

Singapore Management University

Institutional Knowledge at Singapore Management University

Perspectives@SMU

Centre for Management Practice

10-2011

Leadership in a multinational corporation: Going beyond stereotypes and expectations

Singapore Management University

Follow this and additional works at: <https://ink.library.smu.edu.sg/pers>



Part of the [International and Intercultural Communication Commons](#), [Leadership Studies Commons](#), and the [Organization Development Commons](#)

Citation

Singapore Management University. Leadership in a multinational corporation: Going beyond stereotypes and expectations. (2011).

Available at: <https://ink.library.smu.edu.sg/pers/323>

This Journal Article is brought to you for free and open access by the Centre for Management Practice at Institutional Knowledge at Singapore Management University. It has been accepted for inclusion in Perspectives@SMU by an authorized administrator of Institutional Knowledge at Singapore Management University. For more information, please email cherylds@smu.edu.sg.

LEADERSHIP IN A MULTINATIONAL CORPORATION: GOING BEYOND STEREOTYPES AND EXPECTATIONS

Published:
8 Oct 2011



"There are plenty of good managers but finding a real leader is not that easy." Fabio Landazabal, vice president and regional director for Asia Pacific at GlaxoSmithKline (GSK), said this at a [CEO talk](#) organised by Singapore Management University's [Wee Kim Wee Centre](#). With some 3,800 (and growing) employees in the region alone, the world's number three pharmaceutical player (by revenue) is paying greater attention than ever in building up its leadership capabilities for its future.

For the first half of 2011, the Asia Pacific region (excluding Japan), represented 6.7 per cent of the USD 20.9 billion total turnover. And the numbers are climbing. "You are in an incredible growing place. When I started at GlaxoSmithKline, *the* places to work were in the Western countries. But now, the market is turning to emerging countries," Landazabal noted.

According to [IMS Health](#) forecasts, emerging markets will yield 28 per cent of the global spending for pharmaceutical products by 2015, compared to 18 per cent in 2010. By contrast, the share of developed markets is expected to decrease. Growth forecasts for the US, for example, suggest a decline from 41 per cent in 2005 to 31 per cent in 2015.

Think local, act local, communicate global

In order to develop Far Eastern emerging countries, international companies need local talent, yet struggle to find it. To some extent, Asian supervisors are seen by many Western corporations to be good managers but poor leaders. It would be easy, for instance, for the assertive and expressive Western manager to assume his or her Asian colleague to be, more often than not, accommodating.

Another stereotype of the Asian manager is that he or she will often be too rule-abiding to be a ruler – a perception that may lead some Western companies to cast Asian managers in roles that

may be unnecessarily limiting. Landazabal noted that such perceptions point to a lack of intercultural understanding.

"Just look what the Singaporeans have done over 15 years. They have turned an emerging market into a developed country." And there are many more examples of such visionary leadership in Asia that Western companies can stand to learn from, he added.

'Glocal' leaders in Asia should retain an Asian character and think for the local market. "At the same time, he has to connect to the global company with its style of communication," said Landazabal. Singapore might offer up examples of this, with its conjunction of openness to the world and its mix of cultures, he opined. But beyond culture and communications, the difference between a leader and a manager is that a leader manages people while a manager manages tasks.

Leadership traits

Motivated workers are more eager to work and will give their best, and so leaders must have the confidence to delegate and encourage people to perform. Nobody can do everything, said Landazabal. He stressed, however, that 'delegation' must be linked to responsibility. The leader is ultimately responsible because he not only chooses the best person for the job; he is also expected to guide this person to achieve the best possible outcome.

In general, respect and consistency are also important for those who wish to avoid hurting staff morale. "Do what I say, not what I do" is not a good leadership motto. "Actions are more important than words. If you set the example, you will have more to impress upon your co-workers. And be consistent!" Landazabal emphasised. Leaders who talk of trimming costs while flying first class are seldom convincing.

Next, leaders cannot be arrogant. If you make people angry, they will not make an effort for you, Landazabal noted. He spoke about a time in his career when, as sales manager, he had to manage a product manager who was old enough to be his father. "Obviously he had better knowledge and experience," Landazabal said, and so he made sure to treat this subordinate with utmost respect, and that, he added, made the working relationship complementary.

A good leader also needs to discern between communication channels. Everyone receives hundreds of emails a day, so when something needs to be explained, nothing beats a good face-to-face chat. Nonetheless, this is not always easy or possible. When Landazabal was regional director of GSK Russia in 2009, he could not communicate face-to-face with most people as he did not speak Russian. Every piece of communication had to go through English-speaking managers.

Another pitfall of email is that it is often used as a tool to document and to further matters of conflict in organisations. This is unpleasant, Landazabal warned, adding that people should never answer an email when angry. "You might say things (in black and white) that you will regret."

Big picture

The other difference between leaders and managers is that the former must solve problems whilst the latter can stop at analysing problems. That said, leaders do not have to solve problems all by themselves.

When Landazabal worked in Latin America, GSK was three years behind its competitors in the development of a diarrhoea medication. "We caught up with our delay and arrived in the Latin market before our competitor." This was achieved because the team was sufficiently challenged.

A leader has to set challenges and goals for the team, said Landazabal. "The challenges have to be realistic (and) it is always better to have a bit of competition to motive people". The role of the leader, as such, is to maintain a long term vision and to act with the big picture in mind. "Do not get bogged down by details," he added.

In addition, Landazabal believes leaders should not be afraid to surround themselves with the brightest people. "They will have ideas and bring solutions. Push them to give their best. Usually, the leader is not the smartest in the room, but he has the capacity to take the best of each of his specialists and put those contributions to use."

Finally, leadership, for Landazabal, is to be a jack of all trades, master of none. "Some people keep doing what they do the best. This is good, but it turns (them) into a specialist, and in this case, (they) will remain a manager," Landazabal noted. A good leader needs to know and experience a little of everything.

"Do not be afraid of making mistakes; instead, learn from them. The ideal: Fail often but cheaply. This will bring a lot of experiences and keep good ideas coming out," he concluded.