

Leading Voices

LESSONS FROM AN INTERNATIONAL ASSIGNMENT

An international assignment has long been seen as providing executives with an opportunity for personal growth and professional development, while enabling companies to place executives in markets where specific capabilities are needed or to spread corporate values and best practices throughout the organization. With business footprints expanding and international markets becoming increasingly important drivers of revenue and profit growth, companies need executives who are global thinkers with broad-based business perspectives and the agility to master an array of markets, cultures, competitors and workforce differences.

As these capabilities become even more important, having a meaningful assignment outside one's own market has become a critical element of executive experience and is likely to become a prerequisite for career advancement at a growing number of multinational companies.

We asked several senior executives to think back to their first or most memorable international assignment and share how those experiences helped to shape or influence their leadership styles. What surprised them the most? What did they learn and how have they continued to apply those lessons in their current leadership roles? Finally, what advice would they give to other executives about succeeding in an international assignment?

Philippe Bourguignon



Vice Chairman, Revolution Places, and CEO, Club Med

Early in his career, Bourguignon, a native of France, led development in the Middle East for Accor, based out of Beirut. He has held leadership roles in France and the U.S., including president of Disney Europe, and served as co-CEO of the Davos-based World Economic Forum.

? What surprised you?

Someone who was born and raised in his country and, when he is 25, 28, 30, is posted abroad, obviously, learns so much during his first assignment. I was raised in Morocco. My father worked for a U.S. company, and I came to the U.S. almost every year when I was a young boy. Therefore, I've been exposed and living international from basically almost the time I was born. It is more a way of life, and, by the way, this has been a huge gift. My two children were born in New York and raised in the U.S., and today they are totally bicultural.

? What have you learned?

I like to say that I've learned patience in Asia, and I've learned what competition means in the U.S., because I'm from a country where there is no patience and limited competition.

What I also learned by working internationally is that if you keep good sense — remain grounded in basic business judgment and rules — you can work in any foreign

environment. Good sense is key. Some people try too hard to be too local, understand everything, but you will never understand a foreign country as well as you understand your native country, even if you speak the language. But good sense is the same everywhere.

? What advice would you give to others based on your experience?

To an executive, my advice would be to listen and be humble. Listening is very important. Be humble and respectful. The tendency, particularly if you go into emerging countries, is to consider that everything else is not as well done. But being humble and respectful of people buys you tremendous mileage no matter where you go. You need to be more humble abroad than you are at home and more respectful.

When you are abroad, things are over-amplified. Being abroad over-amplifies your body language, your words and your decisions. Whatever you say is listened to twice as carefully as when you say it at home. You are watched much more closely than you are at home — for both good and bad.

John Doumani



Managing Director, Australasia for Fonterra Cooperative Group

A native Australian, he held various senior roles at Johnson & Johnson in Italy, Australia and the United States, before leading the Asia Pacific business and, later, all of international, for the Campbell Soup Company.

? What did you learn?

The business issues were not that hard to discover, but the bigger issues for me were actually more cultural. The culture in the U.K. was similar to here, and there was a relatively informal work environment where you can joke around a bit. This is my style and it translated really well. However in Italy and the U.S., the work environment is more formal, and I had to adjust my style to be conscious of this. Had I not done so, I would not have been able to be effective working for the organization. You have to be very careful not to offend people. If you want people to follow your leadership, you have to engage them in a way that works for them.

? What advice would you give to others based on your experience?

Seventy percent of what you know about business will translate, but the other 30 percent — the difference between success and failure quite often — comes down to truly understanding the business dynamics that might be different. Market dynamics vary greatly in terms of regulations, trade and competitive structures. You've got to make sure you get your head around this because it will affect your ability to implement what you want to do, and you have to modify whatever you do to fit in.

The bigger issue is to be really sensitive to cultural differences. There's no shortcut in being able to do this other than to have an open mind and be willing to accept any differences. You can't go with the attitude of, "I'm just going to do what I do and if they don't like it, stuff it!" The first thing is to accept that the cultural issues are really important. Accept the fact that it may be different and be really open-minded. The sooner you identify and are open to any differences, the better.

Philip Earl



Executive Vice President and General Manager, Publishing for Activision Blizzard

Earl began his career with Procter & Gamble in the U.K. and was later relocated to Saudi Arabia. He worked for Glendenning Management Consultants in the U.K., before joining

Nestle, where he worked in both the U.K. and Australia. At the U.S.-based Activision Blizzard, Philip has worked in Australia and U.S. West Coast.

? What most surprised you?

Having worked in Saudi Arabia, having worked in Australia, having worked in Los Angeles, what surprised me the most is that there are more similarities than differences in the people across countries.

? What have you learned?

I learned the importance of understanding the pace of change: how much to do and how quickly. You have to be very astute in understanding the capabilities of the organization in the marketplace. It can be too fast, but can also be too slow. There is no right or wrong answer. You have got to accept that you can have a very strong strategy and you can have a very good vision, but unless you bring the team with you, it is just disconnected. Your people capability platform will determine whether to go faster or slower.

? What people leadership insights have you gained?

Something interesting I have learned is the fact that people are motivated by different things, and understanding what most drives a specific individual lies at the heart of leadership. Often you assume people are concerned about money. It almost always isn't the case. There has to be a base level of remuneration, but in three years working with video games people, I have Harvard graduates who just want to work in that industry; it motivates them to be part of something amazing. It is a passion for them. Some people are motivated by a very strong sense of family and a sense of community. If you are not careful and gloss over individual motivations, you never get the most out of people. You have got to understand people. There can be 10 nuances of what motivates them, and if you get that right, despite cultural differences, you can usually do quite well.

? What advice would you give to others based on your experience?

My advice is to "be in." When you go to a new market, don't hang around on the side; just get in there. Absorb the culture, language, food, sport, everything. You get a reaction from your work colleagues that is really incredible and makes you feel that you really want to be here, and as a consequence, they see you as an expat wanting to be here.

Conrado Engel



Chief Executive Officer, HSBC Bank Brazil

After several human resources and general management roles for banks in Brazil, he joined HSBC in Brazil, later relocating to the company's headquarters in Hong Kong to lead the retail banking and wealth management area for the Asia Pacific region.

? What did you learn?

The most important thing was how careful you have to be about managing cultural differences. People react differently to situations, and this is very challenging. For example, the way you interact with a Chinese company is completely different from an Indian one. Individuals can interpret situations very differently. Early during my assignment in Hong Kong, after a meeting where we were assigned tasks for a particular project, I asked an executive for a status update prior to the due date. I realized later that this made the executive feel very uncomfortable, because, as he said, he would fulfill his commitments; it was part of his responsibility. Again, it demonstrates the importance of understanding cultural differences.

? What personal or professional lessons from your international experience have remained with you?

Managing any business is about managing people. Dealing with different cultures and reactions is crucial. I learned to listen more and reflect more before taking immediate action. I also learned that people can significantly benefit from each other's experience. For example, I believe that my experience in dealing with crisis management as a Brazilian executive was very beneficial to the HSBC Group when I was in Hong Kong.

? What people leadership insights have you gained?

You have to visit people, go and visit the countries and the operations, and establish strong professional connections. Personal relationships may also help. Understanding the cultural environment is of vital importance. Learning how to navigate a large organization like HSBC — with a strong internal culture, with very strong roots in Asia — is also critical for success.

? What advice would you give to others based on your experience?

It is always best to listen, comprehend and then act.

Kirk Kinsell



President of the Americas, InterContinental Hotels Group

An American, Kinsell served for four years as president of Europe, Middle East and Africa for InterContinental Hotels Group, based out of the company's headquarters in the U.K.

? What surprised you?

Based in London, with responsibilities for Europe and Africa, the things that surprised me were the diversity of thinking and the distinctive cultures and, therefore, how people felt, how people thought, how they processed information and what was important to them varied tremendously. As a result, there was more dialogue, which oftentimes meant debate. Having to have that broader discussion on issues was intriguing, challenging and fulfilling. Initially, the discussion can feel like it's slowing things down, but when you reset expectations and build in opportunities for debate, what I have found is that, even though people may not agree with the ultimate decision, the process allows people to align and walk out of a meeting on the same page.

? What personal or professional lessons have remained with you?

I made it a point to get underneath the differences between my new environment and what I was used to at home, and understand the history and the stories behind the surface. I began to appreciate the differences for how they enrich the environment that I was in, creating a more holistic and colorful tapestry from an aesthetic standpoint. Coming back to the United States, I find myself wanting to go deeper with people who I otherwise would have thought were just like me. As a result, I think I have the potential to build stronger relationships. I have the potential to be a better leader. Because our job as leaders is to unlock the potential of the people we work with and the people we

have the privilege of leading and managing. And, therefore, I can get perhaps a better perspective of who they are and their motivations and how they align with the company's purpose and objectives.

? What advice would you give others based on your experience?

To another American, I would say dialing down the fact that you're American and dialing up being a global citizen is probably a much more effective way of engaging people. It doesn't mean that you change your principles or your beliefs or your value system; it means being sensitized to how you come across. Saying things like, "We do it this way back there" — meaning that was the only good way — can come off as being too American, too know-it-all, too celebratory, too cheerleading, too shallow, all those things that are sometimes attributed to being American.

Murilo Portugal



President of Febraban (Brazilian Federation of Banks)

He held several senior roles for the government of Brazil, before moving to the U.S. as executive director for the World Bank and, later, deputy managing director of the International Monetary Fund.

? What most surprised you?

My most relevant international experience was to work with International Monetary Fund. It provided me a great opportunity to understand the reality of other countries. Since I was responsible for the fund's relations with 81 countries in all five continents — from advanced countries such as Sweden to developing countries such as Bhutan — I had to understand different environments and market dynamics. In this role, I came into direct contact with the reality of different countries, different economic cycles and stages of development, from crisis to growth moments.

What did not surprise me, unfortunately, was the reaction in some places to the economic crisis in 2008, in particular, the difficulty of entering into a discussion with governments and the denial about the gravity of the problems.

? What did you learn?

Do not postpone the inevitable. Trying to escape an inevitable conclusion will increase the costs related to the decision, but it is hard to define what you should fight for, and what to give up.

? What personal or professional lessons from the experience have remained with you?

Life is the best teacher. The only problem is that there is only one pedagogy. You learn when you hit a wall, and usually you have to go through this painful process to learn. Even if you rationally know what to do, usually you only change when you hit a wall, because of the limitations in the decision-making process and human behavior.

About the interviewers

Fernando Carneiro, São Paulo, manages the Spencer Stuart operations in Latin America and heads the firm's Financial Services and Private Equity practices for Brazil and Latin America. **Robert S. DeVries**, Miami, co-leads the firm's global Hospitality & Leisure Practice and is a member of the Board Services and Consumer Goods & Services practices. **Kevin A. Jurd**, Sydney, is a member of the Consumer Goods & Services Practice and formerly led the practice in the Asia Pacific region.

STAY CONNECTED TO SPENCER STUART

    @SpencerStuView

© 2012 Spencer Stuart. All rights reserved.

For information about copying, distributing and displaying this work, contact permissions@spencerstuart.com.

? What advice would you give to others based on your experience?

Respect the level of the professionals who work with you, and learn how to best deal with very smart people and motivate them. Well-qualified people, of course, have their own ambitions and personal interests. It is critical to maintain the enthusiasm of people in a multicultural environment, and devote time for that. You have to be a manager of people, otherwise you will fail even if you are capable of managing processes and tasks. Technical knowledge alone will not make you successful.