIP LITERATURE ....................................................................... 4

2.1 Global Leadership in MNCs ............................................................................................. 4

2.1.1 Global leadership theory introduction ....................................................................... 4

2.1.2 Going global: the need for a global mindset ............................................................... 5

2.1.3 Global leadership competence ................................................................................... 6

2.2 Global Leadership Development (GLD) in MNCs ......................................................... 7

2.2.1 Stages of leadership development ............................................................................ 8

2.3 Global Leadership Development Programmes (GLDPs) in MNCs ......................... 10

2.3.1 Leadership development programmes (LDPs) ........................................................ 10

2.3.2 MNC’s Global Leadership Development Programme (GLDP) ............................ 12

2.4 Summary .......................................................................................................................... 13

3.0 METHODOLOGY ............................................................................................................. 14

3.1 Research approach ......................................................................................................... 14

3.1.1 Qualitative research ............................................................................................... 14

3.1.2 Main types of qualitative research and data collection method ............................ 15

3.1.3 Sampling approach ............................................................................................... 15

3.1.4 Method chosen ....................................................................................................... 16

3.2 Data collection ............................................................................................................... 17

3.2.1 Case study selection ............................................................................................. 17

3.2.2 Interview guide ..................................................................................................... 18

3.2.3 Interview execution ............................................................................................... 19
3.3 Analytical procedure ........................................................................................................ 19
3.4 Critique and limitation of the research methodology ................................................. 20
4.0 RESEARCH FINDINGS .................................................................................................. 21
4.1 Global Leadership Development Programme in DNV (Det Norske Veritas) ....... 21
   4.1.1 Company introduction ............................................................................................ 21
   4.1.2 Interviewee introduction ....................................................................................... 22
   4.1.3 Theme 1: How does DNV conceive global leadership? ........................................ 23
   4.1.4 Theme 2: How does DNV develop its global leaders through GLDPs? ............ 25
   4.1.5 Theme 3: How does DNV link its GLDP to the strategic knowledge of the company? ...... 35
   4.1.6 Theme 4: What are the challenges that DNV face when developing global leaders? ...... 37
4.2 Global Leadership Development Programme in TTS Marine .......................... 40
   4.2.1 Company introduction .......................................................................................... 40
   4.2.2 Interviewee introduction ....................................................................................... 40
   4.2.3 Theme 1: How does TTS conceive global leadership? ........................................ 40
   4.2.4 Theme 2: How does TTS develop its global leaders through GLDPs? ............ 42
   4.2.5 Theme 3: How does TTS link its GLDP to the strategic knowledge of the company? ...... 48
   4.2.6 Theme 4: What are the challenges that TTS face when developing global leaders? ...... 48
4.3 Global Leadership Development Programme in Odfjell ................................. 50
   4.3.1 Company introduction .......................................................................................... 50
   4.3.2 Interviewees introduction ..................................................................................... 50
   4.3.3 Theme 1: How does Odfjell conceive Global leadership? ..................................... 50
   4.4.4 Theme 2: How does Odfjell develop its global leaders through GLDPs? .......... 51
   4.4.5 Theme 3: How does Odfjell link its GLDP to the strategic knowledge of the company? ...... 52
   4.4.6 Theme 4: What are the challenges that Odfjell face when developing global leaders? ...... 53
4.4 Global Leadership Development Programme in Rieber & Søn .......................... 55
   4.4.1 Company introduction .......................................................................................... 55
   4.4.2 Interviewee introduction ....................................................................................... 55
   4.4.3 Theme 1: How does Rieber & Søn conceive global leadership? ....................... 55
   4.4.4 Theme 2: How does Rieber & Søn develop its global leaders through GLDPs? ...... 57
   4.4.5 Theme 3: How does Rieber & Søn link its GLDP to the strategic knowledge of the company? ......................................................................................................................................................................................... 59
4.4.6 Theme 4: What are the challenges that Rieber & Søn face when developing global leaders? .............................................................. 60

4.5 Summary ....................................................................................................................... 61

5.0 DISCUSSION .............................................................................................................. 62

5.1 Theme 1: How do Norwegian MNCs conceive global leadership? .................... 62

5.1.1 Global leaders should incorporate the MNC’s vision and shared values ......................... 63

5.1.2 Develop leaders’ specialisations and broaden their global perspectives .................... 64

5.2 Theme 2: How do Norwegian MNCs develop their global leaders through GLDPs? ...................................................................................... 65

5.2.1 Participant Selection .................................................................................................. 66

5.2.2 Programme content .................................................................................................. 67

5.2.3 Programme structure and methods ........................................................................... 69

5.3 Theme 3: How do Norwegian MNCs link their GLDPs to the strategic knowledge of the company? ................................................................. 71

5.4 Theme 4: What are the challenges that Norwegian MNCs face when developing global leaders? ................................................................. 72

5.4.1 Cultural barriers ....................................................................................................... 72

5.4.2 Different expectations ............................................................................................... 72

5.4.3 High cost vs. clear benefits ..................................................................................... 72

5.4.4 Other challenges ...................................................................................................... 73

5.5 Research limitations ................................................................................................. 73

5.6 Suggestions for further studies .................................................................................. 74

5.6.1 What are the impacts of the MNCs’ international strategy and industry on the need for
global leadership development and knowledge distribution? .......................................... 75

5.6.2 Are there any differences in effectiveness between the use of GLDP and other GLD
initiatives? ......................................................................................................................... 75

5.6.3 Are there differences between Norwegian MNCs’ GLDPs and GLDPs from other countries?
........................................................................................................................................ 75

5.6.4 Does customisation of the GLDPs justify the costs? ................................................ 76

6.0 CONCLUSION ............................................................................................................. 77

7.0 REFERENCES ............................................................................................................. 79

8.0 APPENDICES ............................................................................................................. 86
Appendix I: Classification of MNCs................................................................. 86
Appendix II: Interview Guideline................................................................. 87
1.0 INTRODUCTION

As corporations increasingly expanded internationally, and had to compete in the global marketplace since the 1990s, the science of management started to focus more on how to interpret global leadership (Von Glinow, 2001; Mendenhall & Osland, 2002). Scholars have responded to these global requirements by identifying a broad research outline to recognise what is requested of global leaders, and which mindset and personal competencies are crucial to achieve successful global leadership (Rhinesmith, 1996; Brake, 1997; Osland et al., 2006). Corporations have also recognised that their leaders need new abilities to execute their global strategic plans and have implemented global leadership models to guide the development of their managers (Mendenhall & Osland, 2002). However, surprisingly few primary studies have been conducted in the field with regard to the various global leadership development (GLD) practices, such as on-the-job/off-the-job training programs, expatriation, and mentoring. Moreover, the global leadership literature has been criticised for its lack of procedural variety and academic rigour (Osland et al., 2006; Dainty, 2005). Dainty (2005:24) also pointed out that the research agenda is still broad and concluded that “Not only do we still have a long way to go in identifying the competencies that are necessary to lead and manage in a global environment, but we are still relatively ignorant on how to successfully develop these qualities.”

Although prevalent academic literature often focuses on how to train global leaders through expatriation (Briscoe, 1995, Dowling, et al., 1999), we will, instead, focus on the concept of “Global Leadership Development Programme” (GLDP) that is rarely touched by academics, but still implemented by many MNCs, such as PriceWaterhouseCoopers, IBM and Johnson & Johnson. This thesis concentrates more specifically on the GLDPs of knowledge intensive Norwegian MNCs, often characterized by a distinctive corporate leadership culture which emphasises harmony, helpful attitude, conflict balancing, and consensus prior to taking crucial decisions (Falkenberg, 1997) which is fairly unique and appealing to study. Therefore, this thesis will serve as an exploratory research study of the issues related to the GLDPs of a few selected Norwegian MNCs.
1.1 Problem Statement

The need for more empirical studies on the subject of leadership development has been continuously raised among researchers to facilitate a comprehensive examination of effective leadership development (Burke & Day, 1986; Brungardt, 1996). Moreover, Global Leadership Development (GLD) is an even younger field of study in which corporations, universities and consultants do not have extensive empirical research upon which to base their training modules and programmes of global leaders (Osland et al., 2006). The requirements for global leaders and the lack of clarity in definition, complicate human resource management processes in global organizations as there is no distinctive understanding of how to select and develop leaders that will contribute to effective global performance (Vloegerghs & Macfarlane, 2007).

Additionally, a growing number of leadership development efforts are being implemented by the organizations, taking for granted that this will improve the effectiveness of the organization (Collins, 2002). Moreover, an understanding of what global leadership is, and why one should develop global leaders, does not necessarily guarantee success for the GLDP, nor provide clear guidance on how to effectively design and structure a GLDP. These ambiguities create obstacles and challenges for the MNCs to establish GLDPs. Hence, we recognise that a study of the aforementioned issues for Norwegian MNCs, in particular, would be meaningful.

1.2 Purpose of the study

We acknowledged that several Norwegian MNCs are engaged in various GLDPs, and by studying their practices, we would like to explore how Norwegian MNCs conceive global leadership and how they design and manage their GLDPs. Due to the limitation of data and lack of literature, we will not attempt to prove the efficacy of these GLDPs, but rather focus on the exploration of the background, contents and challenges of various GLDPs, and also the examination of the programmes’ relevance to the business strategies and strategic knowledge transfer of the company.
1.3 Objectives

In order to fulfil the purpose of our thesis, the investigation of the selected GLDPs of the chosen Norwegian MNCs will seek to answer the following questions, classified as four themes:

- Theme 1: How do Norwegian MNCs conceive global leadership?
- Theme 2: How do Norwegian MNCs develop their global leaders through GLDPs?
- Theme 3: How do Norwegian MNCs link their GLDPs to the strategic knowledge of the company?
- Theme 4: What are the challenges that Norwegian MNCs face when developing global leaders?

The first theme aims to explore the background and objectives of Norwegian MNCs in developing global leaders. The second theme investigates how Norwegian MNCs develop global leaders through their GLDPs, with particular focus on participant selection, program content, methods and evaluation. The third theme aspires to discover whether the studied MNCs intend to utilise their GLDPs to enhance the transfer of strategic knowledge. The fourth theme explores the main challenges that the MNCs identified when developing their global leaders.

1.4 Structure of the study

We will first present the literature relevant to global leadership development, followed by a methodology chapter where qualitative research methods, and the personal interview approach, will be introduced. The next chapter will include the research findings which will be presented as four case studies. These findings will then be discussed in the following chapter according to the four themes outlined previously within the thesis’ objective section. Finally, further study recommendations and research limitations are recognised, before reaching the concluding thoughts.
2.0 GLOBAL LEADERSHIP LITERATURE

The aim of this chapter is to provide a theoretical foundation for the exploration of how a small, but arguably representative sample of Norwegian MNCs, conceives global leadership and develop their global leaders through various GLDPs. To be more concrete, we will first introduce the theories related to global leadership, identify the need for a global mindset among leaders due to globalization, and present the global leadership competency models from an academic perspective. Next, literature regarding MNC leadership development will be presented, which includes leadership development stages and different types of programmes for leadership development. Lastly, literature regarding global leadership development will be elaborated upon, comparing, in particular, GLDP to ordinary Leadership Development Programmes (LDP).

2.1 Global Leadership in MNCs

2.1.1 Global leadership theory introduction
Osland et al., (2006:204) defined global leadership based on the writing of Adler (2001) and Festing (2001) as “the process of influencing the thinking, attitudes and behaviours of a global community to work together synergistically towards a global vision and common goal.” However, they also noted that there remains a theoretical confusion around the terms global leader and global manager. The majority of studies they had reviewed assumed that global managers are interchangeable with global leaders, whereas some studies, for example, defined global leaders through their positions in the organization. Nevertheless, due to the focus of our thesis, we will assume that the terms “global leader” and “global manager” may be considered identical.

We recognised that several researchers have broadened their studies of leadership as a response to the challenges met by leaders due to globalization and the rapid growth of MNCs. The first studies on international business and global leadership, as separate fields, were conducted during the 1950s and 1960s (Toyne & Nigh, 1997). These studies led to a focus on how leadership is conducted in different cultures, and how leaders in multinational corporations (MNCs) were affected when working across
areas of cultural dissimilarities. Morrison (2000) pointed out that the cross-culture management literature implies that global leadership is quite different from domestic leadership. Aspects such as employment security, diversity in the workplace, the degree of empowerment, the exchange of gifts, as well as cultural norms and expectations, are considered to vary extensively in different cultures (Nyaw & Ng, 1994; England, 1978). Studies carried out in the late 1980s and the 1990s built an understanding of how cultural factors, as significant variables, determine the efficacy of leadership across cultures (Thomas & Lazarova, 2006).

2.1.2 Going global: the need for a global mindset

The term global is often used interchangeably with international, multinational and transnational in global leadership theory, though some distinctions are made (Vloeberghs & Macfarlane, 2007). Bartlett and Ghoshal (1989) pointed out four different strategies for MNCs to pursue which make up four different organizational types: multi-domestic, international, global, and transnational. These organizational forms can be classified based on the MNC’s need for global integration and local responsiveness (Gooderham & Nordhaug, 2003) (Appendix I). However, Vloeberghs and Macfarlane (2007) argue that the term ‘global’ is usually used to describe a transnational organization (Bartlett & Ghoshal, 1989) in the more recent management and organization literature.

Bartlett and Ghoshal emphasized the need for a "global glue" in the transnational organization to “ensure that global leaders share an understanding of the company’s purpose and values, an identification with broader goals, and a commitment to the overall corporate agenda” (1989:204). The process of creating an understanding, identification and commitment by individual leaders to the company’s agenda is complex and challenging. “An enduring barrier to the development of a transnational organization is the lack of individual understanding and acceptance that surrounds the international activities” (Bartlett & Ghoshal, 1989:211). Since the leaders make decisions on different organizational levels, their global perspective of the MNC’s operations is crucial. “In organizations staffed by specialists who are physically and organizationally isolated from one another, leaders tend to become narrow and parochial.” (Bartlett & Ghoshal, 1989:211). Individual leaders often have a limited perspective and make decisions benefiting single-market requests rather than preserving global opportunities.
Lane et al., (2004) also claim that in order for a company to globalise successfully, the leaders have to update their world views and toolkits - being a global company places new requirements on the people in the organization. The claim that “leaders must develop a global mindset ... the ability to develop and interpret criteria for personal and business performance that are not dependent on the assumptions of a single country, culture or context, and to apply these criteria appropriately in different countries, cultures and context” (Lane et al., 2004:19). In other words, being a global leader is synonymous with being able to lead from a new perspective, this is also emphasized by Mendenhall, “the management challenges that continually spawned out of globalization increased the need on the part of MNCs to develop executives who could manage and lead from a global perspective” (Mendenhall et al., 2008:14).

2.1.3 Global leadership competence

We recognise that when defining and identifying the qualities of global leaders, researchers often focus on competences, a term used to describe skills, values or individual characteristics that are identified as crucial for a person to have to effectively perform a specific assignment (Boyatzis, 1982). Since the late 1990s, several scholars have conducted surveys on the Human Resource (HR) concerns of MNCs, with almost identical results showing that most firms highly prioritize development of global leadership and their leaders’ business competence (Gregersen et al., 1998; Mendenhall, et al., 2003; Suutari, 2002). Additionally, several scholars define global leaders based on a list of characteristics or competencies they identify as required of a global leader (Osland et al., 2006, Brake, 1997, Rhinesmith, 1996).

Morrison (2000) points out that two of the best known descriptive studies are probably those of Brake (1997) and Rhinesmith (1996). Brake’s (1997) research includes both an individual and company perspective of global leaders. He presents a model of global leadership called the “global leadership triad.” This model highlights three competency clusters of global leadership:

(1) Relationship management (includes five competencies: change agentry, community building, conflict management and negotiation, cross-cultural communication, and influencing)
(2) Business acumen (includes five competencies: depth of field, entrepreneurial spirit, professional expertise, stakeholder orientation, and total organizational astuteness)

(3) Personal effectiveness (includes five competencies: accountability, curiosity and learning, improvisation, maturity, and thinking agility)

An even wider set of competencies are identified by Rhinesmith (1996). He points out that global leaders need a combination of 24 different competencies related to three main responsibilities of global leaders: strategy and structure, corporate culture, and people. He divides the required competencies for these different responsibilities into characteristics, skills, actions, and mindsets. For example, for managing structure and strategy, the global leaders have to be both knowledgeable and analytical (characteristics), be able to deal with complexity and completion (skills), and embrace both a global and balanced picture (mindset) (Morrison, 2000).

Moreover, Osland et al., (2006) claim that global leadership competences can be categorized into six dimensions: Relationship skills, organizing expertise, traits, cognitive, business expertise, and vision. Whereas, Black et al. (1999) research claims that approximately two-thirds of the characteristics of global leaders can be generalized. The final third is context-specific, or idiosyncratic characteristics, such as company affiliation, leadership position, country affiliation, and functional responsibility.

Although scholars classify global leadership competency differently, we believe that these categorisations resemble several universal features; in particular, global leaders should possess a company vision, superior business expertise, advanced relationship skills, and a global perspective.

2.2 Global Leadership Development (GLD) in MNCs

The prevalent academic literature on GLD focuses mostly on the research of expatriates, their selection, preparation and adjustment to business abroad (Briscoe, 1995, Dowling, et al., 1999), and training across cultures (Hofstede, 1986). As we pointed out in the introduction, existing studies of GLD has been criticised for the lack
of methodological variety and academic rigour. The organizational practice regarding GLD often takes on a standardised approach, which has a tendency to be limited in application (Black et al., 1999). A more strategic perspective of the organizations’ international operations is recommended, and all elements of their global leadership development should be integrated into one strategic process (Harris & Dickman, 2005). Therefore, we will present the study by Mumford and Gold (2004) on the organizational leadership development (LD) stages to illustrate this strategic HR process.

2.2.1 Stages of leadership development
Mumford and Gold (2004:10-12) pointed out that there are four stages in leadership development that can be recognised in different companies, or in one company, over time, as shown in Exhibit 1. Moreover, they explain that some companies offer multiple development opportunities for their potential leaders, whereas other companies provide absolutely nothing for personal development. The four stages presented illustrate the course of development.

Exhibit 1: Stages in Leadership Development

| Stage 4: Planned strategic leadership development |
| Stage 3: Planned leadership development |
| Stage 2: Unplanned reactive leadership development |
| Stage 1: Unplanned experiential leadership development |

Stage 1: Unplanned experiential leadership development
At this stage, leaders develop themselves through personal working experiences, not through courses or assistance from others. We consider this stage a primitive period for leadership development. Learning from mistakes, no previous knowledge and experience sharing when problems arise are common characteristic during this stage.
Stage 2: Unplanned reactive leadership development

This development approach is subject to immediate pressures. The demands for leadership development are based on the current market situation and requirements. Corporations are obliged to take steps in order to tackle the challenges they face. Therefore, the leadership development in this stage is rather reactive.

Stage 3: Planned leadership development

At this stage, corporations have structures, procedures and plans that identify and provide development for their leaders. This process can either be carried out as part of job appraisals or performance reviews, or as an individual development review where needs and solutions are recognised, and personal development plans are introduced.

Stage 4: Strategic leadership development

Corporations have identified the development needs of the organization and addressed them in an established business plan. This stage tends to deal with the long-term perspective of the corporation, and link leadership development with the strategic development of the corporation. In this stage, incorporated with the business strategy and development plans, the key capabilities and competency framework of their leaders have been identified and developed thereafter.

As can be seen from the company leadership development stages diagram above, the latter two stages are formal and planned, with clear identified objectives and procedures. In particular, we consider the third and fourth stages, the planned leadership development and strategic leadership development, to be rather relevant for an MNC to initiate its GLDP because this would require the programme to have a long-term perspective, and further link leadership development with the strategy of the company.

However, we identify that there is an ongoing discussion by scholars whether leadership development in organizations should be planned programmes that are linked to the company’s strategy, as claimed above by Mumford and Gold (2004), or if the most efficient leadership development is a continuous process through the year termed “on the job training.” Cullen and Turnball’s meta-review of the management development literature (2005) confirmed what Baldwin (1994: 277) pointed out that
“management development may still be one of the most ill-defined and variously interpreted concepts in management literature.” Nevertheless, in the following sections our focus will be on GLDPs that are planned strategic leadership development.

2.3 Global Leadership Development Programmes (GLDPs) in MNCs

Global Leadership Development Programmes (GLDPs) are an under-researched field. We could not identify any substantial literature on this topic. However, several scholars have studied MNCs’ Leadership Development Programmes (LDPs) that focus primarily on domestic leaders. Even though the targeted leaders and the purpose of the GLDPs are not the exactly same as the ordinary LDPs, these studies could still shed some light on how GLDPs should be structured and facilitated. Therefore, literature regarding LDPs will be presented in the following for reference.

2.3.1 Leadership development programmes (LDPs)

According to the management development model developed by Mumford (1997), company LDPs that have the following characteristics can be considered as formal management development-planned processes:

- Often away from normal managerial activities
- Clear development objectives
- Structured for development by developers
- Planned beforehand and reviewed subsequently as learning experiences
- Owned more by developers than leaders
- Is more likely to be conscious (relatively infrequent)

(Mumford, 1997:267)

Mumford and Gold (2004) generalised the LDPs in the following three phases:

In the first phase, the programme is typically structured so that the participants evaluate themselves first, for example, conduct psychological tests that help to create self-awareness of leadership competencies and skills, and related strengths and weakness that the leaders may consider improving (Mumford & Gold, 2004). As for
the psychometric tests, some firms use the MBTI personality test to find the personality inclination and career preference, and then organize the participants into separate groups with similar characteristics, and discuss the commonalities, and bond the teams accordingly. Apart from the personality exploration, firms tend to help the selected candidates set objectives for the entire programme to maximize personal learning and development.

During this phase, one of the main objectives is to increase the degree of self-awareness among the participants in the LDP. The leaders often acknowledge how well they carry out their work, however, this might not correspond to how others view them. The purpose of feedback is that the leaders achieve a better understanding of how he or she is viewed by others (London & Smither, 1995). There are also more formal types of feedback, which includes (Mumford & Gold, 2004:69):

- Performance reviews and appraisals with managers;
- 180/360-degree feedback from staff, peers, managers, customers, and others;
- Feedback from assessment or development centres.

The second phase is usually the major part of the programme. It includes intensive classroom training, workshops, seminars, meetings, business games and simulations, rotation assignments, personal coaching, social cocktail parties, organized study trips, and so on. In this stage, the programme can be considered as a development centre that serves different purposes. For example, to develop the leaders’ soft skills, such as leadership skills, team management skills, strategic planning skills, and interpersonal skills. The methods to be implemented during this stage can involve group discussions, problem solving discussions and negotiations; presentations and speeches. The focus can be on academic and professional development, and social networking to establish personal connections and recognition within the firm’s global network.

The third phase is most commonly used as the evaluation stage. Participants in the LDP are likely to get personal evaluation and feedback for their performance, as well as learning during and after the programme. Different stakeholders in the programme, such as programme organizers, consulting companies, participants, etc.,
will also give evaluation and feedback on the programme so that it can be improved and become better customised for the next time. The aim at this stage is to understand how much the candidates have learned, and how much motivation has been generated during the programme to enhance the performance of these leaders in the future. Mentoring and coaching could also be followed to keep up performance.

2.3.2 MNC’s Global Leadership Development Programme (GLDP)

The GLDP targeted leaders and desired objectives may not coincide with the ones in ordinary LDPs. Therefore, we consider that the contents of programmes are not likely to be identical. However, it can be argued that the structure and approaches of GLDPs can be similar to that of LDPs, which was presented previously. Moreover, we think a successful GLDP requires a set of clearly defined objectives that lead to a smooth and productive programme implementation. The reasons for companies to initiate GLDPs may differ, but the establishment of GLDPs is primarily an attempt to develop leaders with a global mindset. Bartlett and Ghoshal (1989:175) recognise three common objectives of training and development programmes in their research; “to inculcate common vision and shared values, to broaden management perspectives and capabilities; and to develop contacts and shape management relationships.” These three objectives identified by Bartlett and Ghoshal, all reflect a wish to unify the organization through the use of GLDPs.

Additionally, the programmes can be developed internally or with assistance from external consultants. However, Von Glinow (2001) identified that the programmes were often designed based on what made sense to the designers, not on empirical findings. Moreover, Von Glinow (2001) points out that several MNCs would only concentrate on a few core skills that they consider as important for their global leaders to develop. However, this narrowed focus often led to poor results. Yet, as recognised in this theory chapter, the research outline for how to effectively develop global leaders through GLDPs is rather broad and there is a need for more empirical data.
2.4 Summary

Our literature research implies that global leadership is not a well-understood concept; hence we accept that there is no agreed definition on global leadership. However, through our research we do recognise that a global leader is often described as a leader who is equipped with the ability to deal with increased complexity in a global environment (Lane, 2004), and have a global mindset (Barthlett & Ghoshal, 1989). Moreover, we recognise that global leaders should possess competencies such as a strong company vision, in-depth business expertise, superior relationship abilities, and special personal traits as mentioned in several studies (Brake, 1997, Rhinesmith, 1996, Osland, 2006). However, to simplify our research on global leadership development, we will follow the definition by Osland (2006:206) as mentioned earlier “global leadership is the process of influencing the thinking, attitudes and behaviours of a global community to work together synergistically towards a global vision and common goal.” We consider this definition to be pragmatic, and it could shed light on our research on global leadership.

Additionally, we identify that the GLDPs should be designed for the needs of the MNCs as an advanced human resource practice. Such programmes can be structured and implemented in a similar way to ordinary leadership development programmes which primarily focus on the development of domestic leaders. However, we recognise that the content of GLDPS should be designed specifically for global leaders and customised based on the global strategy of the company. The following chapters will introduce our research methodology and findings on how our sample of Norwegian MNCs approaches the challenge of developing leaders through GLDPs.
3.0 METHODOLOGY

The aim of this chapter is to outline the research methodology utilised in this thesis. We determined to use a qualitative research method that is suitable for the objectives, and the exploratory nature of the thesis. Moreover, we will introduce the criteria for data collection, as well as providing a summary of our interview guide that seeks to uncover answers to the questions in our thesis objectives. Subsequently, we will introduce a data analysis approach to form the discussion that leads to the conclusion.

3.1 Research approach

3.1.1 Qualitative research

Strauss & Corbin refer to the term Qualitative Research as “any type of research that produces findings not arrived at by statistical procedures or other means of quantifications” (1999:10-11). Moreover, they refer to the qualitative research methods as “interpretative research about people’s behaviour, emotions, feelings, experience as well as social movement, cultural phenomena or organizational functioning and interaction between nations” (1999:11). Myers (2008) also argues that qualitative data are mainly a documentation of what people have said and can help us to understand what motivates people, why they act the way they do, and to understand the environment they operate and live in. Stern (1980) claims that we can gain a novel understanding of exploring substantive areas where little is known by the use of qualitative research methods.

Additionally, one of the major purposes of qualitative research is to discover concepts and relationships in nonmathematical raw data and then organize them into a theoretical explanatory scheme (Strauss & Corbin, 1999). Such a process can be characterised as:

- Inductive: “The formation of a generalisation derived from examination of a set of particulars” (Rothchild, 2006:2).
- Naturalistic: To understand an action it should be observed in its natural environment where it usually occurs (Bogdan & Biklen, 1982).
• Descriptive data: Rather than numbers, the data is expressed by words or pictures, such as photographs, video recordings or transcripts and field notes (Bogdan & Biklen, 1982).
• Concern with process: The focus is on the actual process rather than simply the results (Bogdan & Biklen, 1982).

3.1.2 Main types of qualitative research and data collection method
The development of qualitative research methods enabled researchers to study social and cultural phenomena. Some examples of these methods are case studies, grounded theory, and action research (Myers, 2008). The case study method attempts to shed light and focuses on a phenomenon by studying in-depth examples which can be an institution, a group, occurrence, or a person (Neil, 2006).

Interviews and questionnaires are two of the main qualitative data sources (Myers, 2008). The interviewees should be encouraged to provide as many details as possible and should be able to describe their own thoughts and experiences of the phenomenon freely. This can be conducted through interviews that can be either semi-structured or unstructured (in-depth) interviews. (Saunders et al., 2009) When conducting a semi-structured interview, a list with themes and questions are prepared but the questions, and the order of the questions, may vary from interview to interview depending on the flow of the conversation. Alternatively, in-depth (unstructured) interviews are even more informal, and the researchers do not have a predetermined list of questions. According to Saunders et al. (2009:321), non-standardized interviews (semi-structured and in-depth) are used “… to gather data which are normally analyzed qualitatively, for example as part of a case study strategy. These data are likely to be used not only to reveal and understand the ‘what’ and the ‘how’, but also to place more emphasis on exploring the ‘why’…”

3.1.3 Sampling approach
One type of interview case study sampling is to use systematic, non-probability sampling, which is often found in qualitative research. The purpose in non-probability sampling is to identify and study the people who either have the characteristics or live in the environment relevant to the topic or trend being explored, whereas, in probability sampling, a random or representative sample is drawn from a population (Mays, 1995).
According to Saunders et al., (2009) non-probability sampling can be useful at the exploratory stage of some research projects, and they also pointed out that it can be useful in order to “… answer some research questions and to meet the objectives, you may need to undertake an in-depth study that focuses on a small, perhaps one, case selected for a particular purpose. This sample would provide you with an information-rich case study in which you explore your research question and gain theoretical insights” (Saunders et al., 2009:233).

3.1.4 Method chosen

Let us recall the objectives of this thesis; the four main themes are presented below:

- Theme 1: How do Norwegian MNCs conceive global leadership?
- Theme 2: How do Norwegian MNCs develop their global leaders through GLDPs?
- Theme 3: How do Norwegian MNCs link their GLDPs to the strategic knowledge of the company?
- Theme 4: What are the challenges that Norwegian MNCs face when developing global leaders?

In order to answer the above questions and reflect the exploratory nature of this research, a qualitative research approach is chosen to conduct the study, as it can be used to explore substantive areas about which little is known (Stern, 1980).

Moreover, in order to get comparable data, our chosen method of qualitative research is the semi-structured interview. This method is used to retain some control over the interview process, allowing the interview objects to address many of the same issues across cases, yet they get less freedom to speak freely compared to open interviews.
3.2 Data collection

3.2.1 Case study selection

In order to guarantee the rigour of our qualitative research, studies should pay attention to the validity, dependability, and generalisability of the research. Therefore, apart from the global operation, and the knowledge intensive nature of the MNCs, the following criteria are introduced for the interview case study selection:

- Industry diversity: Businesses from industries such as service, manufacturing;
- Strategy and leadership diversity: Businesses practice diverse internationalization strategies and leadership approaches;
- Programme diversity: Have relatively dissimilar GLDPs that are designed and customised by different stakeholders (e.g. MNC or external consultants) with different purposes;
- Interviewee diversity: Candidates should ideally include different stakeholders involved in GLDPs such as HR managers, programme developers, participating leaders and company top leaders, if possible.

According to the sampling criteria listed previously, four Norwegian MNCs are identified for the interview case studies. The main case study is DNV (Det Norske Veritas), a global provider of risk management services. It has a well-established and comprehensive GLDP that can serve as the benchmark for this research. DNV also satisfies some other important criteria as it is a knowledge-intensive MNC in the service sector, with a transnational strategy.

DNV’s GLDP is developed partly internally and partly externally by consultants from IMD, a leading global business school in Switzerland, which customises courses on request from companies. Together with IMD, DNV designs a programme that concentrates on the challenges DNV is facing within its company and sector.\(^1\)

The other three MNCs are TTS Marine, a provider of equipment for the marine industry, with a global strategy that retains its core competency in headquarters, and strives to integrate its global business operations, nevertheless, it aspires to increase its local responsiveness and establish knowledge centres across its global business network; Rieber & Søn, a food company with a multi-domestic strategy that

\(^1\) [http://www.imd.ch/programs/partnership/index.cfm?nav1=true](http://www.imd.ch/programs/partnership/index.cfm?nav1=true)
traditionally has a very high need for local responsiveness with respect to the nature of the food industry, but very low need to integrate its global operations. However, recently it has attempted to shift its internationalization strategy to become more globally integrated; and Odfjell, a shipping company with a strong intention to integrate its global business with its headquarters, hence it can be argued to have a global strategy.

The GLDP programmes of these three MNCs are all designed and delivered with assistance from the same external consulting company, AFF, whose main focus is leadership and organizational development. They have provided leadership development programmes to companies for more than fifty years². As the GLDPs of the three smaller cases have been developed with assistance from AFF, they may share common features.

3.2.2 Interview guide

The interview guide covers the following subjects with a series of specific questions being asked in each area to elicit detailed information. The detailed interview guideline is attached in Appendix II.

- Define global leaders/leadership
- Background for Global Leadership Development
- The context: Norwegian leadership style and cultural barriers
- Global Leadership Development Programmes (GLDPs) - How do they develop global leaders
- Global Leadership Development Programme results

² http://www.aff.no
3.2.3 Interview execution
The following interviewees were selected for personal interviews:

DNV: Five candidates comprising the HR Manager, programme developer, two GLDP participants, and a company executive.

Odfjell: Two candidates; the COO and the Vice President of HR.

TTS Marine: One candidate; the Vice President of HR, who is also the programme developer.

Rieber & Søn: One candidate; the head of Corporate Organization Development.

We, the authors, jointly conducted the personal interviews in English. The interviewees were scheduled to have personal interviews with us. They were to answer the questions separately from their personal experiences and perspectives. The interviews lasted on average one hour per interviewee, and covered most of the relevant topics listed in the interview guideline. All the interviews were recorded and transcripted later.

We conducted the interviews with DNV at Høvik near Oslo at the DNV headquarters on 1st, 2nd April and 20th May, 2009. The rest of the interviews were conducted in Bergen with TTS on 17th April, 2009, Odfjell on 21st April, 2009, and Rieber & Søn on 23rd April 2009.

3.3 Analytical procedure

There is no common accepted model on how to analyze data for inductive research. Yin (1994) argues that “…analysis of case study evidence is one of the least developed and most difficult aspects of doing case studies” (1984:102). Miles and Huberman (1984) argued that even explorative research should be based on some initial ideas, previous research, and its gaps, in order to develop a distinct focus to analyze.

This explorative thesis is based on a few initial categories, in particular four main themes that aim to uncover what and how a sample of Norwegian MNCs think and act regarding global leadership development. Based on the main themes of the thesis, data analysis will be facilitated by comparing the data acquired from the GLDP
practices between DNV and the other three Norwegian MNCs interviewed. This cross-case comparison is used to search for similar patterns. Moreover, these GLDP practices will also be reconciled with the relevant global leadership development theories elaborated in the theory section to uncover similarities and discrepancies.

Furthermore, we acknowledge that certain limitations exist in our thesis. Therefore, we will also provide our suggestions for further research. Within the analytical discussion, we will summarise our major findings and highlight the challenges and the relevance of the GLDP for the Norwegian MNCs’ strategic knowledge integration and sharing. The conclusion will then follow our discussions as a summarisation.

3.4 Critique and limitation of the research methodology

Myers (2000)\(^3\) pointed out that

“Qualitative studies are tools used in understanding and describing the world of human experience. Since we maintain our humanity throughout the research process, it is largely impossible to escape the subjective experience, even for the most seasoned of researchers. Speaking about the world of human experience requires an extensive commitment in terms of time and dedication to process; however, this world is often dismissed as ‘subjective’ and regarded with suspicion.”

Therefore, such subjectivity from us, the thesis authors and the interviewees would potentially affect the perception of the GLDP. In particular, the interviewee candidates are selected by the MNCs themselves. TTS and Rieber & Søn provided one candidate each for interview, therefore, having the tendency to speak on behalf of their companies; it reduces the diversity of opinions and expresses a positive view towards their GLDPs.

The small amount of qualitative studies may not be sufficient for generalisation, especially as DNV, TTS Marine and Odfjell are all somehow related to the shipping industry, which may hamper the diversity of the case studies chosen.

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4.0 RESEARCH FINDINGS

This aim of this chapter is to present the interview results from the four MNCs’ GLDP practices. The interviewed companies and interviewees will be introduced followed by the research findings from the case studies that are based on our four themes:

- Theme 1: How do Norwegian MNCs conceive global leadership?
- Theme 2: How do Norwegian MNCs develop their global leaders?
- Theme 3: How do Norwegian MNCs link their GLDPs to the strategic knowledge of the company?
- Theme 4: What are the challenges that Norwegian MNCs face when developing global leaders?

The DNV case will be presented first as the main study, followed by the three other cases from TTS Marine, Rieber & Søn and Odfjell for comparison. These three cases will serve as supplements to portray a broader spectrum of GLDP practices from Norwegian MNCs that have arguably different business sectors and strategies.

4.1 Global Leadership Development Programme in DNV (Det Norske Veritas)

4.1.1 Company introduction

DNV is an international risk management service provider. DNV’s main purpose is to safeguard life, property and the environment. The company dates back to 1864 when it was founded in Norway to check and verify the condition of Norwegian vessels. DNV is one of the major players in the ship classification industry, along with Lloyd’s Register and American Bureau of Shipping. Since 1867, DNV has operated in the international market, and today they are located in approximately 100 different countries, with 300 offices. DNV’s headquarters is situated at Høvik in Norway. Today, DNV focuses mainly on four business areas; maritime, healthcare, food and beverage, as well as oil, gas and energy.4

DNV is a knowledge-intensive MNC, the expertise of their 9,000 employees is a significant part of their prime assets.

“Technical knowledge is important, of course, because that is what we sell. We have technical experts in various fields. 80% of our employees have a masters degree … so we’ll be nothing without our people.” [H. Berger Holm, personal interview, April 1, 2009].

Their main competency is to identify risk and advise the client company’s management. The intension is not to eliminate risk, but to approach it and learn how to minimize the risk factors.

Since they provide their services all over the globe, they strive to deliver their services with the same quality from all of their employees: “Wherever we are, and whatever we do – 9,000 DNV colleagues take pride in working for a knowledge-based organization with a broad range, a depth of competence, and with the purpose of safeguarding life, property and the environment5.” In order to provide this, they say that “training and job exchange programmes are a basic part of our organization and form an important piece of our personal and professional career development6.”

4.1.2 Interviewee introduction

Helene Berge Holm is head of Organization and Development in DNVs Clean Energy and Utilities unit, a part of the DNVs’ Energy Business Area. Her former position was HR-Manager in the Business Assurance area, which is the industry certification area. She has worked in DNV for 20 years and is an instructor in the first part of DNV’s GLDP “The Journey”, and has also participated in the programme herself.

Hanne Hjerpetjønn is Station Manager at DNV Sandefjord and is in charge of 25-30 people. She has been in DNV for six years. The first three years in DNV she worked as an approved engineer, followed by three more years as head of one of DNVs sections. She has participated in the DNV’s GLDP “The Journey.”

Åge Andreas Enghaug is Vice President and Director of Branding and Key Customer Management. He has been in DNV for almost 17 years; he has worked

5 http://www.dnv.com/moreondnv/profile/about_us/
6 http://www.dnv.com/moreondnv/careers/
within risk management, corporate communication, selling and executing projects, and marketing and sales. He has previously also worked for ten years with NRK as a reporter and with the Lillehammer Olympic organizing committee between 1990 and 1994, responsible for information and PR.

**Jan Einar Horne** is Head of the Advisory Services in the DNV Maritime Baltic, Germany and Nordic Area. DNV Maritime is split into six regions, his group consists of approximately 150 people, and they are providing consultancy services to ship owners, ship management companies, yards, designers, and all the major players in the maritime industry. He has not lived abroad, but travelled frequently for business. He has participated in DNV’s GLDP “The Journey.”

**Ann Savage** is Line Manager of DNV Learning, which is the in-house advisor service with trainers and course developers. Her former position was in change management as a consultant for the performance group. She has vast experience with GLDPs and has designed some of the exercises used in DNV’s GLDP. She is also an instructor for the first part of the programme.

### 4.1.3 Theme 1: How does DNV conceive global leadership?

The reason that DNV engages in GLDP is based on the awareness of the benefits of integrated global leadership perception. H. Berger Holm mentioned:

“We started with a wish to emphasize global leadership … Clarifying what the standard expectations from a manager in DNV are, and building a common global leadership understanding.”

DNV wishes to communicate its expectations and cultivate a global leadership mindset for its leaders. The objective is to create a global leadership understanding within DNV. J.E. Horne emphasises:

“…we are widely spread. If a customer approaches different parts of the organization it is important that their experience with us is similar. … We serve ship owners, and they are located all over the world, so they should have the same experience whether it is in Singapore or Rotterdam. … We want the value of the company to be visible to our clients, and then it is not possible to cheat, it has to be in all levels of organization”
In order to face these challenges; values and expectations have to be communicated throughout the organization, and at all levels. DNV’s core values are as follows:

- We build trust and confidence
- We never compromise on quality or integrity
- We care for our customers and each other
- We are committed to teamwork and innovation

The programme strives to provide a universal platform, and to communicate firm values on different levels, which ideally results in a more united organization. J.E. Horne pointed out:

“We use the same language, we have the same vocabulary, this is very easy to forget, but extremely important when you try to implement things.”

The GLDP at DNV is called “The Journey.” Two instructors and leaders described global leadership as mentioned below in the table:

<table>
<thead>
<tr>
<th>Instructors/DNV Employees</th>
<th>Global leadership definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Helene Berge Holm, HRM - Cleaner Energy</td>
<td>“There are two categories. One is when you’re a leader within a global organization, and the other is when you’re an actual leader across borders.”</td>
</tr>
<tr>
<td>Ann Savage, DNV LEARNING</td>
<td>“A global leader is to me, a person who isn’t marked by a mindset of a particular country. Who is able to transcend cultures, and understands how the whole perspective works in order to make a difference in a multinational team, on a global basis.”</td>
</tr>
</tbody>
</table>

What these two definitions from DNV have in common is that a global leader is someone who is able to lead people across borders with a global perspective, not being limited to only one country.

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7 http://www.dnv.com/moreondnv/profile/pvv/index.asp
DNV develops its global leaders and domestic leaders by engaging them in the same programme. H. Berger Holm explained:

“We train them in the same way. The difference is related to the succession process. Some people are more eligible to become leaders across borders. We require the same type of cultural awareness of the domestic leaders as well.”

4.1.4 Theme 2: How does DNV develop its global leaders through GLDPs?
DNV describes its GLDP as a ‘journey’ to illustrate the continuous development through the different challenges the employees face at different stages of the company. The programme consists of three parts; the first part is designed for first line leaders and includes three modules; the second part is aimed at middle management and focuses more on global business leadership; the last part is targeted at senior management and is tailored to the executive boards.
Part 1: A survival Guide for new leaders in DNV

Programme objective and developer

The first part in DNV’s GLDP is in many ways a survival guide for new leaders. The main objective of this part is to communicate what is expected from a manager in DNV. A. Savage explained:

“It is to give basic leadership skills for the young leaders. We try to get them through before they’re thirty-nine.”

Part 1 is developed and implemented internally in DNV by Corporate HR. By utilising their own specialist, they are able to customise the part according to their own needs. H. Berger Holm mentioned:

“We have a quite large consultancy unit in our organization with psychologists, professional trainers, etc … sometimes we get feedback on that concerning why there aren’t any professional instructors, but that is part of it, and it is all linked to business. We pull from our own experience, and the participants come up with examples and questions. Since we’re all in the company we can give examples and say what is normal.”

Participant selection

This part comprises three modules, in which the first two are compulsory for all line-managers. Participation in the first part of the journey is meant for fresh line-leaders, about 1000 of them have participated in part 1.

The participants in this part are a mixture of different nations, business areas and genders. The intention is that leaders should meet leaders from other parts of the organization and get a better overview of the company globally. J.E. Horne emphasised:

“People tell me that the programme gives them a very good DNV network. On purpose we put people with different backgrounds together, people from different business areas and so on.”
Programme content

Module 1: Management skills
The first module in part 1 is Management skills, which lasts for one week. It gives a basic introduction to what is required to handle people and financing in a unit.

A. Savage clarified:

“It is about how you’re handling your first line managing position, so it is for first line leaders within DNV – so you can be a leader from before, you need to learn the system, you need to have our leadership principles under your skin.”

Role play, different exercises and group works are used during the module.

A. Savage further described:

“It’s basically a workshop setting, there are some lectures – but then it gets you right into a task so it’s very task-case oriented. And it tries to play on all your senses; watching PowerPoint is not the way to learn”

Module 1 is based on the actual business process a DNV-manager faces during a financial year. It is compulsory for all line-leaders, since it communicates the principles and knowledge that are required to be a leader in DNV. H. Berger Holm gave details:

“We spend time on planning and budgeting, but it’s not a detailed accounting course. That is something leaders trust their business support leaders and controllers to do. This is again about expectations, and about what line leaders are expected to understand and have an overview of. … On the people side the course basically deals with issues such as recruitment. We call it policy management dialogues, and again we have a standardized process where you learn to set goals for assessment of employees. The training concerns instruction regarding the various talks you have with an employee, how to deal with difficult employees, etc. And that is basically the content of the first module.”
This module provides new leaders the knowledge they need to fulfil DNV’s expectations for them.

**Module 2: Management insight**
Management insight builds on the experiences the participants have gained during their leadership experiences. The intention is to enhance the knowledge of DNV’s expectations of its leaders, the company’s business model, demands, and also the personal understanding of leadership. J.E. Horne mentioned:

“We want the values of the company to be visible to our clients, and then it’s not possible to cheat and say something only to the people at the top and forget about it. We need it on all levels in the organization, so it is part of our behaviour. I think the management programme is very helpful in that respect.”

This module helps the participants understand what is required for being a leader, and what DNV’s core values are concerned with. H. Berger Holm confirmed that

“When entering the second module, the participants have been in a managing position in DNV for about two years, this module is also open for leaders of large projects. This module focuses on their qualities as leaders. How they can improve their management skills and further develop their strengths.”

Different exercises are utilised during this module; one example is called the “Legoman”. The objective is to test the participants’ personalities in action; only one person can go and look at a model of a “legomann” at the time, after looking at it they have to explain to his/her teammates and draw what he/she has seen. After discussing it, they start to build it. Ann Savage explains it:

“They have to build it as fast as they can and not make a mistake. … it can be totally chaotic. Things can break down and people start shouting at each other. It makes it so intense and so real that they are no longer acting nice.”

One of the goals of this exercise is to make people aware of their own personality, how they take the lead and how they react in different situations.
Another important part of this module is integrity training. It is in accordance to DNV’s core values. H. Berger Holm pointed out:

“Being the type of company that we are, we never compromise on quality or integrity, and we need to train our leaders in what integrity really means. This can be very interesting because there are people from different parts of the world. What is seen as corruption in Norway is not necessarily seen as corruption in China; such subjects often lead to interesting discussions. Cultural awareness is also a part of this module and we spend quite some time on that.”

As a tool to make the integrity training more real, they use a business case that puts the participants’ integrity on trial. During the case, different situations occur to make the participants more under pressure. H. Berger Holm described:

“We make them uncertain, we split up groups, we have press conferences, and there are a lot of ugly things happening during the evening, while they have to stand up and check their integrity.”

Module 3: Individual management development

The third module focuses on developing the participants’ personal leadership competencies, based on systematic evaluations. The module is very new, it is not compulsory, but it is an opportunity for all leaders to participate. The target groups are both experienced and less experienced leaders. All participants go through a 360 degree evaluation, run by certified instructors, and the results are used in the module. During this module, leaders are also evaluated by a peer group of other leaders to get feedback and suggestions based on the result from the 360 degree evaluation. The purpose of this evaluation is to make the leaders more aware of themselves and their influences on the others. H. Berger Holm explained:

“... in this manner you become conscious of yourself and other people. It is a week where you are free to concentrate on yourself and your own development needs”

An example of an exercise used during this module is called “The Quadrant”, which emphasises how your values affect your leadership roles in both positive and
negative ways. The following example was given by Ann Savage during the interview:

“My value is honesty; I’m a very honest person. But when I’m very, very honest I am actually quite blunt. … The opposite of honest is being evasive – a positive way of saying evasive is being tactful. So we work a quadrant. … That means you have to accept the fact that this is your “allergy” (being evasive) – because of it is this “allergy” that drives you over to be to blunt, and this is causing problems in your leadership style.”

This exercise makes one aware of his/her “allergies”, and during the day, the participants discuss how they can work towards the positive side of your “allergy” and how it will affect their leadership style.

**Feedback and evaluation of Part 1:**

The participants give feedback on the internet after they return home. They are expected to evaluate the instructors, the relevance of the content for their own positions, and the usefulness of the programme. H. Berger Holm mentioned:

“A few times two or three people said that it was a total waste of time. In those cases we talk with the instructors, and most of the time this feedback has come from people who shouldn’t have been there, and who were selected by wrong criteria, etc. This feedback has led to strict rules that state that you have to be a line manager to participate … having strict criteria for selecting participants has really improved the quality of the programmes.”
Part 2: Global Business Leadership

The objective and programme provider
The second part, Global Business Leadership, focuses on strategically important issues that are related to the company’s challenges. It is delivered in conjunction with IMD in Switzerland by professors with global experience who develop the programme in cooperation with DNV’s HR-unit. IMD spent about six months on customising the programme to DNV. The programme is improved every year and professors from IMD have to prove that they are as good as any other potential deliverer, but since it is a very expensive programme it is always under consideration whether it shall be continued. H. Berger Holm commented:

“We still run it every year. It depends how we reprioritize now, but we try not to cut back on training, because in hard times it is so important. But it is a costly programme.”

Participants selection
The selection of the participants is decided by the top management. There are approximately 40 seats every year, and these candidates are selected from the global corporation network comprising of 8-9000 employees. Each business unit has a given number of seats, they provide a list with suggested participants and afterwards it is reviewed by Corporate HR. The selected candidates have to represent the diversity of the global organization. H. Berger Holm described:

“We have a diversity policy, in case for instance three BAs have only nominated men, etc. With diversity we don’t only talk about gender, but also nationality and type of business. For instance, we bought a company last year, and we had one seat we used as a type of integration.”

Other criteria include being in a managerial position with higher education, young candidates are also favoured. H. Berger Holm explained:

“We also pay attention to age, and we want to promote young people … We are very conscious about higher education, and it would be difficult to participate in the part two programme if you don’t have a master’s degree.”
The programme has a mix of very experienced leaders and some less experienced leaders. J.E. Horne pointed out:

“Some were very experienced people who had been leaders for a long time, and there were also some youngsters. … In general I think the programme was a positive boost for those attending.”

Additionally, skills such as networking and cultural awareness are also noteworthy, but leaders who are in the target group for part two have most likely been through a selection process already. However, occasionally it happens that people who lack these qualities are selected; as a result they have to spend some effort to make the participants aware of their expectations. H. Berger Holm explained:

"There are people that come to this type of training who lack the desired level of cultural awareness, the eagerness and the ability to be active in the classes. Instead of just giving feedback, we are now making the participants aware, before the programme starts, that they are being observed. We remind them that they participate of their own free will and that we anticipate that people are active and do their homework, deliver their cases and papers, and, in addition, that they bring this back to their unit. The programme is not only for their personal benefit, but is supposed to benefit the whole unit."

Programme content
The content includes lectures on business related subjects, class room discussion and project works. Part two has three gatherings; two of them are in Switzerland and one is in Shanghai. The reason to locate one gathering in Shanghai is that this area has been a strategically important location for all DNV’s Business Areas.

The three gatherings include several small projects and are focused on how leaders work in global teams. H. Hjerpetjønn stated:

“… afterwards, I believe that what was most important was when we learned to build efficient teams through team building. We focused on how to work in global teams.”

The professors provide good cases from international companies that can be related to DNV’s challenges. J.E. Horne described:
“It was an eye opener having very experienced and knowledgeable teachers that had a lot of good cases from international companies which was easy to relate to our own situation. We had to think in an international setting, and it was easy to relate it to our organization. From that perspective, it was a really good and memorable experience. Different people were put together, and … later on; when discussing, we could say “do you remember this and that” … we used the association we learned from our training, in our practical lives.”

An exercise used as an introduction to the programme is the icebreaker; which investigates the diversity of the team and the different preferences the different participants have. H. Hjerpetjønn introduced:

“We took it [the icebreaker] during the team work, just before starting the most chaotic session. … Some of the people on the group were very analytical, whereas others were more creative. The creative people are happy when things are chaotic in the beginning, and they love the stage; when we discuss what we want to achieve. People who are more controlling hate this stage. This became clear during the process.”

The professors relate the subjects of the project work to potential challenges for DNV and also connect the participants in the programme with other companies that have global experience and have successfully tackled similar challenges. H. Hjerpetjønn explained:

“First we defined our problem and made some statements about it and what we assumed was causing it. Then, with some help from Swiss professors, we found an industry with a similar problem. … later on I managed to apply the technique we learned to an approval time project here in Høvik.”
Networking
There are also several social events during the gatherings where the participants get
to know their team mates. H. Hjerpetjønn pointed out:

“I think that was the most fascinating part. In the Alps, we had one
day of outdoor exercises and such things. After this day, I felt that I
knew many of the people in my group.”

When they return, the participants have to participate in making a memory book from
the gatherings; they write feedback regarding the programmes. In addition, the
participants can also contact the professors from IMD for further assistance after they
return to their daily lives.

Part 3: Executive development
The third part is linked to strategically important subjects and approaches that need
to be dealt with. It focuses on the leader team of different business areas and the
executive board members in DNV. H. Berger Holm briefly introduced the programme:

“The programme is tailor made to each executive board. … The
corporate hire world regarded experts depending on what is on the
strategy plan for a specific executive board. What they focus on, and
what they need, depends on the team that is put together.”

Where the programme is located, and who is delivering the part, depends on what
the main focus and topics of the part are. H. Berger Holm said:

“I think it is up to CEO to decide it and discuss with the corporate manager and find
the best solution for each team.”

However, the third part has only been conducted on very few occasions and the
content, methods and participants are customised and vary each time. There is very
little information available about this part of the journey.

Feedback of the GLDPs at DNV
Åge A. Enghaug highlighted the following benefits he has acquired during his
participation in the programme: first, personal recognition:
“It is important as recognition of yourself as a manager or leader in the company being selected to participate, that is an important signal in itself on a more personal level.”

Second, Learning:

“Increased knowledge and understanding of wider topics within leadership and business through recognised case studies and the lectures within business administration. So it is learning experience in terms of discussing being part of a knowledge sharing, and then we conduct projects that are more in-depth.”

Third, networking:

“Creating efficient networks in a company on a fairly high level that is something you can use for other practical purposes after finishing the programme.”

Meanwhile, Åge A. Enghaug considers that culture awareness is part of international networking,

“Do it in a practical way, because you work together in projects, discuss issues together, and get to know people, definitely extremely important.”

Lastly, career opportunities and motivation:

“Feel motivated and get more energy to develop your career and see a big picture of the company and increases understanding of the company and understanding of wide issues of its business, by networking, you can work more technically efficient and stimulate the others.”

4.1.5 Theme 3: How does DNV link its GLDP to the strategic knowledge of the company?

The GLDPs at DNV are intended for the transfer and sharing of both explicit and tacit knowledge within the corporation. After the programme, participants are expected to take the knowledge back to their units and communicate it to their teams. A.Savage clarified that:
“It is supposed to be much more transfer of knowledge and for people to develop relationships across areas. We call it a “T” mindset, which is across and down.”

Åge Andreas Enghaug explained the “T” concept:

“We defined a ‘T’ shaped leadership, one has to be deep within a profession in a company as a leader, also has to be broad in terms of understanding, networking, supporting of the business area.”

Moreover, GLDP is a good socialisation channel to enhance networks and retain talent that is crucial for knowledge transfer. Åge A. Enghaug argued:

“To leverage and enhance networking is in itself important, but also important for business performance, ... and we want to retain the best talent we have, and offer them good networking opportunities and competence development, that is perhaps even more important than compensation.”

However, some limitations are recognised by Ann Savage that especially in part 1, there are not sufficient opportunities for leaders to interact and build relationships due to the lack of time and communication between participants in different modules. She pointed out that

“It’s supposed to be much more transfer of knowledge … the point of this part is bringing people together … but it is limited in time and since you are with different people [on different modules of part 1] you forget who you are with.”

DNV aims to enhance global learning through knowledge sharing. This is, however, identified as challenging and difficult to assess whether it is successful or not. DNV understands the importance of a network that instead of having a hierarchical relationship between the parent company and its subsidiary emphasises building relationships in an equal network, where knowledge flows between the network participants.
4.1.6 Theme 4: What are the challenges that DNV face when developing global leaders?
The three main challenges identified through DNV’s case study are presented below; cultural difference, financing for the programme, and the difficulties of programme outcome measurement.

Cultural differences
Since DNV’s GLDPs involve a diversity of cultures and backgrounds, participants have very different expectations to what a leadership programme should include. A. Savage described:

“Some cultures will expect to be treated really well, and that they’ll get champagne, etc, others will expect to be put into harness and climbing trees. People have expectations that will colour what they hear, so the most important thing is for people to be open. We should invite them to be open, and say that this is your chance to develop. … but what a leadership programme should contain is still going to colour someone’s expectations, even if you tell them one thing, people expect something else.”

Financing for the programme
Another identified challenge is the financing, some units have less to spend on such programmes than others - the different units pay for their participants in the GLDP. A. Savage mentioned:

“I think that there’s still a hesitation putting people through. Because of its costs, it’s not for free, it’s not funded. So that means you can’t get everyone, because some divisions, areas are poorer than others. In this way, it does not have such a wide reaching effect.”

Programme outcome measurement
Measuring the result of DNV’s global leadership training is complex and difficult. However, they evaluate the mobility of their leaders, the number of quality cases, and the turnover, as an attempt to measure some of the result of the programme. H. Berger Holm explained:
“One way to measure it could be to look at the mobility of leaders. How they move around, and how easy it is to fill a vacant position … Another way to measure it is through all the quality cases, and there are few of them. That means that quality is being compromised. Leaders know when and how to react due to the standardized training and make sure that DNV’s values are being respected. We also monitor people who leave the company, and we have a global tool where people give reasons for why they leave. We monitor it and see if there is something we should pick up on. If there are many people leaving in a certain geographical area, then we go in and see if we can find the reason.”

However, it is hard to measure the outcome of the programme alone without evaluating other elements that could also contribute to the end result. J.E. Horne pointed out:

“You can say something about what you think you’ll get out of it, but to really get an answer of what was the effect is not possible. A simple reason is that you cannot isolate one action out of thousands of others. You can try, but the point is that the measured result is the sum of all activities you’re doing, so you cannot really isolate just one.”
### Summary of the JOURNEY

<table>
<thead>
<tr>
<th>PART 1</th>
<th>Objective</th>
<th>Delivered by</th>
<th>Target group</th>
<th>Degree of customisation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>“The Survival guide”</strong></td>
<td>Basic leadership skills required in DNV</td>
<td>Corporate HR (DNV-Internal)</td>
<td>All new leaders in DNV</td>
<td>Medium/High</td>
</tr>
<tr>
<td><strong>Module 1: Management skills</strong></td>
<td>To give knowledge about the actual business processes a DNV-manager faces during the financial year</td>
<td>Corporate HR (DNV-Internal)</td>
<td>Compulsory for all line-leaders. Not open for non line-leaders</td>
<td>High; focuses on management tools and other issues related to being a manager in DNV.</td>
</tr>
<tr>
<td><strong>Module 2: Management Insight</strong></td>
<td>To communicate the expectations of a manager and the values they are expected to represent (E.g. Integrity)</td>
<td>Corporate HR (DNV-Internal)</td>
<td>Compulsory for all line-leaders. Also open for some project leaders.</td>
<td>High; related to DNVs expectations and values</td>
</tr>
<tr>
<td><strong>Module 3: Individual leadership development</strong></td>
<td>Developing the participants’ personal leadership competence</td>
<td>Corporate HR (DNV-Internal)</td>
<td>Not compulsory, but an opportunity for all leaders</td>
<td>Medium: More focus on developing you as a manager in general.</td>
</tr>
<tr>
<td><strong>PART 2: Global Business Leadership</strong></td>
<td>Provide more global leadership perspective in the organization</td>
<td>IMD in Switzerland</td>
<td>Middle Managers</td>
<td>MEDIUM/ HIGH: Spend approximately 6 months to tailor it to DNV; however parts of the content are more standardized exercises.</td>
</tr>
<tr>
<td><strong>PART 3: Executive Development</strong></td>
<td>Tailored to the requirements of the CEO</td>
<td>Varies, chosen as a result of the objective</td>
<td>Top management (BA leaders and the Executive Board)</td>
<td>VERY HIGH: Everything is tailored to meet the CEOs requirements; linked to the strategy of DNV</td>
</tr>
</tbody>
</table>
4.2 Global Leadership Development Programme in TTS Marine

4.2.1 Company introduction
TTS Marine (hereafter referred to as TTS) is a Norwegian MNC and the parent firm of the TTS group. This parent firm was founded in 1966, and is headquartered in Bergen, Norway. TTS designs, develops and supplies equipments for global marine and oil and gas industries. TTS offers solutions that increase profitability and competitiveness by improving productivity, quality and system capacities. The group's activities primarily involve design, assembly and testing of equipment while, apart from manufacture of certain key components, production is undertaken by a global network of subcontractors. It could be argued that TTS has to have a global strategy and structure; it was organized into five divisions by 2009, however, it recently restructured into four divisions: Marine, Energy, Port & Logistics and Services. With a workforce of around 1250, TTS has over 40 years experience in the marine industry.

4.2.2 Interviewee introduction
H.J. Erstad is the Corporate HR Vice President, also responsible for IT and quality control. He has worked in TTS, Bergen, since 1995. His previous experience was 16 years in telecommunication. He has participated in implementing TTS Marina ASA’s GLDP.

4.2.3 Theme 1: How does TTS conceive global leadership?
The background for TTS’s GLDP was that they recognised a need for developing global leaders. H. J. Erstad (2009) defines these global leaders as managers who can demonstrate the company spirit, understand the values, vision and mission of the company, whilst being able to understand the role of a manager, know how to work and manage employees.

“In TTS, we want a global manager to fulfil the spirit of TTS when it comes to how you are as a manager and how you treat people. We have a small company culture, so you shall work locally and help the customer, but you shall think corporately. A good TTS manager in

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8 Internal document: About TTS, 2008
Germany, China or Italy is a good manager for the local company, but should also be good to have in corporate processes.”

Another need that they recognised was to understand the cultural differences in the company, H.J. Erstad considers this to be the major difference between domestic and global leadership. H.J Erstad considers that cultural issues serve as the major factor:

“The division leaders, the executive management leaders in a division, have to lead companies in different countries and people from different cultures. They have to manage cultural problems, whereas the global aspect is not in focus for a local company. Our leaders rotate between companies. We have 26 leaders in TTS. Some of them are responsible for only four or five people. The most important thing is to be a sales person and market person, and to visit customers. Concerning cultural problems, a manager in TTS should know culture and study and become an expert in other cultures.”

The process of developing a GLDP started a few years ago because TTS realized that:

“We wanted more people to think corporately. We had to do more than what was already being done.”

At that time, TTS already held corporate meetings once a year for all leaders in all companies who met and spent two days together. However H.J Erstad explains how the process of developing a GLDP started:

“Two years ago, we agreed that we needed something in addition, some courses for potential leaders and leaders, and we also needed an executive programme for top management and for potential executive leaders. We decided to develop the two programmes, and the content was approved.”
TTS designed the two GLDPs with assistance of AFF. The draft of the programmes was finalised by the external consultants who made the HR documentation for TTS. H. J. Erstad explained:

“I used three to five people altogether, but 80% was done by me, and tested internally in TTS. We also have SWOT analyzers in TTS. The focus is on strengths and weaknesses and I’ve tried to look into the weaknesses, and by that what we should focus on the programmes.”

The international cultural understanding and training is conducted by Richard Lewis Communications, which specialises in culture education. TTS plans to customise the profile analysis and culture product for the executive programme. The programmes are delivered by the TTS CEO, HR Vice President and general leaders from different divisions, AFF consultant, and external psychologists.

TTS started with one of the programmes to see how it turned out:

“Now we have this course every year for 26 people, and there are 50 people on a waiting list. All employees can sign up for the course online on the intranet. When we pick people for the next course we use this list, I just have to ask the leaders for the names. We completed that last year, and we received much positive feedback.”

4.2.4 Theme 2: How does TTS develop its global leaders through GLDPs?

The following sections describe the objectives, participants, content and the evaluation of the two GLDPs at TTS.

Programme 1: Become a TTS Manager

The objectives
The Main objectives are as follows:

- Get a basic understanding of TTS history and values
- Understand the TTS business context and business model
- Clarify the role and expectations of a manager in TTS
- Enhance understanding of own management profile
- Develop the ability to succeed as a manager

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9 http://www.crossculture.com
• Build a network between participating leaders

[ Becoming a TTS Manager, 2009 ]

Participant selection
The target candidates in this programme are newly appointed leaders and/or employees that will become, or want to be, leaders in TTS within the coming years. The participants should represent as many divisions, cultures, functional areas in the company as possible. H.J. Erstad mentioned:

“I sent the list of names to the leaders in each division and asked them if the people who have signed up could attend the programme. People can sign up online. … We have discussions about how many people we should include from each division, because all divisions should be represented. We have three big divisions, two that are a little smaller and one very small. We ended up with four or five from the big ones, and three and two from each of the two other divisions. Next I looked at what kind of positions the persons had. There should not only be sales people attending for instance.”

Programme content
The Programme content can be illustrated as follows:

[ Becoming a TTS Manager, 2009 ]
### Session Content

1. Management and management expectations in TTS
   - Getting started and getting connected
   - TTS history, values and identity, the spirit of TTS
   - The role of a manager in TTS
   - TTS HR strategy
   - Understanding the business context
   - Understanding the business model of TTS
   - Reporting and calculation in TTS
   - Building network in TTS

2. My management profile and challenges
   - International cultures
   - Me as a manager
   - Personal preferences and the role as a manager (TMP)
   - My management profile
   - Challenges working together
   - Coaching and skill development

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The programme is designed for 26 participants. H.J. Erstad described the programme as:

“One part of the course involves giving information about TTS, and it is also important to come together and work in groups. The programme also concentrates on culture, with a main focus on China, Europe and the main countries where we have businesses. We have profile analyzing sessions, and participants do not receive the result before the second session. The first day, the programme explains how it works, and talks about the different kinds of profiles and what they entail. Then participants are required to estimate their own profiles in their groups, and afterwards their results will be shown to them which they can discuss within the groups. They are also assigned a project for the last day, and discuss in advance how
the groups will work together based on the profile types of the people in the group.”

Programme 2: TTS Executive Management Programme (TTS-EMP)

The objectives
The main objective of the programme will address real ongoing TTS global challenges. It involves both senior management and members of management teams in various TTS companies. Hence it represents a unique opportunity to impact TTS’ strategy and position as a global player within its industry. Thus TTS-EMP is a main effort to develop and retain skilful and ambitious leaders in TTS.

The specific objectives are:

• Get in-depth knowledge of TTS history, values and business context
• Clarify and align to CEO’s expectation of senior management in TTS
• Understanding different international cultures and how it impacts TTS business operations
• Enhance understanding of self and own development project
• Via work in various projects, get a more holistic understanding of TTS challenges
• Understanding TTS budgeting and reporting needs and requirements
• Create opportunities to build networks between leaders present

Participants selection
The target participants of the programme are well-established leaders that typically are members of a management team and/or are working at a more executive level. Each programme will have approximately 15-20 participants coming from as many companies and cultures as possible. Both genders should be represented.
# Programme content

<table>
<thead>
<tr>
<th>Session</th>
<th>Content</th>
</tr>
</thead>
</table>
| 1. The TTS platform, history and culture. Prepare for the future. (4 days) | • Getting started and connected  
• TTS history and identity  
• The spirit of TTS. Requirements and expectations for leaders in TTS.  
• Small company culture  
• International cultures and managing across cultural and organizational borders  
• TTS core management competencies  
• My profile. Project kick off |
| 2. Management in TTS. Being a manager in TTS. (3 days) | • Individual management challenges based on 360 degree assessments  
• Team management. Working together  
• Leadership and communication  
• Building networks |
| 3. TTS business model and value chain. (3 days) | • TTS strategy process and TTS strategy  
• Understanding the budgeting and reporting requirements in TTS  
• HR requirements, guidelines and reporting. Core competence  
• Individual challenges based on preparations. My management development  
• Project work update |
| 4. Lessons learned and way forward (2 days) | • Follow up on individual and corporate projects  
• Lessons learned  
• Update on company challenges  
• Programme evaluation |

[Executive management programme, 2009]
During the programme, participants are organized into five round table groups. Groups of participants with the same position are allocated at the same table. H.J. Erstad pointed out:

“We also have working groups that have been put together in advance. The groups should consist of people from different cultures, and with different profiles, etc., so that they work well together. These groups are for the workshops. This way they will get to know five people well, and hopefully they'll make some friends that they'll stay in contact with.”

Networking
During the programme, social dinners with local food are provided; lunch can be flexible for leaders to interact. H.J. Erstad said:

“We always have dinners where we try the local food when we are somewhere. We also offer sightseeing or other cultural experiences.”

Feedback and evaluation of the programmes
TTS consults AFF for the programme evaluation, both the participant and the programme evaluation. H.J. Erstad elaborated:

“We evaluate all participants after the first and last session. We asked them to be very critical. All participants are required to evaluate the programme anonymously. … We received very positive feedback on, for instance Lewis’ presentation. They wanted to learn more about culture next year. … There are many coffee breaks, and the schedule should not be very tight, and there is much free time in the evenings. … the point is to act and think more corporately and maximise the synergy.”
4.2.5 Theme 3: How does TTS link its GLDP to the strategic knowledge of the company?

H.J.Erstad emphasised the importance of creating a network through the GLDP for knowledge sharing and transfer:

“This is very important. (...) the only way to create a small company culture is when the programmes (...) are working. If all these are going well, then you can build such a structure. If they are not working, you're going to have a problem. On all such occasions networking and talking to people is very important.”

4.2.6 Theme 4: What are the challenges that TTS face when developing global leaders?

H.J.Erstad mentioned the following challenge:

“The problem so far is that so many people wish to participate. The other programme is meant for well-established leaders who are typically members of a management team. Also people at executive level can join. You should have leadership talents identified through management talent processes.”

The other issue is that due to the selection criteria, sometimes it is difficult to select sufficient candidates to participant in the programme from a specific country:

“I spent quite some time selecting people for one of the programmes, because I needed to find people from China and Korea. We did find more Chinese, but not Koreans.”
### Summary of TTS’s GLDPs

<table>
<thead>
<tr>
<th>Programmes</th>
<th>Objective</th>
<th>Delivered by</th>
<th>Target group</th>
<th>Degree of customisation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Becoming a TTS Manager</strong></td>
<td>Establish a basic understanding of TTS values and clarify TTS expectations to managers. Develop and identify personal leadership skills and focus on international cultures</td>
<td>Internal: CEO, HR Vice President and other division leaders External: AFF Consultants and external psychologists Cultural session: Richard E. Lewis</td>
<td>Newly appointed leaders and future potential leaders in the company</td>
<td>Medium/High, High: Customised to the expectations and values of TTS Medium: Focuses on general leadership and cultural skills</td>
</tr>
<tr>
<td><strong>TTS Executive Management Program (TTS-EMP)</strong></td>
<td>Main objective: Address real ongoing TTS global challenges.</td>
<td>Internal: CEO, HR Vice President and other division leaders External: AFF Consultants and external psychologists Cultural session: Richard E. Lewis</td>
<td>Senior Management and management members in various TTS companies</td>
<td>High: Programme customised to focus on company related issues and company strategy Medium: Focuses on general leadership and cultural skills</td>
</tr>
</tbody>
</table>
4.3 Global Leadership Development Programme in Odfjell

4.3.1 Company introduction
Odfjell is a leading company in the global market for transportation and storage of chemicals and other special bulk liquids. Originally set up in 1916, the company pioneered the development of the parcel tanker trades in the mid-fifties, and the tank storage business in the late sixties. Odfjell owns and operates parcel tankers as well as a network of tank terminals.10

4.3.2 Interviewees introduction
Jan Hammer, the Chief Operating Officer, has been with Odfjell for over 20 years; half in Houston, Texas and the rest at the head office in Bergen. This background provides him with good knowledge of the company and its global operations, and how they approach global leadership development.
Britt A. Bennett is the Vice President of Human Resources; she has been working in the company since 2000. She has been located at the head office in Bergen the entire time, and was involved with the implementation of the GLDP.

4.3.3 Theme 1: How does Odfjell conceive Global leadership?
The GLDP at Odfjell was initiated by the CEO; B. A. Bennett mentioned the objective of the programme is:

“to gather leaders and to get to know each other better across positions and getting to know the complexities and challenges of the different areas and jobs.” “Another issue was to try to create a common way of approaching problems related to management, specifically those concerning employees, conflicts and to improve the management part of business.”

The programmes at Odfjell were designed in cooperation with AFF.

“They came up with a plan after we discussed with them, then we made some changes and came up with the final result.”

10 [http://www.odfjell.com/AboutOdfjell/CorporateInformation/Pages/CompanyInformation.aspx](http://www.odfjell.com/AboutOdfjell/CorporateInformation/Pages/CompanyInformation.aspx)
It was customised according to the needs of the company. The customisation involved CEO and Norwegian participants from Bergen. B. A. Bennett clarified:

“We had two meetings with the CEO and one session with all the Norwegian participants from Bergen. We discussed how to come up with a programme for leaders, presented the present result, and we discussed and got some feedback. Then we made a few changes to adapt it to us in the best possible way.”

The GLDP at Odfjell was designed both for the top and middle management levels. The programme was facilitated by AFF. Participants joined in groups which were reshuffled during the programme. B. A. Bennett stressed:

“I believe the communication between the two levels was improved after these sessions.”

Moreover, the interviewees believe that there is no right or wrong answer to how global leaders differ from domestic leaders, but Odfjells’ COO, J.Hammer explains his view:

“A global leader, as opposed to a non-global leader, is, in my opinion, someone who’s in charge of an organization with many locations in many countries and has responsibility for business and people who do not have the same nationality as you.”

4.4.4 Theme 2: How does Odfjell develop its global leaders through GLDPs?

Participant selection
The selection criteria for the GLDP at Odfjell are described by B. A. Bennett:

“If there are criteria, they are related to the level people work in. We have a hierarchy with a vice president level, and a manager level which all belong in one global structure. There are positions in Norway that are parallel to positions in the states, so if you’re a vice president, you’re basically qualified.”

On the other hand, “The amount of personnel responsibility also decides whether you are qualified for the programme.”
Programme Content
Odfjell had two and three days of sessions where they worked in smaller working groups. B. A. Bennett mentioned the following content that is in their GLDP:

“\textit{In the programme, we focused on individual performance and development, and performance of teams and management groups. In addition, we focused on organizational challenges for this company. We had individual feedback in 360 degrees evaluation sessions, we spent time on leadership and the role of a leader in a modern organization, we had role analyses and co-worker interviews, and we discussed team performance, communication and relationship, conflict management, corporate culture and network and community building. In the 360 evaluations, people give input on how they perceive you, and they give you a score together with comments on what you are like. We had those kinds of exercises. … We had homework, feedback, working groups and classroom training for all participants.}”

Feedback and evaluation of the programme
Evaluation and feedback were conducted one and two years after the programme. J. Hammer stated:

“We interviewed some of the participants and they gave feedback and evaluation. We’ve had leadership training even before this programme, and got feedback that people respond positively and became aware of how they are, and how they act and try to improve. They became aware of culture differences and challenges, but after a while there is a tendency that things go back to how they were before.”

4.4.5 Theme 3: How does Odfjell link its GLDP to the strategic knowledge of the company?
Odfjell believes that its network was been enhanced to a certain extent during the programme, and they believe that the network is an absolute asset to enhance the knowledge sharing within the corporation. J. Hammer emphasised that:
“First of all, knowledge related to cultural issues, but also about the
business. You need different knowledge for different areas of
business, of course. (…) You also need to have knowledge about the
customers and the market. The overseas offices contribute to your
knowledge of the markets. This is important knowledge for leaders.
Many people at lower levels transact in the market all the time, and
for every transaction you learn. No one needs to know everything.”

Odfjell identifies the fact that a GLDP can enhance the knowledge sharing and
strengthen their network, but at the same time, they don’t see the strong need to
distribute knowledge to everyone.

4.4.6 Theme 4: What are the challenges that Odfjell face when developing
global leaders?
The GLDP at Odfjell focused on high and middle level leader development, the
number of leaders has not changed much during the programme period:

“The participants were the same from the beginning until the end,
although we added five or six people as we went along during the
years.”

The participants were mostly the same leaders for the three years of the programme,
however, J. Hammer pointed out that:

“After two more years the programme hasn’t changed very much, it
was exhausted in value, and therefore was stopped.”

Additionally, Odfjell thinks that the programme did not enhance networking
significantly among the participants. J. Hammer said:

“The network was there already, we are a network in the
organization. We create the network through our jobs.”

But on the other hand, B. A. Bennett argued that

“Participants of the programme met across the borders, and many
participants said it was very interesting to learn more about what
people did overseas.”
However, J. Hammer mentioned that the turnover on the management side isn’t high. Therefore, Odfjell thinks that it is not necessary to keep running the programme.

“We could do it, but it would get tiresome. We have to renew it and find something which can interest many if we’re going to spend time and money on it, and I think that is difficult to do continuously.”

The opinion of Odfjell regarding its GLDP is contrary to the opinions we found in other cases in terms of the effectiveness and function of GLDP. Their argument is that it would be a waste of resources if the participants remain the same, unless the programme can be changed to provide more learning incentives. Since their operations are controlled and supervised from headquarters in Norway, its pronounced tendency towards an ethnocentric staffing approach does not contribute to a high need for distribution of knowledge through a GLDP.

**Summary of Odfjell’s GLDP**

<table>
<thead>
<tr>
<th>Odfjell's GLDP</th>
<th>Objective</th>
<th>Delivered by</th>
<th>Target group</th>
<th>Degree of customisation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>To build network between leaders and create a common way to approach problems in the organization.</td>
<td>Internal leaders and HR with assistance from AFF consultants</td>
<td>Middle and Top Management</td>
<td>Medium/High</td>
</tr>
</tbody>
</table>
4.4 Global Leadership Development Programme in Rieber & Søn

4.4.1 Company introduction
Rieber & Søn is one of Norway’s leading food groups with a multi-domestic strategy and structure. It tries to achieve maximum local responsiveness by customising both its food product offering and marketing strategy to match different national conditions. The main markets are the Nordic countries and Central-Eastern Europe where the Group has considerable market shares. Around 25 brands are sold by Rieber & Søn’s business units in their home markets, and the Group is also a major exporter and supplier of products to the food service market and other food manufacturers.

Rieber & Søn has production plants in Norway, Sweden, Denmark, the Netherlands, Poland, the Czech Republic and Russia, as well as sales offices in Germany, the UK, Slovakia, Belgium and the USA. The vision of Rieber & Søn is to be the ‘Local Taste Champion’, the leading brand builder through the development of attractive products based on the consumer needs.

4.4.2 Interviewee introduction
Nina Skage is head of Corporate Organization Development. She is responsible for the personnel in organization development on the group level. She has been with the company for 21 years; during this time she has spent several years in the marketing division and has had positions such as marketing director and Communication Director for the group. She was also head of the Food Service Business Unit for six years. She has participated in Rieber & Søns’ GLDP herself.

4.4.3 Theme 1: How does Rieber & Søn conceive global leadership?
At Rieber & Søn, the GLDPs were initiated about eight years ago in cooperation with AFF, which was consulted for the programme design, customisation and delivery.
N. Skage explained why the GLDP was initiated:

“It was done because of other international companies coming into the group and we needed to understand how to cooperate

11 [http://www.rieberson.no/en/about/facts/]
together…. Many issues come up when you start working with different nationalities.”

Moreover, N.Skage explains that there are also several other programmes that exist or planned within Rieber & Søn:

“There are several GLDPs with different themes, for example, the Rieber & Søn branding programme and management training, which has been running for many years.”

“A supply chain academy will be launched according to the strategy of the company and will be assisted by a consulting company specialised in this area. They also have a leadership forum where 100 leaders spend two days together … Those are the top 100 leaders in the company, and they will work on how we’ll become an integrated food company.”

The new supply chain academy was initiated by the CEO. The main purpose is to

“Make Rieber & Søn an integrated food company. We have been running a group management with 11 business units and all these units have been operated very individually. Now we want all these units to work in the same direction, to have the same goal, and we have pressure on delivering good results for the next three years. We will try to make all these things work and to go in one direction. For instance, we have leadership principles that we work by, and now we have to look at them and see how they should be changed in order to best work towards becoming an integrated food company. We also have ongoing programmes on the working side involved with how we can change our working processes so they become similar in all of Rieber & Søn, so that whether you’re a purchaser of carrots in the Czech Republic or in Norway, we’ll do it in the same way and use the same supplier.”

N.Skage describes a global leader as a leader who has responsibility for more than one country and experience from working with other countries.
“Global to me means the world, so I wouldn’t say that I’m a global leader. I would say that there are global leaders in big multinational companies.”

N. Skage recognises the fact that there are differences between a domestic and a global leader:

“When you’re only a leader within your own country, you have a narrower set of rules and boundaries, and I would say that it’s an easier task because it’s only one area. There is only one set of rules that needs to be followed. If you’re a global leader you have to pay attention to, for instance Czech rules and Slovak rules, and to behave accordingly to those rules. You need experience and an understanding in order to work as a leader for many countries.”

4.4.4 Theme 2: How does Rieber & Søn develop its global leaders through GLDPs?

Participant selection

Rieber & Søn aims to have in total its top 200-300 leaders go through the programme, and already 150 leaders have participated, N. Skage explained:

“Every business unit has a leader group. The training start with this group, and after everyone has been through the programme, the company takes it one level down and selects those who are in charge of people. There are some young employees with potential attending the programme. If there are 100 participants, 10 of them will not participate every time, but are instead chosen for some reason. The reasons could be that the candidate is a young potential or it could be that the candidate is running an important project at the time, etc.”

N. Skage mentioned that when Rieber & Søn hires employees, the company looks at their educational background, grades and experiences, etc.

“The Company also emphasises the social aspect more and more, such as your people skills and your social capability. The recruitment
tests candidates before hiring them to see how they perform. Factors such as education and experience do not matter that much when one has got a leadership position. Then the leadership programme will focus more on expectations of the person’s performance.”

Programme content
In the programme, leaders are divided into groups. There are workshops in which leaders solve development cases with questions such as “should we be in Sweden, should we not be in Sweden?”, etc. The feedback from this workshop is used in the management groups in strategy discussions etc.

“There is a 360 degree assessment, and participants get feedback on it from the group they’re in. There are also personality tests which show what kind of person the leaders are. The programme also addresses Rieber & Søn’s issues such as working processes. In Rieber, it always says that ‘if we train people we should get some food out of it too.’ The focus is not only on personal skills, but also on the company.

N. Skage claims that

“It’s important that they don’t exaggerate culture differences. I think tools and techniques and how people work is more essential. In many cases, the right behaviour will be sufficient … You will always find areas where you can bond with people regardless of nationality, and you can focus on your way from here and not on our different backgrounds and histories.”

N. Skage describes the length of the programme as:

“The programme lasted for one year. 24 leaders met for three or four days on five occasions, in total around 20 days a year.”

With reference to her experience during the programme, she describes how she gets to know her colleagues, creating relationships and good communication across borders.

“There are also social events such as morning reflection, where you had to present something, perform a sketch, sing or something like that. There were also dinners in the evenings.”
Feedbacks and evaluation of the programme

N. Skage believes that the programme definitely adds value to the strategic development of the company. She said “the result cannot be seen right away.” Additionally, she thinks that it is important to customise the programme according to the company’s needs. And she thinks consultants are necessary today in order to keep up with the speed of the business that is needed.

The leaders that participated in the programme have the opportunity to take expatriation in other countries. N. Skage mentioned:

“They can also write in the appraisal system what they want to do next year. They can write for instance ‘I would like to go to Norway for a period of two years, and to have this and this position if possible’, and ‘I would like to be a project leader in the new supply chain project.’ Then the company will look at their lists and see whether they could meet their wishes or not.”

“We have received feedback that it’s been good, but we had, as I mentioned, had comments that the programme has a too strong Scandinavian perspective.”

4.4.5 Theme 3: How does Rieber & Søn link its GLDP to the strategic knowledge of the company?

At Rieber &Søn, it is considered important to transfer knowledge between countries through their leadership programmes. N. Skage described:

“We also move people around in the organization. Czechs come to Norway and Norwegians go to the Czech Republic, Poland, and Russia, etc.”

“It’s possible to be knowledgeable and very good at your job, but if you start in another type of position, then maybe you need to develop that area. We will work with the person on these things, because it will come up in the 360 (degree assessment) and in the appraisal talk. We’ll address the issues if the person is someone we want to continue working with.”
4.4.6 Theme 4: What are the challenges that Rieber & Søn face when developing global leaders?

There are several issues and challenges that are noticeable during the GLDPs at Rieber & Søn, for example,

“If we are too many Norwegians in a meeting, we should try not to speak Norwegian to each other to avoid excluding the others. It’s not polite, and it’s not comfortable for the rest of the group. We had a problem with that in the management team actually.”

“Another point is the location, that we want a less exclusive environment, and to have a tight programme and to focus on business. We can have a few dinners, but especially a few of the others countries want value for their money. We like to party in Scandinavia, while people from the Czech Republic might not like it so much. It has to be balanced. … Some want to party, while others find it fun to have a management session where they learn about being leaders, etc.”

After the programme, Rieber & Søn tried to follow up with the participants, but they didn’t succeed. N. Skage pointed out:

“We gathered the whole group for two whole days to refresh some of the topics, but it wasn’t successful. I think it was partly because … when you’re on the programme people are divided in smaller groups of six people, so that’s where they shared problems and discussed. We see that people stay in contact with the smaller group for many years afterwards, while they don’t have contact with the rest of the people in the programme.”
Summary of Rieber & Søn’s GLDP

<table>
<thead>
<tr>
<th>Rieber &amp; Søn’s GLDP</th>
<th>Objective</th>
<th>Delivered by</th>
<th>Target group</th>
<th>Degree of customisation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Main Objective: Integrate the company and to learn how to cooperate. (They have several GLDPs with different themes, a Supply Chain Academy is expected to launch)</td>
<td>The management programme was developed internal with assistance from AFF. (Different consultants are used for different programmes)</td>
<td>The top 200-300 leaders of the company 150 leaders have already been through the programme</td>
<td>High: Customised workshops with issues related to business strategy Medium: General leadership training.</td>
</tr>
</tbody>
</table>

4.5 Summary

During the interview, we acquired ample details of the various GLDPs from the four chosen Norwegian MNCs. Although existing literature has not provided sufficient solid research on the relevant field, it seems that different MNCs do have considerable understandings on how GLDP should be designed and facilitated. Especially that these GLDPs share similarities such as programme structure, methods, evaluation and opinion on strategic knowledge transfer. On the other hand, by taking into account the different industries, business strategies, leadership approaches, their GLDPs are rather different in terms of programme contents and target participants.

The companies all emphasise the importance of customising the programmes to meet the specific needs of each corporation. In particular, DNV spent around six months together with IMD developing part 2, aiming to relate it to strategically important issues concerning the company’s challenges. TTS customised their programme to cope with their business challenges, with a strong focus on cultural understanding and training, while Odfjell focused on developing a common way for its leaders to approach problems, whereas Rieber & Søn focused on customising its programme to meet its business strategy and to develop industry expertise of its leaders by stating that “if we train people we should get some food out of it too” (N.Skage, 2009).
5.0 DISCUSSION

The aim of this chapter is to compare and discuss how the four Norwegian MNCs studies in the previous chapter approach global leadership. The main case study from Det Norske Veritas (DNV) will be compared to the three smaller cases, TTS, Rieber & Søn and Odfjell, in terms of the four main themes recognised. Additionally, the findings are also evaluated against the existing theories and research relevant to the global leadership field. These evaluations illustrate whether, and to what extent, the studied Norwegian MNCs’ GLDPs are in accordance with the global leadership theory. Subsequently, we will provide research limitation and suggestions for further studies.

5.1 Theme 1: How do Norwegian MNCs conceive global leadership?

The theories of global leadership implied that various insights on how to perceive the concept remain. Despite a lack of a consensus in the theory, it appears that the studied Norwegian MNCs hold diverse opinions on how to conceive and advance the challenge of developing global leaders through GLDPs. The interviewees have, to some extent, different definitions of global leaders, but they seem to agree that global leadership increases the complexity of the definition of just plain leadership due to the increase in diversity of leaders from different cultures and nations, as well as the ability to relate to more than one nation's or culture's mindset. The concept of being a global leader with a broader mindset is described by DNV manager Ann Savage:

“..a person who isn't marked by a mindset of a particular country. Who is able to transcend cultures, and understands how the whole perspective works, in order to make a difference in a multinational team, on a global basis.”

The statement above is in accordance with the view of Lane et al., (2004:19) that: “Leaders must develop a global mindset. This means to have the ability to develop and interpret criteria for personal and business performance that are not dependent on the assumptions of a single country, culture or context; and to apply these criteria appropriately in different countries, cultures and context.”
We recognised two important aspects in a global mindset that are desirable to develop within the studied Norwegian MNCs GLDPs. The global leaders should incorporate the MNC’s vision and values as well as developing in-depth specialities and a broader global perspective within the corporations. This is in line with our global leadership competency literature review, which implied that global leaders should possess a company vision, superior business expertise and a global perspective. The following section will discuss these aspects and how the Norwegian MNCs emphasise them.

5.1.1 Global leaders should incorporate the MNC’s vision and shared values
Instilling common values and shared visions of the MNC is identified as an important step in becoming a global leader in the studied MNCs. Both DNV’s first part of their GLDP “The Journey” and TTS’s “Becoming a TTS Manager” programme place emphasis on communicating their values and expectations to their new managers. Also in Rieber & Søn, the desire is to develop global leaders through a unified programme that gives them an identical foundation to integrate the corporation. The need to assimilate the leaders is also recognised in one of Odfjell’s GLDP objectives, to create a common approach for leaders to solve problems that arise in the company.

This concept corresponds with the “global glue” claimed by Bartlett and Ghoshal (1989:204) that “leaders share an understanding of the company’s purpose and values, and identification with broader goals, and a commitment to the overall corporate agenda.” One of the training sessions in DNV were designed to test and develop the integrity of the leaders, this practice corresponds exactly to the company’s core values. To develop common visions and values could be argued to be equally important when developing domestic leaders. However, global leaders with their different cultural background are more diverse than domestic leaders, which make it more complex to achieve such a common set of standards. For example, DNV emphasises creating a standard application for all DNV managers around the globe, as they wish to ensure their leaders deliver the same standard services at all levels of the organization and across all business locations. As mentioned by manager Jan E. Horne in DNV, some of their clients are ship owners who cooperate with the company from various geographical areas. Therefore, it is
important for DNV’s leaders to exhibit the same values and services throughout the organization.

5.1.2 Develop leaders’ specialisations and broaden their global perspectives
The second objective we identified is to enhance the global leader’s functional capabilities while broaden their global perspective through enhanced business relationships across cultures, countries and business areas. DNV intends to create what they referred to as a “T” mindset, meaning that global leaders need to have a deep understanding and solid knowledge of their own specific business area, while developing a broader understanding of the entire company’s strategy, and building up a leadership network within their global presence. In particular, the objective of the second part of DNV’s GLDP “The journey” for middle managers signals this intention as they strive to broaden the perspectives of the participants and enhance a common understanding of their global business processes.

This idea is also identified in Rieber & Søn as they recognised that their business units are operated rather independently. The Supply Chain Academy, for instance, is designed specifically to meet the demands for in-depth knowledge of the business expertise. Moreover, they also aspire to align their leaders more and operate their work in the same direction. Therefore, they think their leadership principles to be altered and adjusted to become a more integrated food company. If their global leaders from different business units have a broader view of the corporate strategy and production, it could be easier to implement business processes that will enable them to take advantage of the economy of scale.

TTS focuses more on the training of cultural perspective to develop a global business mindset for its leaders. It also emphasises the need to develop the leaders to think more ‘corporately.’ In other words, they think that their leaders should respond locally towards their customers, but at the same time think and react in a broader perspective with the best interest of the entire corporation in mind. Odfjell, also aspires to enhance the leaders’ global perspective by gathering leaders to get to know each other better across positions and solve the complexities and challenges of different areas and jobs with a common approach.
Bartlett and Ghoshal (1989) pointed out that when specialists in the organization are ‘physically and organizationally isolated’ from each other, they often become ‘narrow and parochial.’ This could be one of the factors that drove DNV to develop their global leaders, as their accomplishments are dependent on the knowledge of their specialists spread all over the world. While both TTS and Rieber & Søn wish to become more integrated as they have acquired different international companies and grown globally. Their need to be both globally integrated, as well as locally responsive requires leaders to have a “T-mindset”, as defined by DNV previously. The mindset has to work across cultures and countries, and at the same time be aligned with the company’s goals and vision.

Even though Odfjell has similar objectives as the other MNCs investigated, they appear to have less need for a GLDP. This could be explained by a strong headquarters that maintain core competencies and supervise their international operations. In other words, its lower need to develop global leaders does not necessarily justify the cost of the programme; it just needs to make sure that the key leaders have the required knowledge to manage its global operations.

The need for a broader perspective, as well as shared corporate vision and values, are important in all companies, but we think it appears to be more critical for a leader to become a global leader when the company knowledge is widespread amongst leaders with highly diverse backgrounds and cultures such as that found in DNV.

5.2 Theme 2: How do Norwegian MNCs develop their global leaders through GLDPs?

The programmes have all been developed with assistance of an external programme provider except DNV’s first part in their GLDP “the Journey” which is delivered by their large in-house consultancy unit that gives them the opportunity to pull from their own experience within the company and provide concrete examples related to their business. The reason for developing this part of the programme in-house is that they want their leaders to become “global DNV leaders”, and have DNV’s “leadership principles under their skin” (A.Savage, 2009). DNV’s second part is delivered by IMD,
and the third part provider varies from time to time, while Odfjell, TTS and Rieber & Søn have developed their programmes with the assistance of AFF.

Even though existing literature implies that there is no clear agreement on how to design GLDPs, it turns out that Norwegian MNCs share some similar opinions on whom to train, and how they should be trained. We consider the structure and methods used in these programmes to be coherent with the Leadership development programme literature from Mumford and Gold (2004). However, for the three smaller cases we cannot identify to what extent the GLDPs design have been influenced by use of the same external consultant. In the following sections we will further discuss on the participant selection, content, method and structure of their GLDPs.

5.2.1 Participant Selection

As existing literature discussed, many scholars focus on competencies when defining and describing global leaders (Gregersen et al., 1998; Mendenhal, et al., 2003; Suutari, 2002). However, the Norwegian MNCs candidate selections for their GLDPs are not solely based on competencies. We identified two types of selections targeting different leaders in the Norwegian MNCs.

The first one targets all leaders, often young and newly promoted managers, while the other approach is more selective and often aims at middle and/or top management. As seen in the GLDPs of DNV, the programmes are compulsory for all managers. Notably, their first part is mandatory for all line managers. In this situation, there are no specific selection criteria for the participants of the GLDP. A candidate in a leadership position will automatically qualify for the GLDP. Of course, we can assume that candidates should have been through a selection process based on competencies, experiences, etc., to be in a leadership position in the first place. DNV emphasises that through the first part they aspire to develop the competencies and skills required for new and young leaders to become a manager in DNV. It can also be noticed within Odfjell’s GLDP where all leaders in managerial positions are required to take the programme. This type of GLDP often focuses on developing a common vision and shared values among their leaders, it can also be used to clarify the MNCs’ expectations to their leaders.
The second type of GLDP has limited seats for participating leaders and, therefore, involves a more thorough selection process. These slots are often selected for more experienced leaders such as middle and/or top management. DNV’s second part has limited seats, and the candidates are selected from the global corporation network, each business unit has a certain number of seats, and the participants should represent the diversity in the organization. TTS’s GLDP “Become a TTS Manager programme” also emphasised the same issue, whereas Rieber & Søn also considers diversity of leaders’ nationality, business areas, and a balanced distribution of male/female ratio in the GLDP. The extent of the candidate’s personal responsibility is another selection criteria emphasised by Odfjell. Such selection often focuses on broadening the global views of their leaders and developing their mindset to become more global and culturally sensitive. Noteably, in DNV, some leaders are selected also because they lack certain competencies that the company expects them to have.

Regardless the selection criteria, we think the target candidates comply with the leadership competencies that we identified and summerised in the literature review, which considered that global leaders should possess a company vision, superior business expertise, advanced relationship skills, and a global perspective.

5.2.2 Programme content
DNV’s GLDP content is constructed as an educational journey, which initially provides candidates with the fundamental competencies required to be DNV managers, and then continues to develop these global leaders by linking the GLDP content to company strategy. Upon becoming a line manager, one needs to enter part 1, where they go through three modules that concentrate on basic leadership skills such as management skills and finances in DNV. It expresses DNV’s expectations to these managers, and takes the candidate through systematic training that develops their personal leadership competency. The second part, Global Business Leadership, for mid-level managers, concentrates on strategically important issues that are related to the company’s challenges. This part places emphasis on broadening the managers’ perspective of the company. The third part, Executive Development, focuses on the different business area’s leader team and the Executive Board members in DNV. The content is linked to strategic issues that need
to be dealt with. All in all, DNV’s GLDP has very comprehensive content, attempting to build and educate the leaders through different modules and parts.

Comparing the GLDPs of the other three Norwegian MNCs with DNV, TTS focuses on company identity training, and to providing a cultural understanding throughout their content, whereas Rieber & Søn emphasises actual business process development by doing cases such as “should we be in Sweden, or not?”, Odfjell aspires to create a common way of approaching problems related to management.

These knowledge and skills are considered essential leadership competencies within the global leadership competency theories. As illustrated by Osland et al., (2006), Global leadership can be categorized into six dimensions: Relationship Skills, Organizing Expertise, Traits, Cognitive Skills, Business Expertise, and Vision. The studied Norwegian GLDPs have all designed their programme content with focus on certain global leadership competencies. For instance, we found that all the GLDPs studied have content that focuses on team and group work, either in the form of group case studies, team problem solving (DNV, TTS and Rieber & Søn), or discussions about team performance, and relationship and conflict management.

However, as Von Glinow (2001) points out, MNCs that only concentrate on a few core skills that they deem important for their global leaders to develop, often lead to poor results. In particular, leaders from the Czech Republic in Rieber & Søn aspired to develop their business expertise more, however, this expectation did not match the programme objective from the company, which could potentially de-motivate them and lead to a poor outcome. As H. Berger Holm from DNV mentioned, sometimes, the participants should not have been in the programme as they do not meet the selection criteria and do not possess the competencies that are required to join the programme.

Moreover, it is noticeable that the different GLDPs in the four Norwegian MNCs are all customised to meet the strategic objectives and business practices of the companies. This confirms Von Glinow’s (2001) argument that programmes are often based on what makes sense to the ones who design the programmes, and not on empirical findings. The programmes investigated in this thesis were all developed to meet the needs of the different corporations; as a result, there is arguably more agreement on who to train, what the structure should look like and what method the
programmes should use, than the actual content. Specifically, DNV is unique in how they have planned their leaders’ educational journey on becoming “DNV global managers”, including training on how to conduct daily tasks to having a strategic overview of the organization. The other three companies chose to focus on aspects such as culture, business processes or leadership approach. The content similarities of these three companies may be due to the same GLDP service provider, AFF, whereas DNV had IMD, however other factors such as business industry and strategy may also explain the differences between the GLDPs of DNV and the other three companies. Based on Mumford and Gold’s (2004) concept of leadership development stages, which discusses the progress of planned leadership development, DNV is apparently at the fourth stage, where they have a planned programme that is linked to the strategy of the company and a strategic journey for developing their global leaders. Both TTS and Rieber & Søn also have planned leadership development programmes. However, it appears that they are still in the process of transferring from the third stage of ‘planned leadership development’ to the ‘planned strategically leadership development’ stage. Whereas, Odfjell’s strategic knowledge is to a large extent kept in the headquarters, hence the usefulness of their GLDP for strategic knowledge transfer is questionable, therefore, we consider them as still being on the stage of ‘planned leadership development.’

5.2.3 Programme structure and methods
Referring back to the Leadership Development Programme (LDP) literature from Mumford and Gold (2004), we think the GLDPs studied in this thesis share common structure and similar methods to what has been described. The similarities will be presented in the following section.

As can be seen from the four GLDPs, generally the programme is structured so participants evaluate themselves first by taking different types of evaluations (DNV, Rieber&Søn, Odfjell) and psychological tests (TTS). As a result of these evaluations, the global leaders increase their self-awareness and gain a better understanding of their leadership competencies and skills, more importantly, where their strengths and weaknesses lie. One of the main objectives of this stage is to increase the degree of self-awareness among the participants of the GLDP. In order to develop leaders they
must first align their own understandings of their leadership skills with the opinions held by the others.

The second phase of the programme is typically the major component. In this stage, the programme can be considered as a development centre that serves multiple purposes; for example to develop the leaders’ soft skills, such as leadership, team management, and strategic planning. However, these purposes should correspond to the main objectives of the programme; for example, TTS focuses on cross-cultural management abilities and interpersonal skills while DNV focuses on how to communicate the expectations of DNV to a manager. Additionally, programme methods could include intensive classroom training, lectures on business related subjects, exercises (e.g. from DNV; the icebreaker, legomann or the quadrant) workshops, meetings, role play and simulation (e.g. DNV), social dinners/parties (All four MNCs), morning reflections, organized study trips (TTS), etc. The programmes usually try to utilise all methods because “watching power point is not the way to learn” (Savage. A, DNV).

The last phase would be the evaluation and feedback stage. Participants in the GLDP are likely to get personal evaluation and feedback for the performance and learning during the programme as in TTS’s GLDP, or after the programme as the case in the Odfjell’s GLDP. All the evaluations of the four GLDPs are carried out with the assistance of the consultancy companies that were involved in the programme customisation and delivery. Participants evaluate the programmes in terms of personal interviews, questionnaires or evaluation forms, etc. However, as revealed by DNV, measuring the result of the programme is complex and difficult. But it is useful for the programme’s improvement and further customisation.

We think these similarities between the GLDPs and the literature on LDP reveal that GLDP is indeed a special type of LDP that focuses on developing global leaders with a global mindset.
5.3 Theme 3: How do Norwegian MNCs link their GLDPs to the strategic knowledge of the company?

The third theme explored is to understand the connection between the studied GLDPs of the four Norwegian MNCs, and their company’s strategic knowledge. Strategic knowledge is considered as knowledge that is closely related to the company strategy.

It is wise to understand how the GLDP is related to the strategy of the company. In DNV, the intent is to tailor “The Journey” according to the strategy of the company. The first two modules of part one are intended to provide strategically important knowledge on how to be a leader in DNV and what the expectations, values and visions are for them, whereas the third module is more focused on the development of personal leadership competencies, not explicitly linked to DNV’s strategy. The second part, provided and customised by IMD, Switzerland, focuses on the strategically important issues that are related to the company’s challenges. The final part is designed for top management and closely linked to the current strategic challenges that DNV is facing.

By linking the GLDP to the company strategy, DNV intends to utilise the GLDP for the strategic knowledge transfer within the corporation. Notably, the GLDP is used as a socialisation channel to enhance networks and retain talent that are crucial for knowledge transfer. The other three cases also recognise the connection between GLDPs and their strategic knowledge. Foremost, all three consider GLDP closely linked to the company strategy. Both TTS and Rieber & Søn claimed that knowledge sharing would be the result of the GLDPs, as it could enhance the company network. Odfjell emphasised that the network was enhanced during their GLDP, believing that this would enhance the knowledge sharing within the company. However, Odfjell’s strategic knowledge is to a large extent kept in the headquarters, hence the usefulness of their GLDP for strategic knowledge transfer is questionable.

It can be seen that all four Norwegian MNCs have a shared opinion towards GLDP; that it should be related to the company strategy, and be a tool to transfer knowledge. However, the need for knowledge transfer seems to differ between the MNCs.
5.4 Theme 4: What are the challenges that Norwegian MNCs face when developing global leaders?

Because global leadership development is a relatively new and complex field in management practices, it is apparent that companies will face considerable challenges when they implement such practices. From the case studies presented in the previous chapter, we have identified some common challenges and summarized them in the following:

5.4.1 Cultural barriers
Both DNV and Rieber & Søn mentioned cultural differences among the programme participants. As the programme is presented in a global setting, interaction with people that have different cultures is not avoidable. Such cultural diversity imposes challenges in terms of mutual understanding, personal relationship building and cooperation during the programme, improper cultural encounters may potentially hinder the strategic knowledge transfer within the corporation during and after the GLDPs.

5.4.2 Different expectations
Both DNV and Rieber & Søn are concerned with the disparity in participant’s programme expectations. Several Norwegian leaders in DNV aimed for building personal networks and having fun, whereas leaders in Rieber & Søn from the Czech Republic, for instance, expect to acquire more professional skills and knowledge that can be of value to justify the high programme cost. We think the difference in expectations will certainly influence the learning outcome and interactions among the programme participants, and, therefore, have substantial impact on the programme’s results.

5.4.3 High cost vs. clear benefits
All four studied MNCs regard the GLDP as a high cost investment, especially during the recent economic downturn in 2009. On the other hand, the outcome of the programme, such as knowledge transfer, is difficult to measure, and the benefits cannot be observed promptly, therefore, this dilemma challenges the long-term strategy as opposed to giving short-term economic benefits. However, as H. Berger
Holm from DNV asserted, “it depends how we reprioritize now, but we try not to cut back on training, because in hard times it is so important”.

5.4.4 Other challenges
Apart from the common challenges illustrated above, several minor challenges were also mentioned during the personal interviews. TTS mentioned the candidate selection difficulties, a balance between over-subscription and under-representation from different subsidiaries; Odfjell questioned the validity of the programme when a company leadership network has already been establish and targeted leaders have not changed significantly. This is particularly relevant as the programme is very time consuming, and takes up normal working hours for actions which do not provide enough learning and development opportunities to justify its existence. Rieber & Søn also revealed the challenges for the follow-up actions after the GLDP. They think that the follow-up actions would only make sense if the same group of participants can be gathered and reviewed together, otherwise, not all the participants would share the same experiences and understanding of the programme enough to result in an enhanced knowledge transfer between the leaders within the firm.

5.5 Research limitations

As mentioned in the methodology section, we acknowledged several research limitations in this thesis. Additionally, we also identified several other limitations in our research. These limitations, to a certain degree, influence the effectiveness and efficacy of our Norwegian MNC GLDP research.

First of all, this thesis is an explorative research; interviews have been conducted in a few, but arguable representative sample of Norwegian MNCs to capture how they think and act regarding global leadership development. However, the research approach is limited only to personal interviews, and the data collected may be influenced by the interviewees’ personal opinions. As pointed out by Myers (2000) in the methodology section, qualitative studies describe peoples’ own understanding of an experience, therefore, subjectivity is almost impossible to avoid. Especially as the subjectivity from both the interviewees, and the authors, would potentially affect the perception of the GLDP. Particularly, the interviewed candidates selected by the
employers could have the tendency to speak positively for the programmes, and the limited number of interviewees, in particular from TTS and Rieber & Søn, may present biased opinions based on their ownership of the programmes and beneficial personal experiences.

Secondly, the interviewed Norwegian MNCs were not a complete representation of all Norwegian MNCs. Since most of the Norwegian MNCs are concentrated within the energy and shipping industries, the other companies in different sectors, such as IT or finance, may not be large enough to have global physical presence. In addition, the studied leadership programmes may not be truly global, as H. Erstad from TTS still believes that a small company culture is important for the company, and Odfjell terminated their GLDP due to infrequent participant change. Therefore, even if the studied Norwegian MNCs have global business networks, their GLDPs may not be justly global. Furthermore, Odfjell, Rieber & Søn and TTS all have the same GLDP provider, AFF, which may influence their opinions toward global leadership to share similar traits, and potentially decrease the credibility of the research study.

Nevertheless, due to the exploratory nature and scope of our thesis, it is not necessary to cover the topic in all aspects; thus, based on solid methodology, the purpose of the research can be achieved. Of course, without time and company network constraints, more study could have been done to mitigate the limitations and improve the results of the research.

5.6 Suggestions for further studies

This thesis focuses on the purpose and content of the GLDP from different companies, and strives to generalise a basic conceptual framework of the GLDP. However, due to the research limitations, our exploratory research can only be considered as a starting point for the study of GLDPs. Through exploring the global leadership theory, and after studying four Norwegian MNCs, some results have been identified and discussed, though the data collected is not sufficient to be fully verified and generalised. Nevertheless, the results opened up several questions to be studied for further research.
5.6.1 What are the impacts of the MNCs’ international strategy and industry on the need for global leadership development and knowledge distribution?

We found out that MNCs, with different international strategies and industries studied in the cases, tend to exhibit varied needs for global leadership development and strategic knowledge sharing. Therefore, it would be interesting to establish a causal relationship between international strategy, industry and the need for global leadership development and knowledge distribution. Such issues can be to ask, for example, whether a transnational MNC that provides highly professional engineering services has a higher need to develop global leaders to integrate its global business and distribute strategically important knowledge than a multi-domestic MNC that produces commodity products.

5.6.2 Are there any differences in effectiveness between the use of GLDP and other GLD initiatives?

As indicated in the literature chapter, initiatives such as On-the-Job training, global mentoring, coaching or expatriation are rather prevailing in the Global leadership development. Therefore, it is interesting to compare them with a GLDP in terms of effectiveness and return on investment. Particularly, there is an ongoing research by scholars on whether leadership development in MNCs should be planned programmes that are linked to the company’s strategy or whether the most efficient leadership development is a continuous process through the year of so-called “On-the-Job training.” However, our four studied Norwegian MNCs may not agree.

5.6.3 Are there differences between Norwegian MNCs’ GLDPs and GLDPs from other countries?

As discovered in the Rieber & Søn case, some of the participants evaluated the programme to be too Scandinavian. Therefore, whether a Scandinavian GLDP is truly global should be further discussed. By conducting research of GLDP practices from different countries, new insights could be obtained in how GLDP should be designed and conducted without a strong influence from the headquarters’ culture, thus displaying the features of a truly global GLDP.
5.6.4 Does customisation of the GLDPs justify the costs?
All of the studied GLDPs from the four companies are customised to meet the company reality. Accordingly, the length of programme customisation can from months, and as often as every year. External consultants are involved in this process. Therefore, it is costly to customise the programmes. However, as mentioned by the interviewed candidates, the programme itself is expensive, and the benefits of the programmes are yet to be comprehended, therefore it is difficult to measure the outcome of the programmes, and even more so for the customisation of the programmes. Nevertheless, all the companies consider it is important to customise the programme to meet the needs of the company.
6.0 CONCLUSION

This thesis was conducted to explore how four Norwegian MNCs conceive global leadership and develop their global leaders through their GLDPs. Due to the limitation of the available studies on GLDPs, our exploratory research nature leads to the chosen qualitative research methodology that is based on interviews of the four chosen Norwegian MNCs.

The Norwegian MNCs studied show that despite the lack of a universally theoretical approach towards global leadership, there are still some common opinions on how they conceive their GLDPs. They all emphasize the need for developing global leaders that are not marked by the mindset of one country. Moreover, two aspects in a global mindset are identified as desirable; global leaders should incorporate the MNC’s vision and values, and secondly, develop an in-depth functional knowledge and broaden their global perspective, labelled by DNV as the T-mindset.

The content of the studied GLDPs varies, and are customised to meet the specific needs of the MNCs. DNV differs from the others in how they planned the educational ‘journey’; with the four stages, according to Mumford and Gold (2004), it could be argued to have reached the “planned strategic leadership development” stage. Their programme includes everything from learning how to carry out the daily tasks as a DNV manager, to incorporating the strategic overview of the organization, while the other three companies chose some focus areas such as culture, business processes, or leadership approach. We think that both TTS and Rieber & Søn have planned leadership development programmes, however, it appears that they are still in the process of moving from the third stage - ‘planned leadership development’, to the ‘planned strategically leadership development’ stage. On the other hand, Odfjell does not recognise the further need for a strategically planned GLDP.

Additionally, the structure and the methods of the programmes have some common traits in the MNCs studied. They typically involve three stages. The first stage involves taking different types of evaluations and psychological tests to increase the participants’ understanding of their leadership competencies, skills, relative strengths and weaknesses that they need to develop. The second stage, through intensive
training sessions such as classroom trainings, lectures on business related subjects, exercises, workshops, meetings, role plays, etc., global leaders develop in-depth understanding relating to certain critical issues that the MNCs address. The third stage is usually the evaluation stage for participants to understand how much they have learned, and how much motivation has been generated during the programme to enhance the performance of these global leaders in the future.

The Norwegian MNCs studied in this thesis appear to have a shared opinion that GLDPs should be related to the company strategy, and be a tool to transfer knowledge. By identifying the linkage between the GLDP and the company strategy, DNV intends to utilise the GLDP for the strategic knowledge transfer within the corporation during, and after, the programme. The three other cases also recognise the connection between GLDPs and their strategic knowledge. Both TTS and Rieber & Søn claimed that knowledge sharing would be the result of the GLDPs. However, Odfjell’s strategic knowledge is to a large extent kept in the headquarters, hence, the value of their GLDP for strategic knowledge transfer is questionable. Nevertheless, the need for knowledge transfer seem to differ between the MNCs.

Moreover, the main challenges we found in conducting GLDPs are cultural barriers, different participants’ expectations, and high costs. Cultural barriers influence mutual understanding and communication during the programme. Different expectations towards the content of a GLDP may cause confusion and de-motivation because the programme had not met the expectations of some participants. High costs are also recognised as a challenge compared with the difficulty of measuring the benefits and return of the GLDP, which poses questions for the necessity of such programmes.

To sum up, global context places increasing challenges on Norwegian MNCs. Global leaders are urged to constantly develop and improve their capabilities to deal with their global challenges. As a result, further research on the GLDPs of Norwegian MNCs should be conducted to not only go beyond the limitations of this thesis, but more importantly, reveal hidden benefits and effective design of GLDPs for Norwegian MNCs in this ever-changing global business environment.
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8.0 APPENDICES

Appendix I: Classification of MNCs

[Diagram showing classification of MNCs based on global integration of operations and local responsiveness.]

- The "Global" MNC
- The "Transnational"
- The "International" MNC (early/emerging phase)
- The "Multi-domestic" MNC
Appendix II: Interview Guideline

Proposed interview length 1-2 hours

A. Introduction part:
Self introduction: position, experience and background

B. Define Global leaders/leadership
How do you define Global leaders?
How is global leadership different from domestic leadership?
Which role does a global leader play in the company?
Do you see any difference between leaders and managers?
Do you identify leaders in informal position?
How are you staffing the company’s international operations? Using home country nationals, host country or third country nationals?

C. Background for Global leadership development
Why are you developing global leaders?
What role does the global leader play when it comes to the transfer of knowledge?
Do you regard global leaders as knowledge transferors? (Network)
What types of knowledge is strategically important to this company?
How do you think knowledge is most efficiently transferred among the subsidiaries?
Do you have systems for knowledge transfer?

D. The context: Norwegian leadership style + cultural barriers
How would you describe the Norwegian leadership style?
What is most challenging with the Norwegian leadership style when used abroad?
What cultural barriers do you meet? What do you do to overcome these?
What other barriers would you say impacts your international operations the most, and how? Linguistic, geographical, governments?

E. Global Leadership Development Programmes (GLDP) - How do they develop global leaders

i) Background
Why did your company start global leadership programmes?
Who initiated the programme? The CEO, HR vice president or?
What are the main objectives of the programmes?
What is the link between the strategic development of the company and the GLDP?
Who delivered the programmes (company itself or consulting company)? Who are responsible?
Why did you select this global leadership programme provider?
What kind of global leadership programme has been used?

ii) GLDP Characteristics
Is the programme standardized or customized?
Who participate in the programme (target group)? Is there any difference between management and technical participants?

Selection criteria:
- Education,
- Experience,
- Skills,
- Language – multilingual,
- Learning ability,
- Cultural intelligence,
- Leadership,
- Personality,
- Social network,
- Special knowledge (engineering knowledge)
- Motivation
- Anything else?

What are the contents and structure of the programme?
What kind of programme is it?
Evaluation of participants
Workshop, classroom,
Mentoring and coaching programme
How is the programme customized to meet your objectives and company situation?
How much time it needs to customize and how many people are involved in the programme?
How long is the programme?
Are there any improvements after each programme?
What challenges did the implementation of the programme have?
What are the feedbacks from the participants?
What are the feedbacks from the deliverer?

Are there any other cases from other companies that you have heard of? Why did you select this one?
F. Global Leadership Development Programme results

What was the result of these programmes for the following different parties?

- Individual (employees and leaders)
- Organizational

How does the company measure or evaluate the results of such a programme?

Did the result meet the company’s objective and, in which way?

How did the company follow up the results from the programme? Have you identified any points of improvement?

How do you think the project has added simplicity to the company? And/or how do you think it has added complexity?

Do you regard this project as an added value to the company? Financially and capacity