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# GETTING MORE THAN YOU EXPECT: GLOBAL LEADER INITIATIVE TO SPAN STRUCTURAL HOLES AND REPUTATIONAL EFFECTIVENESS

Linn Van Dyne and Soon Ang

## ABSTRACT

*In this chapter, we draw on social capital and role theories to develop a theoretical model of global leader initiative and reputational effectiveness in spanning structural holes. We define global leaders as those assigned to work locations outside the borders of their home country. Global leaders (by virtue of their global work assignments) occupy structural holes that span geographical boundaries. By definition, this position provides them with special opportunities to use their social capital to span these structural holes. Our model aims to make two key contributions. First, we focus on firm and individual factors that influence the extent to which global leaders proactively use their social capital. Second, we address local, corporate, and personal factors that influence the relationship between spanning behavior and reputational effectiveness. We discuss research implications for testing our propositions and practical implications for applying the model to work organizations, with an emphasis on the benefits of more effectively leveraging the social capital of global leaders.*

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## INTRODUCTION

*You can't be a lone ranger and also be a global manager.* (Jeffrey Immelt, Chair & CEO, General Electric)

"In search of global leaders": Special issue on Leadership in a Changed World. (*Harvard Business Review*, August 2003, p. 42)

As businesses globalize and compete in the world economy, they transfer managers to assignments overseas (Aycan & Kanungo, 1997; Black, Gregersen, Mendenhall, & Stroh, 1999; Evans, Pucik, & Barsoux, 2002; McCall & Hollenbeck, 2002; Takeuchi, Tesluk, Yun, & Lepak, 2005). This could mean transplanting executives from corporate to local subsidiaries or from one international subsidiary to another in a different country (Dowling, Welch, & Schuler, 1999). In this chapter, we refer to these managers as global leaders.

Organizations transfer managers as global leaders based primarily on their human capital (Evans et al., 2002). They select those with superior knowledge (business and technical), skills, and abilities that are needed in the host location (Adler, 2002; Ang, Van Dyne, & Leslie, 2006b; Black et al., 1999; Ones & Viswesvaran, 1997). Valuing global leaders purely for their human capital, however, is unduly restrictive. It leads to under-employment (Feldman & Bolino, 2000) and undermines the potential contributions of these professionals.

In this chapter, we propose that global leaders can offer much more than human capital (their knowledge, skills, and abilities accumulated through education and experience). Instead, we argue that firms should explicitly recognize the social capital (information and assets these individuals can access directly and indirectly through their personal and professional networks) that global leaders can use proactively to benefit the corporation, local or regional entity, and/or their personal relationships (Burt, 2000; Lin, 2001). Global leaders who are transplanted from one country to another naturally occupy structural holes in global networks that span geographic boundaries. Thus, they are in the unique position to make direct and indirect connections across national borders. These connections (their use of social capital) provide them with the opportunity to span structural holes. Thus they have value, not only for their human capital, but also for their global networks and ties (Nahapiet & Ghoshal, 1998). In developing our model, we argue that although all global leaders naturally occupy structural holes, not all global leaders are proactive in spanning these structural holes. In addition, we draw on Tsui's (1994) framework of reputational effectiveness, to

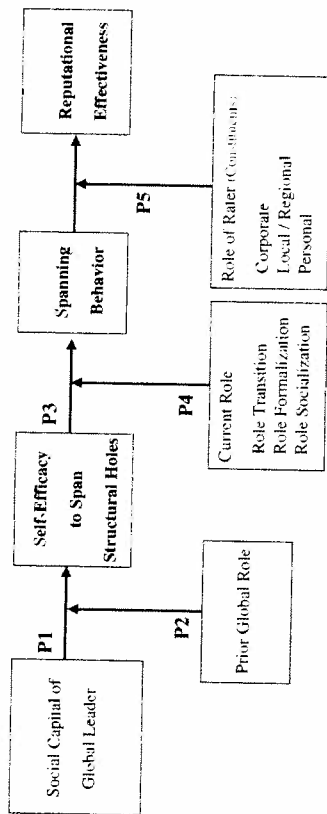


Fig. 1. Getting More than You Expect: The Role of Global Leaders in Spanning Structural Holes.

explicate why spanning efforts will not necessarily be viewed as effective by all constituencies in the global leader's role set.

The primary aim of this chapter is to combine concepts from social capital and role theories to develop a model of theoretically based propositions about global leader initiative and effectiveness in spanning structural holes. Our model focuses on factors that organizations and managers can use to capitalize on the unique role occupied by global leaders in order to "get more than you expect". More specifically, the first part of our model describes ways in which social capital, prior role, and current role can enhance the occurrence of spanning behavior. The second part of our model describes the importance of different members of the global leader's role set (host country nationals, corporate/regional, and family) in evaluating reputational effectiveness of global leader spanning behaviors. Fig. 1 illustrates our model and provides an overview of our propositions.

We organize this chapter into three major sections. First, we elaborate on the idea that global leaders are naturally in positions of structural holes. Second, we discuss factors that influence global leader spanning behavior and factors that influence the reputational effectiveness of that spanning behavior. Third, we discuss implications of our theoretical model for future theory building and for practical application in work organizations.

## GLOBAL LEADERS AND STRUCTURAL HOLES

The major premise of our paper is that global leaders have a distinct comparative advantage that has been under-emphasized in theory and practice.

Global leaders occupy structural holes (Burt, 1992) and have the opportunity to span these holes by connecting those in their social network across national boundaries. The concept of structural holes is closely associated with Granovetter's (1973) theory of the strength of weak ties. Structural holes occur when people or groups of people have no direct connections or when these connections are weak. When contacts are non-redundant, they can provide unique sources of information (Burt, 1992). In general, people circulate, communicate, socialize, and exchange information primarily with their immediate group and not with members of other groups. When a global leader spans a structural hole, these additional connections and sources of information create a comparative advantage for the spanner and for the group that gains the additional information and resources. Spanning can include brokering information between people on both sides of the hole (serving as a go-between) and brokering ties across the hole (creating direct connections between people on opposite sides of the hole).

In comparing global and local leaders, the key difference, accordingly, is not their personal characteristics (e.g., individual differences in traits or dispositions) or their human capital (knowledge, skills, abilities, and experience) (Shaffer, Harrison, Gregersen, Black, & Ferzandi, 2006). Rather, global leaders differ because they have knowledge and contacts based on prior work assignments in other geographic locations. From a social capital perspective, these experiences of working in different nations put global leaders in structurally more advantageous positions. When global leaders are uprooted to work in new host countries, they bring not only human capital but also social capital (Kostova & Roth, 2003). It is these direct and indirect ties with others in their home country and other nations where they have had work assignments that give global leaders their distinctive competencies. In the next sections, we discuss key factors that facilitate or constrain global leader spanning behavior.

## SOCIAL CAPITAL AND SELF-EFFICACY TO SPAN STRUCTURAL HOLES

In proposition 1, we contend that leaders with higher social capital (more ties and more diverse ties) will feel more self-efficacious in spanning structural holes across national borders than those with lower social capital. Before focusing on social capital, we need, however, to acknowledge the importance of human capital (the technical and managerial knowledge,

skills, abilities, and competencies accumulated through years of education and experience). Existing research demonstrates a strong relationship between human capital that is relevant to the task and self-efficacy to perform the task (Bandura, 1982; Wood & Bandura, 1989). In our model, we hold human capital constant and assume that the leader possesses adequate technical and managerial competencies to assimilate, process, and make sense of new situations.

Moving beyond this basic assumption of adequate human capital, we now consider social capital. Social capital of leaders is high when their social network is large (many ties, providing access to information and resources of more people) and diverse (a wide range of non-redundant ties, providing access to unique information and resources) (Burt, 2000). Leaders with large and diverse social networks possess a comparative advantage over others due to three inherent benefits (Burt, 1997, 1999). The first is access benefits. Those with higher volume and wider diversity of non-redundant ties have broader information screens that can alert them to foreseeable opportunities and impending disasters. The second is timing benefits. Having large and diverse non-overlapping social networks allows leaders to be first in discovering needs in one group that create opportunities in other groups. The third is referral benefits. By holding membership in large, diverse, and disconnected groups, leaders are more likely to be included in new opportunities in each disconnected group. Because each of these benefits accrues to those with large and diverse social networks, these leaders possess power and control over entrepreneurial brokering opportunities to bridge disconnected individuals, groups, and organizations.

Self-efficacy is defined as expectations or beliefs in the capability to mobilize the motivation, cognitive resources, and courses of action needed to meet given situational demands (Wood & Bandura, 1989). It is a judgment of personal capability to execute specific actions, in a particular situation (Bandura, 1982; Gist & Mitchell, 1992). Self-efficacy differs from more general conceptualizations of the self, such as self-esteem (Brockner, 1988) which is more global and applies to a broad range of situations. In contrast, self-efficacy is specific and is the sense of capability relative to a particular behavior. The first key outcome in our model is spanning behavior (spanning structural holes). Here, we focus on the global leader's self-efficacy to span structural holes, which we define as the belief that he/she is capable of mobilizing the motivation, cognitive resources, and actions needed to broker information and ties across national borders. Consistent with self-efficacy theory, we focus on a particular type of self-efficacy (Bandura, 1982) with relevance to a specific behavior: spanning structural holes.

As a baseline, we propose in our first proposition, that those with higher social capital (large and diverse social networks with many ties and many non-redundant ties) have higher self-efficacy to span structural holes (than those with less social capital) (Burt, 2000). This is because global leaders with higher social capital have more opportunities and more diverse ties to enact spanning. Hence, they will feel more capable of spanning than those with less social capital.

**Proposition 1.** The higher the social capital, the higher the self-efficacy to span structural holes.

### PRIOR GLOBAL ROLE: PREVIOUS EXPOSURE TO GLOBAL WORK

In proposition 2, we propose that prior experience in global roles (previous global work assignments) moderates the proposition 1 relationship between social capital and self-efficacy to span structural holes. In the cross-cultural adjustment and expatriate management literatures (Church, 1982; Gregersen & Black, 1992; Searle & Ward, 1990; Takeuchi, Tesluk, Yun, & Lepak, 2005; Van Vianen, de Pater, Kristof-Brown, & Johnson, 2004) research demonstrates that prior cross-cultural experience is an important personal resource that guides individuals in coping and finding solutions to novel problems. Being in structural holes (crossing geographic boundaries) helps global leaders to acquire additional technical and managerial competencies (human and social capital) to perform effectively as global leaders (Ang et al., 2006b). For example, different stages of technological development and differing legal and regulatory frameworks across nations require greater requisite variety of capabilities to operate in diverse institutional and cultural environments (Hawes & Kealey, 1981). Previous exposure to global work, accordingly, is important according to social learning theory (Bandura, 1977, 1982) because previous experience allows people to acquire skills for coping with uncertainty through enactive mastery, vicarious experience, verbal persuasion, and emotional (physiological) arousal.

More specifically, leaders with prior global work assignments have had opportunities for enactive mastery (prior personal experiences that allowed repeated performance of a specific task), vicarious experience (learning by observing others in action), verbal persuasion (positive messages from including encouragement, positive feedback, and exhortations), and awareness of physiological arousal (physical cues regarding anxiety versus confidence

relative to capabilities), which are the four key processes that enhance self-efficacy (Bandura, 1982).

Accordingly, those with prior global work experience should be better able to recognize and capitalize on the value of their social capital. This interaction between social capital and the enactive mastery aspect of prior role enhances their self-efficacy to span structural holes. Second, those with prior global work experience have had more opportunity to model their behavior after that of successful global executives, providing more opportunities for vicarious global learning experiences. This interaction between social capital and the vicarious experience aspect of prior role strengthens their sense of self-efficacy to span structural holes. Third, global leaders who have had prior global work assignments should also receive more positive messages that others are confident in their capabilities (verbal persuasion). This positive feedback should make them more aware of their social capital and the interaction will increase their sense that they can use this social capital (higher self-efficacy to span structural holes). Fourth, prior global work experience provides global leaders with more sophisticated understanding of their own physiological arousal. This prior experience allows them to respond to global situations with confidence rather than anxiety. The interaction between social capital and positive emotional arousal (based on prior global work experience) enhances their confidence (self-efficacy) to span structural holes.

In sum, we propose that prior global role enhances enactive mastery, vicarious experience, verbal persuasion, and emotional arousal. In other words, the positive relationship between social capital and self-efficacy will be stronger for those who have prior global work experience. Accordingly,

**Proposition 2.** The strength of the relationship between social capital and self-efficacy to span structural holes will be moderated by prior global role, such that the relationship is stronger when global leaders have enactive mastery, vicarious experiences, verbal persuasion, and energizing emotional arousal based on prior global work experience.

### SELF-EFFICACY AND SPANNING BEHAVIOR

In propositions 1 and 2, we predicted that social capital and prior global role interact to predict self-efficacy to span structural holes. In proposition 3, we draw on self-efficacy theory to predict that the task orientation of those with higher self-efficacy (rather than self-focus) directs their attentional resources toward relevant behaviors rather than toward worrying

about potential negative outcomes or personal deficiencies (Kanfer & Ackerman, 1996; Wood & Bandura, 1989). In general, those with higher self-efficacy tend to underestimate risks and overestimate their ability to overcome those risks (Sitkin & Pablo, 1992). Consequently, those with higher self-efficacy set more difficult goals and perform at higher levels (Locke & Latham, 1990). In contrast, those with lower self-efficacy are preoccupied with the self. This interferes with their ability to focus and prevents them from developing and implementing complex task strategies.

Applied to global leaders, we suggest that self-efficacy to span structural holes influences actual spanning behavior. This is consistent with the large volume of research on the strong link between self-efficacy and related behaviors (Bandura, 1977, 1991, 2001; Stajkovic & Luthans, 1998; Wood & Bandura, 1989). Since we have matched a specific form of self-efficacy (self-efficacy to span structural holes) with a specific behavior (spanning behavior), we expect a positive relationship in our model. For example, global leaders in novel and unfamiliar situations must focus attentional resources on personal adjustment to the new culture, new job, and unfamiliar environment. Thus, unless global professionals have high self-efficacy to span structural holes (i.e., the self-confidence to broker information and ties across structural holes), they will focus most of their time and energy toward coping with more immediate adjustment to the new organization and national culture. In other words, culture shock, culture fatigue, and learning about the local setting, standard operating procedures, local operations, and appropriate work behaviors will dominate their thoughts and actions. Accordingly,

**Proposition 3.** The higher the global leader's self-efficacy to span structural holes, the higher the spanning behavior.

In the preceding section, we addressed the relationship between self-efficacy to span structural holes and spanning behavior. In further developing our model, we now fine-tune this prediction to include characteristics of the global leader's current role that can strengthen the relationship between self-efficacy and spanning behavior.

### CURRENT ROLE: ROLE TRANSITION, FORMALIZATION, AND SOCIALIZATION

In this part of our model, we propose that the global leader's current role influences the strength of the relationship between self-efficacy to span

structural holes and spanning behavior. We consider three key aspects of the current role: characteristics of the role transition, role formalization, and role socialization.

Drawing on Ashforth's (2001) theory of role transitions in organizations, we focus on three key attributes of role transitions that should be especially salient to global leaders (magnitude of the role transition, social desirability of the new role, and voluntariness of the transition). First, when new roles are similar to prior roles and job responsibilities (a smaller magnitude of role transition), global leaders should have more time and ability to act on their self-efficacy and engage in spanning because their prior knowledge, skills, and abilities have direct relevance to the new role. Second, when new roles are prestigious, have high status, and are high in social desirability, the valence of the role is positive and should enhance the effects of global leader self-efficacy on spanning. For example, status often confers respect from others in the role set and the expectation that the global leader will make connections with important others. Third, when employees feel they have real choices in deciding whether to accept the global leader role (they feel they voluntarily chose the role), they are more likely to have positive attitudes toward the role transition and a positive role identity. This, in turn, should strengthen the effect of self-efficacy on efforts to span structural holes. In contrast and to summarize, when role transitions involve work that is significantly different from prior work, less prestigious or lower in status, and the decision feels involuntary, global leaders will be less likely to act on their self-efficacy and less likely to span structural holes.

**Proposition 4a. Role transition:** The strength of the relationship between self-efficacy to span structural holes and spanning behavior will be moderated by characteristics of the role transition, such that the relationship will be stronger when the role transition is of small magnitude, socially desirable, and voluntary.

Our next current role moderator is role formalization. Role formalization is the extent to which the organization recognizes boundary spanning activities as an important aspect of the global leader's role (Aldrich & Herker, 1977). Organizations and subunits differ in the extent to which they formalize boundary-spanning responsibilities. In most organizations and for most jobs, boundary spanning is discretionary and not included in job expectations, performance standards, or appraisal feedback. Instead, boundary spanning is idiosyncratic and evolves primarily based on individual initiative. For example, Tushman and Scanlan (1981) described boundary spanning as an emerging role that is largely a function of the individual.

Recognizing the benefits of boundary spanning, they described specific management interventions that can enhance boundary spanning. We suggest that these same role formalization interventions (transfers, varied job assignments, special training, travel, sponsorship at professional meetings, liberal phone budgets, and public recognition for spanning initiatives) can strengthen the perceived value of acting on social capital and further strengthen the relationship between self-efficacy to span structural holes and spanning behavior. Thus, role formalization will interact with self-efficacy to span and spanning behavior.

**Proposition 4b. Role formalization:** The strength of the relationship between self-efficacy to span structural holes and spanning behavior will be moderated by role formalization, such that the relationship will be stronger when the organization formally recognizes and facilitates boundary spanning.

Role socialization includes formal and informal processes that organizations use to facilitate role transitions (Van Maanen & Schein, 1979). Organizations, however, differ in their approaches to socialization, especially for global leaders. One approach to conceptualizing socialization tactics and practices differentiates two general approaches: institutional and individualized (Jones, 1986). In general, institutional socialization is more collective, formal, and sequential, whereas individual socialization is more individual, informal, and random. In applying this difference to our model, we suggest that individualized socialization enhances the relationship between self-efficacy to span structural holes and spanning behavior (Stanton-Salazar, 1997). An individualized approach allows individual freedom to learn the job and validation of global leader prior ties and relationships. In contrast, institutionalized socialization is more likely to emphasize conformity to organizational policies, procedures, and norms. Except in instances where the organization has a strong culture that emphasizes proactive behavior and spanning structural holes, institutionalized socialization should decrease spanning behavior. In sum, we propose that role socialization will enhance the link between self-efficacy and spanning.

**Proposition 4c. Role socialization:** The strength of the relationship between self-efficacy to span structural holes and spanning behavior will be moderated by role socialization, such that the relationship will be stronger when socialization is individualized.

## SPANNING BEHAVIOR AND REPUTATIONAL EFFECTIVENESS

Although spanning structural holes may lead to positive results, we argue that the effects of spanning on reputational effectiveness (judgments of effectiveness by observers) are complex and are not always positive (Sparrowe, Liden, Wayne, & Kraimer, 2001). Role set theory (Ashforth, 2001; Tsui, 1984) emphasizes the various constituencies that are relevant to managers and leaders. Constituencies are categories of role senders who have authority over exchange relationship with the employee (Tsui, 1994). Global leaders have an especially diverse role set that includes home and host country supervisors, peers, and subordinates as well as suppliers, customers, and family members. When global leaders are in boundary spanning roles, their role sets become even more diverse (Ferris, Blass, Douglas, Kolodinsky, & Treadway, 2003; Kahn, Wolfe, Quinn, Snoek, & Rosenthal, 1964).

Tsui (1994) defined reputational effectiveness as idiosyncratic judgments of manager responsiveness to expectations, responsibilities, and roles, based on perspectives of specific constituencies. Reputational effectiveness is high when the role incumbent is responsive to the needs, demands, and expectations of a particular constituency. The challenge of assessing global leader effectiveness, thus, is similar to the challenge of analyzing organizational effectiveness (Campbell, 1977; Cameron & Whetten, 1983; Steers, 1977) because different constituencies have different priorities and different standards.

Global leader responsibilities include high interdependence with diverse constituencies. Global leaders are accountable and responsible to corporate and corporate staff) and to local constituencies (i.e., local managers, employees, customers, government officials, and suppliers). In addition, global leader role sets include personal and family relationships (spouse, children, parents, and friends). Each of these constituencies expects the leader to uphold norms, attitudes, and standards that support their own role requirements and relationship expectations (Salancik, Calder, Rowland, Leblebici, & Conway, 1975). As a result, global leaders are subject to conflicting role expectations (Whetten, 1978) and have an especially diversified set of constituencies making conflicting demands and evaluations of reputational effectiveness.

In sum, role set theory and the reputational effectiveness literature (Tsui, 1994) suggest that people in different roles will have different perspectives on what is useful, constructive, and appropriate spanning. Global leaders thus must exercise flexibility and good judgment in deciding what role

expectations to emphasize in their boundary spanning activities (Aldrich & Herker, 1977; Caldwell & O'Reilly, 1982). They also must decide who to contact, how to create ties, and how best to reciprocate and strengthen relationships (Tushman & Scanlan, 1981). Nevertheless, global leaders should be prepared for inconsistent feedback, given the different perspectives of different constituencies in their role set. Thus, for our last proposition, we suggest that role orientation of the rater determines whether spanning behavior is viewed as a positive contribution to reputational effectiveness or whether it is perceived as ineffective and detrimental to reputational effectiveness.

In organizations, reputation is key to judgments of performance and effectiveness. Thus observer evaluations are important in considering the effects of spanning behavior. Under ideal circumstances, a responsive global leader would achieve perceptual consensus by meeting the demands of all constituencies (Salancik et al., 1975; Tsui, 1994). In reality, perceptual consensus of global leader effectiveness is unrealistic because diverse constituencies have particularistic and conflicting expectations (Bromley, 1993; Fombrun, 1996; Gelfand et al., 2001). Hence, we do not specify a direct relationship between spanning behavior and reputational effectiveness. Instead, we predict that assessment of spanning varies based on the role perspective of the rater (Ferris et al., 2003). Since global leaders have multiple role identities (Ashforth, 2001) and multiple diverse constituencies, spanning behavior can have positive implications for some role senders and neutral or negative implications for others. In evaluating proactive spanning behavior, we suggest that observers place primary emphasis on whether the behavior advances the interests of their own constituency. Thus,

**Proposition 5.** Spanning behavior interacts with the role of the rater in influencing reputational effectiveness, such that spanning is evaluated positively only when it appears to benefit the role set of the rater.

In further developing this idea, we differentiate three specific role sets (corporate, local/regional, and personal constituencies). We suggest that corporate observers will emphasize global leader loyalty and contributions to the overall organization. If members of this role set view spanning as in the best long-term interests of the corporation, spanning will be viewed as positively enhancing reputational effectiveness. In contrast, if members of the corporate role set view global leader spanning as primarily focused on enhancing future personal career opportunities, spanning will be viewed negatively and will detract from reputational effectiveness. Thus,

**Proposition 5a.** When spanning appears to benefit the corporate entity: the more the spanning, the more positive the corporate role set assessment of reputational effectiveness; when spanning appears to not to benefit the corporate entity: the more the spanning, the more negative the corporate role set assessment of reputational effectiveness.

In contrast, we suggest that regional or local role set constituencies will view spanning that benefits corporate interests as detracting from local interests. Thus, their judgments of global leader reputational effectiveness in this situation would be negative and would be viewed as detrimental to local goals (Bouty, 2000). On the other hand, if observers in the host location (host country nationals or HCN) view spanning as evidence of global leader loyalty and contributions to the local entity (Toh & DeNisi, 2003), they will view spanning positively and it will enhance global leader reputational effectiveness. Thus, the more spanning supports regional or local goals, the more the behavior will be viewed positively and seen as a demonstration of commitment to that particular role set. Accordingly, we propose that

**Proposition 5b.** When spanning appears to benefit the local or regional entity: the more the spanning, the more positive the local or regional role set assessment of reputational effectiveness; when spanning appears to not benefit the local or regional entity: the more the spanning, the more negative the local or regional role set assessment of reputational effectiveness.

Finally, for our last constituency, we focus on those in the global leader's personal role set. This includes spouse, children, parents, and friends. Thus, we acknowledge the permeability of work and family, work and non-work (life) roles. Since a large amount of research on expatriates demonstrates that many do not finish their overseas assignments due to problems with adjustment of family members (Black et al., 1999), it is important to consider this role constituency as well as those more directly linked to work. When a global leader takes an overseas position, this requires personal and family adjustment that disrupts home life and social relationships (Bhaskar-Srinivas, Harrison, Shaffer, & Luk, 2005; Van Vianen et al., 2004). Beyond this, the global leader spanning behaviors can either enhance or detract from goals of those in the personal role set. For example, if a global leader uses spanning to benefit the entire family (helping them connect with others in the new location, staying in close touch when apart or helping them adjust successfully to the new arrangement), those in the family role set will respond to spanning as a positive activity that enhances reputational effectiveness of the global leader. In contrast, if boundary spanning efforts create



role conflicts by placing additional demands on personal life and home life (e.g., frequent travel to regional or corporate locations, night meetings, late night phone conversations with people in different time zones), spanning will be viewed negatively (Katz & Kahn, 1978). Thus,

**Proposition 5c.** When spanning appears to benefit a global leader's family and friends: the more the spanning, the more positive the personal role set assessment of reputational effectiveness; when spanning appears to not to benefit family and friends: the more the spanning, the more negative the personal role set assessment of reputational effectiveness.

## DISCUSSION

In this chapter, we have highlighted the social capital of global leaders as an under-valued asset that firms should explicitly recognize. We also suggest that social capital is an asset that global leaders can use proactively to benefit the corporation, local entity, and/or their personal role set. We argue that global leaders naturally occupy structural holes in networks that span geographic boundaries. Global leaders are valuable not only for their human capital, but also for their social capital (the information and assets they can access directly and indirectly through their personal and professional networks). Global leaders make important and unique contributions based on their technical competencies, skills, knowledge and abilities, and also based on information and resources they can procure through social networks (Ang et al., 2006b).

Although all global leaders occupy structural roles, not all global leaders have a sense of self-efficacy to engage in spanning behavior (serving as boundary spanners and conveying information or making connections) and not all global leaders engage in spanning behavior. In our model, we consider specific factors that influence spanning and perceived effectiveness of spanning. Based on self-efficacy and role theories, we proposed that social capital and prior role experiences interact to influence self-efficacy to span structural holes. More specifically, we proposed that current role (role transition, formalization, and socialization) combined with self-efficacy to span structural holes influence spanning behavior. In the second part of the model we shifted our attention and considered the effects of spanning behavior. Here, we drew on reputational effectiveness and theorized that the relationship between spanning and perceived effectiveness of spanning is not necessarily positive. Depending on the constituency and whether spanning

meets role set expectations of that particular constituency, spanning can be viewed as enhancing or reducing reputational effectiveness. In sum, our main goal was to emphasize the benefits of recognizing and enhancing global leader initiative to use their social capital and span structural holes and the subsequent effects on reputational effectiveness.

## THEORETICAL IMPLICATIONS

We suggest that our model has several theoretical implications for global leaders. In current discussions of global leadership, researchers focus predominantly on leadership competencies such as leading, managing, marketing, and creating products and services that are palatable to consumers worldwide (Bartlett & Ghoshal, 1992; Evans et al., 2002) or on appreciating cultural differences around the globe (House et al., 1999; Smith, Misumi, Tayeb, Peterson, & Bond, 1989; Trompenaars & Hampden-Turner, 1997). Our model advances thinking about global leadership by highlighting the distinctive opportunities that global leaders have because they are in structural holes and have unique opportunities to leverage their social capital. This emphasis is theoretically important because it argues that global leaders offer more than human capital. Thus, the model should stimulate future research and theory development that considers the role of global leader social capital in more depth.

Another implication of our model concerns the notion of spanning and the benefits of spanning. Research on structural holes employs a structural or network perspective. This research analyzes structural relationships between individuals and their constituencies to determine who resides in structural holes. Most of this research seems to assume that people in structural holes engage in spanning (Burt, 2000). Our model extends this structural perspective by presenting a theoretical explanation of how (the processes) through which social capital and roles influence self-efficacy to span structural holes and reputational effectiveness of spanning behavior. We hope that our model facilitates future research on structural and process perspectives with an emphasis on factors that influence spanning. Future research can expand our initial framework by considering additional theoretically based factors that influence spanning and consequences of spanning.

Finally, our model contributes to research on leaders in geographically dispersed teams and subsidiaries within multinational corporations (Birkinshaw & Hood, 1998; Carpenter, Sanders, & Gregersen, 2001; Peng &



I.uo, 2000). Much of the expatriate literature currently focuses on replacing global leaders with local talent (global integration without global leaders; for example, see Evans et al., 2002; Harvey, Speier, & Novicevic, 2001). Our propositions highlight the complementary nature of social networks of global leaders and suggest the potential disadvantages of appointing only local talent to head subsidiaries.

### MANAGERIAL IMPLICATIONS

Our model offers a number of specific recommendations for practicing managers about how to harness social capital within their organizations. In addition to factors examined previously in the social network literature (e.g., the extent of ties), our model identified perceived self-efficacy to span structural holes as crucial to actual spanning behavior. The model therefore suggests that organizations should actively create opportunities for individuals to span structural holes – specifically by identifying structural holes within the organization and placing individuals with strong social capital in these holes.

Our model also suggests reasons why global leaders in structural holes may not automatically feel high self-efficacy to span structural holes. Specifically, we highlight prior role characteristics (such as hands on experience, role modeling, and social support) as factors that can enhance self-efficacy to span. Additionally, the model considers why some global leaders with high self-efficacy do not engage in spanning. Thus, characteristics of the global leader's current role suggest interventions managers could use to enhance spanning behaviors (incremental role transitions, high-status roles, clear value formally placed on spanning, and individual role socialization). In other words, managers can structure work and roles to enhance spanning (Siebert, Kraimer, & Liden, 2001). For example, organizations could conduct global relationship analyses (Lengnick-Hall & Lengnick-Hall, 2003) documenting who gets information and how it is shared. They then could use this information to build an organizational culture that promotes spanning. Organizations also could re-examine the way they define duties and responsibilities of global leaders in ways that enhance or detract from spanning behavior. Specifically, if organizations wish to promote spanning behavior, they should formally reinforce the value of spanning in their selection and performance management systems (Leana & Van Buren, 1999). Since research indicates that individuals concentrate attention in areas where results are measured and they ignore aspects that are not measured, it

should be important to set specific, moderately difficult goals that are accepted by employees (Becker, Huselid, & Ulrich, 2001).

### FUTURE RESEARCH DIRECTIONS

There are several important directions for future theoretical development of this model. First, other individual-level factors most likely influence spanning. For example, Burt, Jannotta, and Mahoney (1998) showed that people with network personality span more. Johnson, Kristof-Brown, Van Vianen, de Pater, and Klein (2003) demonstrated that expatriates with high core self-evaluation created more social ties with other expatriates and locals. Alternatively, the Big Five factors of personality may provide insights on spanning behavior (Carver & Scheier, 2000). Meta-analytic reviews of Big 5 personality characteristics and job-related outcomes show that conscientiousness consistently predicts outcomes for a wide range of occupational groups and extraversion predicts outcomes for manager and sales representative jobs where interaction is a significant responsibility (Barrick & Mount, 1991; Hough, Eaton, Dunnette, Kamp, & McCloy, 1990). Recent research demonstrates that openness to experience enhances individual capabilities to function effectively in culturally diverse settings (Ang, Van Dyne, & Koh, 2006a). Thus, openness to experience may be critical to spanning behavior and should be included in future theory building and research. Taken as a whole, these studies suggest that personality could be an important individual-level factor that influences spanning and effectiveness of spanning.

Future research could also explore the simultaneous functionality and dysfunctionality of spanning. Adler and Kwon (2002) postulated that risks associated with social capital could outweigh benefits. We have argued that spanning can be positive or negative, depending on the role of the raters and whether spanning meets the expectations of specific raters and specific role sets. Inevitably, spanning involves balancing and making trade-offs between multiple goals and satisfying different constituencies. Exploring individual resolution of dilemmas arising from the interplay of functional and dysfunctional consequences of spanning would be instructive, particularly for global leaders with diverse role sets.

Finally, another potentially important theoretical extension of our model would be to elaborate the processes in our model to incorporate feedback loops and reciprocal effects of spanning and reputational effectiveness. For example, future research could focus on the dynamic relationships between

spanning and reputational effectiveness. As Ferris et al. (2003) suggested, reputation is temporal and evolves over time. Reputations emerge from individual actions and the extent to which actions meet the expectations of others. The reputation process is cyclic because behavior feeds back into expectations (Herbig, Milemicz, & Golden, 1994). Spanning strengthens reputations when it meets expectations. When spanning meets expectations, it may also raise expectations for future spanning. This could create an upward spiral of spanning and increasing expectations. At some point, spanning might no longer meet expectations, and reputational effectiveness would deteriorate. Maintaining reputational effectiveness, thus, may require spanning that is consistent over time and consistent with expectations.

## CONCLUSION

In this chapter, we have drawn on social capital and role theories to develop a model of factors that influence self-efficacy to span structural holes, spanning behavior, and reputational effectiveness of global leaders. The proposed model presents a challenging research opportunity that builds on and goes beyond current research and frameworks on global leaders. The overarching message conveyed by our theory is that global leaders naturally occupy structural holes that span geographic boundaries. Thus, if organizations acknowledge human capital (KSA accumulated through education and experience) and social capital (information and assets global leaders can access through professional and personal networks), they should have a better understanding of why they "get more than they expect" from some global leaders (and not from others). We recommend future research that expands upon and tests this initial model of spanning structural holes and reputational effectiveness of global leaders.

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# GLOBAL LEADERS AS EXPERTS

Joyce S. Osland and Allan Bird

## ABSTRACT

*In this chapter, we show how our understanding of global leadership can be enriched by applying research on expert decision making. We review Klein's model of expert decision making and other research on expert cognition. Then we apply these findings to show how the decision-making processes of expert global leaders might differ from those of novice leaders. Finally, we suggest directions for future research.*

Given the spread of globalization, an increasing number of executives face the complex challenges of leadership on a global scale. In this chapter, global leadership is defined as a process of influencing the thinking, attitudes, and behaviors of a global community to work together synergistically toward a common vision and common goals.

Recent analyses suggest that the challenges that global leaders face are qualitatively different from those confronted by domestic managers and the international managers of the past. Global leadership differs from domestic leadership in *degre*e in terms of issues related to connectedness, boundary spanning, complexity, ethical challenges, dealing with tensions and paradoxes, pattern recognition, leading large-scale change efforts, and managing diversity to build learning environments, effective teams, and community (Lane, Maznevski, Mendenhall, & McNett, 2004). Even when leaders have diverse employees in a domestic setting, they do not confront the same level