DEVELOPING LEADERS FOR SUCCESS IN ASEAN

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CONTENTS

EXECUTIVE SUMMARY

A Gallup and Human Capital Leadership Institute (HCLI) study of 72 business leaders from various sectors across six countries in the Association of Southeast Asian Nations (ASEAN) found five developmental practices instrumental to helping them thrive in the region. These actions represent a practical, self-aware approach that emerging leaders can adopt in virtually any setting or industry in the region:

1. Long-term career goals are important, and leaders who reflect on their developmental status roughly every three years tend to stay on track.

2. Early cross-border experiences help shape individuals into broad-based leaders with a dynamic global perspective.

3. Taking risks and exploring different roles in the beginning of a leader's career helps him or her identify the right job fit and builds a holistic view of doing business.

4. While there is no one right way to build a network, emerging leaders should proactively surround themselves with a diverse, tight-knit group of professionals who can provide the contacts and feedback they need.

5. Instead of pretending to know everything they need to know, emerging leaders should be humble and speak openly about their own shortcomings to earn others' trust.

Gallup and HCLI conducted this business leaders study to fill the gap in leadership development research in Southeast Asia. By interviewing renowned leaders from Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam, we learned about their most effective leadership practices and developmental experiences.

The outcomes of this research can help companies in ASEAN support these practices and empower talented emerging leaders to develop their businesses to their full potential at the forefront of the global marketplace.

INTRODUCTION

This report is the result of a qualitative study undertaken by Gallup and HCLI. We interviewed top-level business leaders in ASEAN countries about how to develop business executives with inspiring leadership qualities.

The economic potential and impressive recent growth of the Southeast Asia region are beyond doubt. U.S. President Barack Obama said during a November 2014 visit to the region, "ASEAN is at the heart of Asia's rapid growth." Gallup research shows that for this growth to be sustainable, leadership practices must catch up to the region's economic development, or businesses in ASEAN countries will soon run out of talent to manage the region's expansion.

With traditional tiger economies like Singapore and emerging frontiers such as Myanmar, the region has evolved over the past 20 years into a hot spot for global investment. ASEAN countries have attracted multinational corporations and grown some considerable global players of their own. Where the region struggles, however, is in identifying and developing leadership talent capable of leading organisations in an inspiring and creative way. These leaders must be flexible enough to respond appropriately during uncertain times, yet steady enough to steer the helm with a vision that unifies large, complex workforces. Gallup has long studied what leaders need to be successful, using this research to develop the Executive Leadership Interview (ELI), an instrument that gauges an executive's leadership talent.

What we found is that when companies hire executives who lack the talent for leadership, it has a negative effect on their employees' engagement. Gallup's research shows that employee engagement is strongly connected to outcomes essential to a company's success, including productivity, profitability and customer satisfaction. Just 13% of the global workforce is engaged, compared with 12% of the workforce in nine Southeast Asian countries Gallup surveyed in 2011 and 2012. Some countries such as Indonesia and Singapore have employee engagement levels as low as 8% and 9%, respectively[1]. Thus, engaging employees is crucial for organisations to win the regional war for talent. With the ASEAN Economic Community (AEC) facilitating the free movement of skilled labour across ASEAN countries, the competition for the best employees is growing tougher.

Both Gallup and HCLI regularly work with companies on leadership development. When we noticed a scarcity of research and data on how to develop leaders for success in Southeast Asia, we set out to fill this gap by studying the success of leaders at large organisations across the region. We approached business leaders across all sectors in the six most-developed ASEAN economies: Indonesia, Malaysia, the Philippines, Singapore, Thailand and Vietnam. In the end, 72 leaders gave us a minimum of one hour of their time. We asked them a series of questions, including:

- What were the most important steps in your career path?

- As you reflect on your growth as leader, what has been most instrumental in enabling your success?

- Has there been someone in your professional life who invested their time and shared their learning and experience with you? Tell me about the most meaningful advice this person has given to you and how you have applied it.

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[1] (2013). State of the Global Workplace: Employee Engagement Insights for Business Leaders Worldwide. Omaha, NE: Gallup, Inc.

We were lucky to meet some of the most inspiring, unique leaders in the region. They ranged from industry superstars such as Indonesian Bank Mandiri's CEO, Budi Gunadi Sadikin, to Jonathan Yabut, the 29-year-old chief of staff of AirAsia and winner of "The Apprentice Asia." The interviews yielded many insights into successful management, several of which surprised Gallup and HCLI.

The findings compiled into this report stand out when compared with the most recent leadership development literature. These are novel leadership insights that we consider valuable for business leaders, including future executives and human resource (HR) professionals. As we expected, based on earlier Gallup leadership research, no easy formulas for success worked for all leaders equally. But certain definite components consistently emerged in many of the interviews. We compiled these into the five chapters that make up this report.

After several decades of constant growth, more and more residents of ASEAN countries are on the path to prosperity. To take the next step of transforming from a region that works hard to one that works smart, we believe that inspired — and inspiring — visionary leadership has to be more pervasive. Gallup research shows that good leadership will lead to a more engaged, more productive and higher-performing workforce in the region.

GROWING THE FUTURE OF ASEAN THROUGH STRONG LEADERSHIP DEVELOPMENT

by Vibhas Ratanjee, Gallup Senior Practice Expert

While there has been significant focus on China and India as the economic powerhouses of Asia, investors often overlook the equally exciting potential of ASEAN countries. It is projected that ASEAN's 10 member states together will be the fourth-largest economy by 2050[2]. With rapid growth come challenges, including managing and grooming a diverse range of leadership talent — both local and expatriate.

Surveys have repeatedly emphasised the scarcity of talent in Asia, and such a gap exists among countries in ASEAN[3]. Rapid growth in markets such as Indonesia, the Philippines and Vietnam have heightened demand for top talent[4], with companies needing to fill much of it with local talent. Similarly, the HCLI-Gallup study tells us about this imminent challenge and possible solutions. A good place to start to learn about the challenge and solutions is the region's unique characteristics and the specific socio-cultural nuances that we learned from leaders, particularly regarding the business environment and circumstances that sharpened their leadership focus.

DECONSTRUCTING ASEAN

ASEAN — consisting of 600 million people, 10 countries, multiple languages and dialects and a multitude of cultures and sub-cultures — is tremendously complex[5]. Traditional business models, once highly successful in the past, cannot cope with this kind of volatility or ambiguity in talent. ASEAN companies need a new breed of leaders to help them successfully navigate today's uncertain environment.

Leaders in the HCLI-Gallup study view complexity as an ally. It empowers them to innovate, adapt and thrive, even in times of dramatic change, political upheaval and financial crisis. To a certain degree, leaders can learn to navigate complexity, but the ability is also an innate talent that leaders need to develop.

Accordingly, three specific demands of leadership development in ASEAN stand out.

[2] HV, V., Thompson, F., & Tonby, O. (2014, May 1). Understanding ASEAN: Seven things you need to know. Retrieved February 10, 2015, from http://www.mckinsey.com/insights/public_sector/understanding_asean_seven_things_you_need_to_know

[3] Fuelling the Asian growth engine: Talent challenges, strategies and trends. (2012, December). Retrieved February 10, 2015, from http://www2.deloitte.com/content/dam/Deloitte/global/Documents/HumanCapital/dttl-hc-fuellingtheasiangrowth-8092013.pdf

[4] Wilson, W. (2014, August 7). Beating the middle-income trap in Southeast Asia. Retrieved February 10, 2015, from http://www.heritage.org/research/reports/2014/08/beating-the-middle-income-trap-in-southeast-asia

[5] HV, V., Thompson, F., & Tonby, O. (2014, May 1). Understanding ASEAN: Seven things you need to know. Retrieved February 10, 2015, from http://www.mckinsey.com/insights/public_sector/understanding_asean_seven_things_you_need_to_know
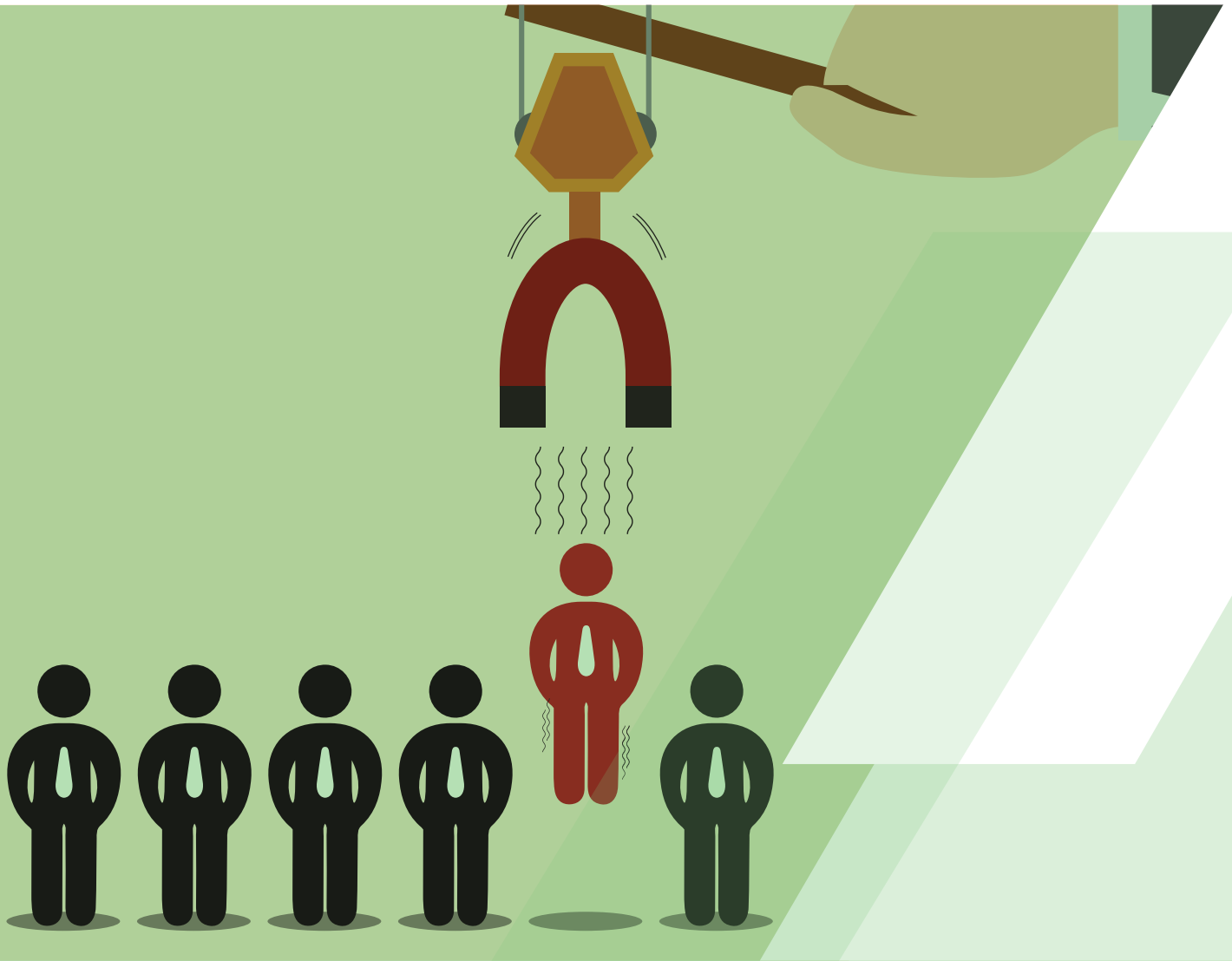
Developing ASEAN's Future Leaders Today

Seventy-one percent of senior executives in a HCLI-Deloitte survey[6] mentioned "talent scarcity" as their most urgent challenge. This has short- and long-term implications as companies struggle to build a steady supply of top talent in the face of growing demand for it. While companies fill some of these talent gaps with expatriate executives, increasingly there is a demand for local talent.

Another challenge is the vacuum created at the senior leadership level as the baby boomer generation retires. Building the next generation of local talent will require specific focus, unique programmes and coaching and developmental

interventions aimed at helping talented, young leaders reach their true potential.

Most leaders in our study mentioned that building leaders for tomorrow ranks high in their priorities. Many said that through thoughtful and intentional nurturing of others, they could grow as well. They have worked hard to build a culture of empowerment, with a strong focus on driving emerging leaders' talents and strengths.

[6] Fuelling the Asian growth engine: Talent challenges, strategies and trends. (2012, December). Retrieved February 10, 2015, from http://www2.deloitte.com/content/dam/Deloitte/global/Documents/HumanCapital/dttl-hc-fuellingtheasiangrowth-8092013.pdf

Converting Complexity Into Opportunity

Part of the complexity of doing business with ASEAN countries is the social, cultural and behavioural differences each country's distinct ethnicities, religions and languages pose. Leaders who can manage this multifaceted diversity will be able to create value for their companies and the entire region.

Leaders in our study talked about how complexity gives rise to opportunity. They have used a creative, flexible approach to open up new possibilities, develop new ways of doing business or tap into latent market potential. Many have operated in highly unpredictable market dynamics and had to navigate fairly uncharted territory.

Although emulating old ways of managing and leading might have worked in the past, emerging leaders from ASEAN countries do not have the luxury of learning to lead in a stable

environment with predictable consequences. They must be prepared to cope with many "black swan" events, or those rare occurrences beyond the normal confines of business as usual. If these challenging events occur early in their careers, dealing with and learning from them will provide invaluable experience.

To navigate uncharted territory competently and confidently requires the ability to see complexity as opportunity. The leaders we interviewed repeatedly spoke of opportunity allied with idealism to envision something larger than themselves. They practised a form of pragmatic idealism. While leaders need passion, commitment and an entrepreneurial mindset, they must balance these attributes with calculated risk-taking and an ability for managing high-impact, disruptive change. Instead of discouraging complexity, leaders in ASEAN countries must learn to embrace it.

Adapting Western Best Practices but Molding a New Way of Managing

ASEAN countries, like the rest of Asia, are at a cultural crossroads. Over the past two decades, Asian businesses have been exposed to the best of progressive management thinking: business planning, performance and talent management and strategic thinking. This thinking has brought greater discipline and focus on aligning business strategy with organisational goals. Many of the leaders in the HCLI-Gallup study excel at balancing progressive Western thinking with the traditional wisdom of Asian business practices and principles.
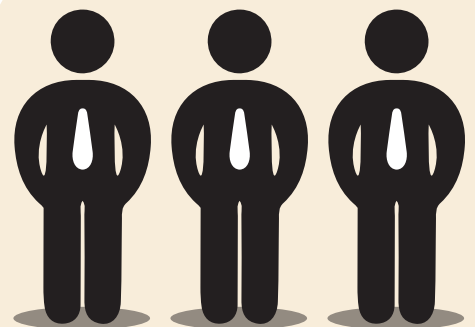
GROWING LEADERS IN ASEAN: FIVE STRATEGIES

Understanding these unique challenges provides a basis for tailoring an approach to leadership development in the ASEAN region that capitalises on its opportunities and latent potential. This report looks at five core leadership development strategies that emerged from Gallup and HCLI's interviews with highly successful ASEAN leaders:

Strategy 1: Make Long-Term Career Plans, but Remain Open to Possibilities

Many of the leaders we interviewed emphasised that the path to the top is not necessarily straight-forward. What drove them was an impetus to grow in their profession by constantly stretching their talents and expanding their frames of reference. They discovered that it is unrealistic to expect to go far on a narrowly defined, linear career path.

It is important to review one's career path often and course correct if necessary. Consequently, a career checkpoint around the three-year mark seems to be an effective time to reflect and take stock. Leaders spoke of the element of chance or luck, as they put it, that helped guide their destiny to the top. Often this element took the shape of an opportunity that did not look like much but turned out to be — or was parlayed into — a major gain. Leaders also mentioned receiving coaching and counselling at precisely the right time as a boon to their success.

Strategy 2: Go Global, Early

Many of the leaders we interviewed mentioned that international assignments early in their careers contributed to their success. Through structured career development focused on exposing emerging leaders to diverse breakthrough experiences at different stages of their careers, companies in the region can create leaders with a more well-rounded global perspective.

Moving across borders requires leaders to tolerate uncertainty and discomfort. Considerations of security, safety and not causing upset can hold back many who do not see the value of cross-border mobility. On the other hand, there is always the possibility that executives who leave their home countries will end up leaving their organisation. So moving emerging leaders to international postings is not without risks for their companies. Having support to smooth this transition and make it work for leaders and their families is crucial through what can be a steep learning curve.

Strategy 3: Early Cross-Functional Experiences and Risks Pay Off for Executives

Building effective leadership is essentially about finding an intersection between the demands of the role and determining what the leader has to offer in terms of talent and leadership strengths. To respect and value talent in different functions requires a true understanding of the challenges of these functions in a company.

In today's complex business world, leaders must have a holistic understanding of how a business operates, rather than a narrowly defined view of their specialisation. Companies in ASEAN countries

should help emerging leaders try on different roles to see the value of each function and skill set. This would help leaders gain a greater appreciation that there is no one right way — but many ways — of looking at situations, challenges and opportunities. Getting to know a new function can be difficult when leaders start with no real background and have to build competence over time. To enhance the time-tested practice of job rotation, companies should make an additional effort to help leaders build a set of experiences to gain a better hands-on understanding of multiple functions and skill sets.

Strategy 4: Develop a Professional Network With Depth

The leaders we interviewed understand the value of the right relationships — not just in quantity but also quality. They invest in building and nurturing relationships that benefit themselves and their organisations. These leaders are genuinely curious about others. They build relationships because they find others interesting or seek to learn from them.

These leaders understand the worth of the individual in addition to the value of the relationship, and their networks help them gain unique perspectives that enrich their leadership strengths. Most leaders we interviewed saw networking as a way of making sense of their own struggles. As leaders navigate the sometimes-dysfunctional systems in the region, these relationships and networks serve as a parallel system where they can seek answers, test ideas and celebrate success. Companies in ASEAN countries should promote these kind of authentic networks inside and outside their organisations.

Strategy 5: No Need to "Save Face"

The leaders in our study did not subscribe to the notion of the "hero leader" — the infallible leader who is never wrong. This might contrast with what has traditionally been the model to emulate in ASEAN countries, where leaders have projected a certain cult of personality or larger-than-life image carefully constructed through extensive image building and public relations.

In our interviews with successful leaders, they repeatedly mentioned that showing vulnerability was instrumental to their success. It takes a lot of authenticity for leaders to own up to weaknesses, but this helps in building a culture of transparency and objectivity. This approach fosters less blame and engenders a more rigorous debate about the pros and cons of each decision or strategy and brings each perspective under scrutiny. Underlying this path is a more democratic tone set by leaders who show their vulnerability.

Another key strategy that leaders should follow is to be open to feedback. Though most leaders profess to have an open-door policy, many might not genuinely put this policy into practice. ASEAN leaders must realise that being open about their own strengths and weaknesses and inviting a critical review of their decisions and rationale will likely do more good than bad.

These five strategies culled from top ASEAN leaders' reflections on their own growth offer much to think about for the serious student of leadership development. These findings should challenge businesses to perceive emerging and established leaders' needs in their own contexts and to help them find their way in each unique situation they face.

STRATEGY 1: **MAKE LONG-TERM CAREER PLANS, BUT REMAIN OPEN TO POSSIBILITIES**

SOUTHEAST ASIA'S TOP BUSINESS LEADERS THRIVE IN A CHAOTIC BUSINESS CLIMATE BY REVIEWING THEIR CAREER PATH EVERY THREE YEARS

HIGHLIGHTS:

- *A linear, predictable approach to career planning appears to be less realistic in an increasingly volatile business environment.*

- *Executives should reflect on their professional plans every three years.*

- *Emerging leaders should emphasise aligning their professional goals with their personal life.*

Today's emerging ASEAN leaders have no choice but to establish their careers in a volatile, uncertain business landscape. Aspiring leaders can no longer map out their entire career path in linear steps or expect to spend their entire professional lives at one organisation, operating in a relatively predictable environment each day. Instead, continuing progress towards the integration of the ASEAN Economic Community will likely lead to ever-increasing change, and leaders who can navigate that change successfully will have a clear advantage.

In such an environment, identifying and nurturing long-term career goals is more important than ever for emerging leaders. Through the course of their careers, leaders may shift from company to company and from one role to the next, but a long-range plan will ensure that they don't lose sight of all they hope to achieve. This is true not only in their professional endeavours, but also in their personal lives.

In the interviews we conducted with business leaders in the region, it was clear that they succeeded by setting a long-term vision for their careers while questioning and acting in short-term intervals.

Long-term career planning gives emerging leaders a road map to their goals, but they must also be prepared for detours. In the complex and changing environment in ASEAN countries, it can become difficult to predict or control one's career. Obstacles and opportunities can occur unexpectedly, and chance events may play a bigger role in shaping careers than expected. It is important for leaders to be open to the possibilities and perceive when it might be judicious to course correct.

THE MAGIC NUMBER FOR CAREER ASSESSMENT: THREE YEARS

Many of the senior leaders we interviewed found a balance by pausing to assess their career progression at regular intervals. After analysing several conversations, we found that three years seemed to be the magic number. The general manager of a luxury goods company's Southeast Asian operations told us:

My career was broken down into three-year paths. I wanted to become operations manager within three years. And when I achieved that, I said, 'OK, in three years, I want to become branch manager.' And then I said again, 'From branch manager, I want to become managing director.

The three-year interval was not a random number for these senior leaders: It was a reasonable period allowing for both individual growth and a chance for the individual to make a significant contribution to the organisation. Three years allowed for a fair relationship between employee and employer that encompassed both giving and taking. A Malaysian CEO of a local bank said:

I would always assess myself with what I call a three-year loop to examine how I grow. I look at how I am going to contribute to an organisation and how the organisation has contributed to me as well. I would reassess whether to move on by answering, 'What's next?'

The leaders we interviewed most often mentioned three years, but it is not a rigid number. Leaders working in other industries that are more complex or need a longer runway to realise results should consider taking stock of their career progress at intervals of slightly longer than three years.

EMERGING LEADERS NEED TO REFLECT ON A LONG-TERM VISION

While several of the senior leaders we interviewed assessed and managed their careers in three-year intervals, many also had a long-term vision that supported each interval. One of those leaders, the CEO of a port terminal in Vietnam, told us:

I move to different countries every three or four years. But I do this based on two principles: what I want to achieve professionally and what I want to achieve personally. I also want to tie my professional development to my family development, and I want to move around with my children so that they learn different cultures, different languages, have different experiences to have sort of a global, social understanding and education and interaction with people.

Some of our respondents' long-term visions anchored their decisions when it came to career transitions. In a world of complexity and change, a vision helps leaders focus on a few key pathways and allows them the flexibility to capitalise on chance events. A vision gives leaders courage in the face of challenges and contrarian voices. It helps to jolt them out of their comfort zone and seek out new assignments.

Of the leaders we interviewed, their visions went beyond their professional identity. The CEO of the port terminal in Vietnam placed equal importance on developing his profession and his family. Another major leader we spoke with not only appreciates Southeast Asia for the career opportunities it offers, but also because he could return to his ancestral country to explore his heritage.

Many of the leaders we interviewed said that both long- and short-term plans were important to their success. To stay on track with their goals, emerging leaders should:

Take a realistic approach to mapping out long-term career goals. Map out phases of your career to have a master plan for your professional life. However, it is important to remain flexible and not frustrated if things do not always progress as planned.

Assess progress regularly. Leave space in your career development plan every three years — or the magic number that best suits your industry and organisation — to evaluate how far you have come and to reassess what to do next to keep moving towards long-term goals.

Slow down. While it may be tempting to accelerate through job rotations and promotions, whether because of business demands or to meet a personal timeline, resist. Take the time to learn and understand each role and to make a professional contribution to the team and organisation. Do not change jobs or roles every year.

Look at the big picture. Consider career goals in tandem with personal and family goals. Think about the country and culture and determine where you might want to raise a family while you work, including schools, housing and opportunities for your spouse. Align long-term goals with family needs.

BOTTOM LINE FOR TAKING ACTION

For Line and HR Managers

Plan for emerging leaders to be around long enough to see the outcomes of their efforts. This helps to cultivate a sense of accountability and responsibility. Similarly, recognise that emerging leaders will make mistakes and that they must learn from them and reformulate their strategies to gain confidence and expertise.

On the other hand, do not allow emerging leaders to stagnate beyond a certain number of years in the same role. Emerging leaders typically love challenges and will look for new ones once they have reached a plateau in their current role. Help them take stock of their progress and, as much as possible, work together to plan for what's next.

For Emerging Leaders

Map out a long-term path for your career that also aligns with your personal life. Then, be patient. Resist the intrinsic urge to hurry to the top. Sometimes, slowing down and letting others see the outcome of your work will actually get you to the top more quickly.

STRATEGY 2: **GO GLOBAL, EARLY**

EMERGING EXECUTIVES IN SOUTHEAST ASIA SHOULD WORK ABROAD TO BECOME RESPECTED REGIONAL LEADERS

HIGHLIGHTS:

- *Companies should identify potential leaders with a genuine desire to work abroad among diverse people and cultures.*

- *Emerging leaders should not be afraid to embrace a new culture and learn its customs and languages.*

- *Organisations and employees must collaborate when deciding on the right fit for a posting abroad.*

As business crosses borders, the need for leaders who can do likewise has intensified. In many companies, a typical method of developing global leaders is to send them on international assignments. Academic research[7] suggests that living and working abroad offers benefits that frequent business travel cannot replicate. Living in a host country fosters creativity, helping leaders approach problems from multiple perspectives and appreciate alternative solutions. Many experienced executives believe sending emerging leaders to work abroad is the only way for these leaders to develop credible international experience.

THE CHALLENGE OF GLOBAL MOBILITY

Although it is an important step in developing international leadership ability, organisations in Southeast Asia often face a challenge in persuading emerging leaders to take on international assignments. This is particularly true when the post stretches beyond a few months and a position back home is not guaranteed.

For instance, an HCLI study in 2014 found that many of Singapore's emerging leaders were reluctant to accept an assignment abroad, often citing objections such as:[8]

- "Singapore is such a nice, safe and organised place to be. Am I sure I want to go to Jakarta or Ho Chi Minh?"

- "Who is going to cook or clean for me?"

- "I have aging parents."

- "What about my spouse's career? Will you make up for the loss of income?"

- "There are enough good jobs here."

7 Maddux, W., Adam, H., & Galinsky, A. (2010). When in Rome ... learn why the romans do what they do: How multicultural learning experiences facilitate creativity. Personality and Social Psychology Bulletin, 36(6), 731-741.
   Maddux, W., & Galinsky, A. (2009). Cultural borders and mental barriers: The relationship between living abroad and creativity. Journal of Personality and Social Psychology, 96(5), 1047-1061.
8 (2014). Building global leaders in Asia: A focus on Singaporean talent. Singapore: Human Capital Leadership Institute.

Their Indonesian counterparts proved no different. If nothing else, they tended to be even more entrenched with their families and friends.[9]

For this study, Gallup and HCLI interviewed Southeast Asian senior leaders who had moved across borders at some point in their leadership journey or who were currently working in a host country to learn about their experiences, stories and insights. Their perspectives make a convincing case about the importance of working across national borders to become an effective cross-cultural leader.

Companies that want their emerging leaders to be confident and competent across borders should keep these points in mind:

1. It is better to identify emerging leaders who genuinely aspire to gain cross-cultural experience within the company rather than to send the unwilling.

2. To help a leader make the most of his or her international experience, discover what motivates that person.

3. To ensure success, be sure to match the right leader with the right country.

4. Account for the needs of the leader's family.

IDENTIFY EMERGING LEADERS WHO ARE SEEKING A CROSS-CULTURAL CAREER

Here's the good news: While many Southeast Asian emerging leaders hesitate to relocate internationally, there are others who relish the idea of a cross-cultural experience. One Singaporean senior leader, who is now with a Singapore-based bank after stints in four different countries, including the U.S. and China, said:

I wanted to have an international career. So I stated up front to my multinational employer that I wanted to go to as many places as I could.

A Filipino senior leader now with a Philippines-based utilities company explained why he moved with his family to Singapore for a regional HR job in the early 1990s:

Right from the beginning, I always saw myself as someone willing to go beyond the confines of my geography. I'd like to say I am one of the early adopters as far as globalisation and the global village is concerned.

Companies should actively identify emerging leaders who aspire to gain cross-cultural experience instead of chastising those who cannot or do not wish to relocate. Practical constraints limit the number of international assignments available and global leaders are also a select pool: some high-potential leaders simply want or need to stay near home and would rather excel at being local leaders.

Through regular conversations with their organisations' emerging leaders, managers and HR leaders can learn about these leaders' career aspirations and their preferred developmental pathways. Managers and HR leaders should take note of those who express

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[9] (2014). Leadership mosaics across Asia: Building global leaders for Indonesia, from Indonesia. Singapore: Human Capital Leadership Institute.

explicit interest in gaining experience abroad. These leaders are more likely to see an international assignment as an opportunity to seize rather than an obligation to grudgingly fulfil.

Similarly, emerging leaders should vocalise their interest in opportunities abroad. An international assignment is an expensive undertaking and organisations want to ensure a healthy return on investment. Cultivating a record of strong performance will help emerging leaders earn their manager's trust to be considered for international posts.

MOTIVATION MATTERS

When it comes to selecting an emerging leader for an international assignment, skill is important, but it is integral to choose a leader with the will to excel in a host country. This motivation can take different forms. For instance, challenges and adrenaline drive some leaders. Others love to be trailblazers. When we asked the Filipino leader why he relocated to Singapore for a regional role, he responded:

I think of myself as someone who tries his best to blaze new trails. I think it's a healthy dissatisfaction with the status quo. And I think I was inspired by my father, who is very much like that. He loves to do new things; otherwise, he gets terribly restless.

Some emerging leaders may want an international assignment that will help them use certain specific skills. One Singaporean interviewee explained:

I went to school in Tokyo, so I realised that my advantage would be in using the Japanese language as a tool in understanding the thinking and behaviours of East Asians. So, I consciously got myself into career development situations where I could make use of my Japanese language skills.

Still national pride and a desire to contribute to society might drive others, such as a Vietnamese leader who was sent to Singapore for a year:

The company provided me with good opportunities to work and learn in an international environment. Wherever I worked on an international posting, like Singapore, I used my professional expertise to devote myself to my job. I am always proud of being Vietnamese. Now, because of my professional experience, no one can say that a Vietnamese is less capable than a Singaporean.

Managers should keep an open dialogue with their emerging leaders to understand their motivations and discuss their development. Through these discussions, managers can learn to recognise what drives their emerging leaders

and then use these motivations smartly. It is important to determine if leaders are trailblazers who can pioneer foreign ventures for the company or staunch patriots who wish to return to their home countries one day to drive the operations there.

Through intense introspection and reflection, emerging leaders must determine what truly motivates them and then help their managers understand what makes them tick. Beyond present capabilities and competencies, these leaders should think about the most important experiences that shaped their values and personality since childhood and explore how these align with their leadership journey.

BALANCE BUSINESS NEEDS WITH COUNTRY FIT

Though aspiration and motivation help Southeast Asia's emerging leaders make their first move across national borders, it is important that they find sustainable success in their host country.

One Southeast Asian senior leader credited his success in a host country to his inherent openness to experiencing and learning from other cultures:

I think there are some fundamental traits, like respect for individuals, honesty and integrity, which are universal. I think I have been lucky because I have a genuine interest in different people and different cultures. I think being able to learn from the culture and the people — that's important. And people can tell.

Another leader (a Singaporean working in Thailand) agreed, emphasising the benefits of cultural immersion in the host country:

A level of curiosity does help. One thing: To be local in the environment you're working in is important. You see many foreigners stay among foreigners. And I say if I want to mix with other Singaporeans, I might as well be in Singapore. I do have many Singaporean friends here, but I also have many Thai friends. Tonight, I'm having dinner with five people and I'll be the only one from Singapore.

In countries in ASEAN, each nation and culture has specific nuances. For a leader's first international assignment, the organisation should consider host countries similar to the assignee's home country. For instance, one Malaysian leader we interviewed moved to Indonesia and described the transition as relatively easy because he saw the religion and culture in both countries as similar.

Among emerging leaders, managers should watch for those who show a genuine interest in a certain culture or who have a connection through friendship or family to a specific country or region. Another indication that an emerging leader could be open to an international post is if he or she speaks the local language or is enthusiastic about learning it.

Sometimes, leaders' experiences before joining the workforce offer clues to where they might best fit abroad: One Filipino leader who went to Indonesia explained that he could easily work with different types of people because of studying in multicultural Manila. Emerging leaders must be honest with their managers about which countries and cultures they would be the most compatible with given their skills, interests and life experiences.

FOCUSING ON THE NEEDS OF FAMILIES

Family concerns can be a key obstacle to the mobility of emerging leaders in Southeast Asia. Asking a single individual to assimilate into another way of life is one matter; asking an entire family to do the same is more challenging. When we asked one interviewee if she would accept another international assignment, her response was somewhat tempered:

I am much older now, I must say. My time abroad was 10 years ago, and now I have two kids. The level of energy and ways of approaching life abroad are different now. But, yes, if another opportunity abroad came up, I would most certainly do it.

Another leader, when asked the same question, voiced the concerns of those with children:

I think people ask, 'If I go overseas, what will happen? What about my kids' education?' The most ideal situation is when your kids are very young or very old. If your kids are at an age in between, it is difficult to move abroad because kids' circumstances and feedback are much more important at that time. But when they are 2 or 3 years old, it's just a world of opportunity. You shouldn't even think about this as holding you back; you should just go.

The consensus among those we interviewed seemed to be for emerging leaders to embrace international opportunities while they are young and unencumbered by family matters. The leaders we talked to revealed that it gets progressively more difficult to take advantage of cross-cultural experiences when one is settled and has ever-increasing responsibilities. However, they agreed the experience is worth it, even if circumstances are less than ideal. An executive with two children we interviewed who said he would return abroad summed it up:

The experience is extremely enriching. It allows you to develop yourself and to be able to cope with ambiguity, and this is important for any leader to have.

Most of the leaders we interviewed said their international business experience had a positive influence on their career overall. To help emerging leaders and their organisations make the most of these opportunities, these leaders should:

Be willing to take a leap of faith. While there are certainly personal and professional risks involved in taking on an international assignment, reframe the sacrifices as opportunities and view them as an investment in your future.

Be clear about the motivations for leaving home and remember them when the going gets tough. It is vital to know your own motivations and purpose. There are bound to be emotional lows during an international assignment and you may question if it was worth leaving behind the familiarity of home, friends and family. During these times, hold on to your sense of purpose.

Go for a gradual approach of acclimatisation. For your first international assignment, going to a country relatively similar to you own is a good first step before taking on more challenging locations. Other gradual approaches can include working with the local team on a short-term project, perhaps three months — possibly even via virtual means — before moving there on a longer-term basis of a year or more. This allows both sides to test if the likelihood of fit is high.

Embark on cross-cultural journeys as early as possible. If you have a family, they should not necessarily restrict you from moving. Look at taking a position abroad as giving your family a multicultural life experience. Further, living abroad fosters creativity and problem-solving skills, which enhance your career.

Be genuinely curious about the host country and its people. Curiosity will help you gain more from an experience working abroad. Sticking with a circle of expats will not help in growing the cross-cultural mindset. It is through listening and understanding locals that you can best determine methods for success, whether in terms of business operations or employee engagement. Keep an open mind and do not impose ways that used to work in another location or be rigid.

BOTTOM LINE FOR TAKING ACTION

For Line and HR Managers

Use regular conversations with emerging leaders to learn about their career aspirations and preferred developmental pathways. Likewise, dialogue can help you discern leaders' motivations and provide clues to what opportunities might be the best fit for them. Also, ensuring that leaders' family needs are taken in account will help ease the transition and eliminate potential distractions that would prevent leaders from excelling at their job.

For Emerging Leaders

Communicate proactively with your manager and/or HR team about your willingness to go abroad to enrich your career. Proving your abilities in your current role will help you gain your manager's trust and make him or her feel more confident about recommending you for an international post. Share traits or skills that would make you a suitable candidate, including experience or interest in a particular culture, foreign languages you know and friends, family or other connections in different countries. It may be ideal to take the leap when you are younger. However, if you accept an international opportunity and you have a family, work with your organisation to ensure that their needs are met.

STRATEGY 3: **EARLY CROSS-FUNCTIONAL EXPERIENCES AND RISKS PAY OFF FOR EXECUTIVES**

EMERGING LEADERS SHOULD NOT SHY AWAY FROM DIVERSE EXPERIENCES AT THE START OF THEIR CAREERS.

HIGHLIGHTS:

- *Diverse experiences early on in an executive's career improve his or her chances of being a successful, adaptable leader in Southeast Asia.*

- *Emerging business leaders in the region should try different job functions and roles to ensure that they are using their strengths.*

- *Executives should feel empowered, not afraid, to take risks and move out of their comfort zone in the ASEAN business climate.*

Business leaders often struggle to foster a collaborative culture in workplaces where functional and product lines operate in silos, with few opportunities for cross-platform communication. Findings from this study indicate that executives who experienced diverse professional experiences early in their careers may stand the best chance of breaking down organisational barriers to cultivate a more collusive culture.

Holistic leaders with broad views are in demand now more than ever with mergers and acquisition activity spiking across countries in ASEAN[10]. In the current business climate, the ability to align an organisation's goals is paramount. And, ASEAN governments have set a goal of achieving the free flow of goods, capital and labour by the end of 2015[11] — meaning this leadership ability will become even more important as the need for regional cooperation looms among 10 different ASEAN countries. Our interviews with successful business leaders across ASEAN countries reveal that those most at ease navigating a complex business climate were exposed to multifunctional experiences early in their career. These leaders emphasised that instead of specialising in one area right away, they chose to learn a breadth of functions near the beginning of their leadership path.

[10] Chakravarty, V., & Ghee, C. (2012). Asian mergers & acquisitions: Riding the wave. Singapore: John Wiley & Sons.
[11] Mathuros, F. (2015, January 23). Leaders Confident that ASEAN Economic Community Will Be Launched By End of Year. Retrieved February 10, 2015, from http://www.weforum.org/news/leaders-confident-asean-economic-community-will-be-launched-end-year

THE VALUE OF DISRUPTIVE EXPERIENCES

Respondents said disruptive experiences in their career taught them an appreciation for working across different functions. These experiences also made it easier for them later to choose a specialisation that best aligned with their passions.

Through our interviews, we found three recurring themes that underscore ways in which leaders derived diverse, multifunctional professional experiences early in their careers from their organisations:

1. These leaders created a process to constantly reflect on and realign with their goals and values after making significant professional moves.

2. Emerging leaders can use multifunctional experiences to home in on their greatest talents.

3. These leaders felt empowered to take risks that would lead to positive changes, rather than holding back out of fear of the consequences of making a mistake.

MAKE TIME FOR REFLECTION

In today's fast-paced business environment, important work experiences and teachable moments can easily blur together or be forgotten over time as executives move swiftly from one project to the next. When emerging leaders do not take the time to record and reflect on their experiences, they lose the opportunity to integrate these vital lessons into their leadership practice and style.

Most business leaders agreed that while moves in their early career were largely a matter of chance, what was most important was the ability to connect lessons learned from these experiences to their overall career goals. Many of our respondents said they took time to align the new direction of their careers with their goals and their values.

Some took an unstructured approach, while others tried to be more organised about recording and measuring progress towards their goals. One young business leader we interviewed, who rose quickly among the ranks in the transportation sector, uses a very systematic approach to tracking his career:

I use a spreadsheet on which I note my goals for the coming one, three, five and 10 years. And I revise it every three to six months. This makes me feel in control of my life and career.

Whether business leaders used a structured or unstructured method for reflection, almost all of them asked two key questions to stay on course in their careers despite disruptions:

What are my personal values?

How does my current role help in attaining my personal mission?

Several respondents said that continuously thinking about their job role in light of their larger personal mission helped to keep them grounded on the path to reaching their own goals. An HR leader at one of Indonesia's larger media conglomerates said:

> *I believe that when we enter a new environment, other than adapting to new environments, the most important thing is to be a leader for yourself, and answering questions like 'What are you looking for?' To put it bluntly, 'What are you looking for in life?'*

SOLIDIFY YOUR UNDERSTANDING OF YOUR STRENGTHS

Beyond aligning with a leader's mission and goals, multifunctional experiences should also help emerging leaders solidify their awareness and understanding of their own strengths. Several of the leaders we interviewed explained that in different roles, they would pause periodically to evaluate how their current job aligned with their greatest talents. They continuously searched for their "sweet spot" and asked themselves if they were still enjoying their work. In fact, many identified this question as the key factor in deciding on which function or area they would ultimately pursue.

It may seem like a simple thing, but finding pleasure in one's work is an important indication that you are operating from strength. Gallup's decades-long research has shown that people who pursue roles that use their strengths to the utmost will likely have more fulfilling careers and experience higher levels of performance and satisfaction than leaders who do not have the opportunity to do what they do best in the workplace. What's more — an individual using his or her strengths at work is three times more likely to report having an excellent quality of life. The process of finding that so-called sweet spot involves introspection and continuous self-evaluation. One operations leader at an

electronics manufacturer described the process of finding his passion:

> *I started my career primarily in the materials management profession. But after an opportunity where I was able to run an electronics factory, I discovered I enjoyed operations. As I get to the tail end of my career, I find that I enjoy operations because I have the chance to interact with people. Of course you manage machines, systems and processes — but also people.*

TAKE RISKS INSTEAD OF PLAYING IT SAFE TO ACCELERATE LEARNING

A strong pattern that emerged in a majority of interviews was that leaders either credited the risks they took early in their professional lives as some of their best career lessons, or they regretted not taking more risks early on. They emphasised that financial considerations should not be a priority at the start of a career. A head of strategy at one of the region's most successful banks recalls the advice a mentor gave to him regarding money:

> *He told me: 'During the first 10 years of your career, you shouldn't really worry about the money. You should worry about investing in yourself. Take as many experiences as you can, volunteer as much as you can and take risks. What you will find is, if you focus on growing and performing and building the right relationships, somehow you will be able to monetise all these experiences later on.' That advice turned out to be absolutely true.*

A COO of another of the region's banks regretted not having taken risks when she could have:

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If I was going to change one thing, it would be my risk appetite. For me, it was always more holding back as opposed to jumping in. I should have taken bigger risks earlier. Because as you go through your career, you can see the advantage. You learn by taking bigger risks. Sometimes you fall farther and fall harder. But you also have the ability to accelerate your learning.

Several leaders mentioned that the culturally driven fear of failure pervasive in the region kept high-potential leaders from trying things that might not necessarily lead to success and a stable career. This fear led to lower rates of innovative behaviour and entrepreneurial activity among leaders.

While the leaders we interviewed emphasised being open-minded and daring early in one's career, there are steps that can help emerging leaders prepare for or mitigate risk somewhat:

Early cross-platform experiences are often as much a matter of chance as they are of planning. You, and your HR and company leaders should communicate in advance and construct a customised pathway for leadership growth with several multifunctional opportunities planned along the way.

By observing your performance in various contexts, you will find your true talents and strengths. Companies should facilitate an open performance feedback system that allows a high-potential emerging leader to navigate towards the role and specialisation that suits him or her best.

Companies should create tools and resources leaders can use to reflect on their leadership journey. Workbooks, journalling and formal and informal conversations with emerging leaders can help them internalise their experiences and consciously consider how these lessons can enrich their career.

You should be adaptable and open to unexpected career turns and risks. Instead of feeling frustrated by an assignment that may seem like a detour from your career path, be open to the lessons that a broader experience might provide.

BOTTOM LINE FOR TAKING ACTION

For Line and HR Managers

An aversion to risk in several of ASEAN cultures can hinder innovation and entrepreneurial thinking. Allow your high-potential leaders to try out diverse roles and activities, to take risks and to fail. It will accelerate their learning and can result in unexpected business successes.

For Emerging Leaders

Be bold and daring in the early phases of your career. Don't let financial rewards be your main focus; instead, first try to broaden your horizon and grow holistically as a professional and a leader. While the risks and unusual career paths taken might not always result in easy successes, the lessons learned will be deeper and the growth more sustainable than in a straightforward career.

STRATEGY 4: **DEVELOP A PROFESSIONAL NETWORK WITH DEPTH**

SOUTHEAST ASIA'S EMERGING BUSINESS LEADERS SHOULD INVEST IN STRONG, GENUINE RELATIONSHIPS BECAUSE LARGE BUT SUPERFICIAL NETWORKS COULD PROVE LESS VALUABLE

HIGHLIGHTS:

◢ *Professional networks are vital for career paths among ASEAN leaders, where getting together outside work can be more important than meetings in the office.*

◢ *Emerging business leaders should view networking as a useful tool, even if it means taking time away from work or overcoming introversion.*

◢ *New executives should take time to carefully invest in meaningful professional connections, rather than superficially casting a wide net.*

A strong network is essential in ASEAN culture, which highly values interpersonal relationships in the business context. In our interviews with leaders in the region, more than once we heard the same words of wisdom: The most valuable information you will receive from someone won't be over a meeting table, but a dining table.

The colourful networking landscape in ASEAN countries reflects the mix of personalities from various cultures and nationalities that gather in the region. Each of the six ASEAN member states in this study has its own uniquely diverse culture, something all multinational corporations must consider with the region's cross-border trade and talent movement. In Singapore, for example, 12% of its 5.26 million residents are highly skilled professionals from other countries, forming an expat community of more than 630,000.[12] Several expat leaders Gallup and HCLI interviewed attributed their success in the region to building a local network in their host country.

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[12] Composition of Singapore's Total Population. (n.d.). Retrieved February 10, 2015, from http://population.sg/resources/population-composition/#. VFyIgfmUer

Though all of the business leaders we interviewed agreed that a strong network is vital to success, they differed about when and how to network. The variation in their comments shows that there is more than one way to build a viable network. Leaders who found an individualised approach that worked well for them said it was a strong factor in their success. Our findings showed:

1. Leaders must get past common misconceptions about networking.

2. The best networks advance everyone's interests.

3. Seek contacts beyond the business world — particularly in the public sector.

BREAKING THE NEGATIVE STEREOTYPES OF NETWORKING

While nearly all of the leaders we interviewed recognised the value of networking, most felt that they were poor at this skill. The difficulty seemed to focus on the perception that one needs to be naturally extroverted and outgoing to build an effective network. While networking does not come naturally to everyone, different techniques can help extroverted and introverted leaders find success.

The business leaders we interviewed suggested that introverted leaders be intentional in making efforts to network. Those who were introverted still found success by consciously seeking common ground and building trust with their professional contacts. Business leaders saw industry events and conferences as a safe venue where reluctant networkers can meet with like-minded colleagues. One of the business leaders we interviewed shared his one-on-one approach to networking:

> *I very much focus on my job and I'm very busy. I tend not to have enough time to connect with people. But whenever I have a chance, I establish a close relationship with someone I'm able to connect with. My approach is more about building trust when I work with someone, and I think that is the most important. Try to connect with people over lunch and dinner — make an effort to talk privately or talk about something a bit more personal. Professional relationships need time. And they cannot be made with everyone.*

Respondents said that all leaders, whether introverts or not, would succeed by finding common interests to build authentic bonds with their professional connections. Here's how the head of business at a Thai bank approaches professional connections:

> *My approach to starting off a networking relationship with somebody is really trying to find a common interest, passion, hobby or whatever. I find that allowing people to know that you are like them in some way allows them to open up to you. For instance, I bought a motorbike a month ago, a big bike, and use it as a point of conversation to see if there are others in my organisation who also share the same hobby.*

Another misconception is that because building relationships is a soft skill, networking lies outside the parameters of leaders' "real" work. While they recognise networking's importance, some leaders view it in a negative way as a detraction from work time. A Singaporean CEO in the insurance sector still finds it important to make time for networking:

> *My real job is running this company right, but I do attend events, and especially industry events, and I am quite supportive of activities in the industry. I am probably a little more active than an average CEO in participating in industry networking. Initially, I was not really a social butterfly. But I got better at social activities, and it helps me getting to know what is going on in the market and maintaining contacts.*

The business leaders we interviewed who were the most comfortable with — and most successful at — professional networking said that it should be prioritised as an integral part of the job. Our findings show that when business leaders overcome common stereotypes, they can effectively build a network that accelerates their growth as leaders.

BUILD NETWORKS THAT BENEFIT EVERYONE

The director of a consulting firm in Indonesia, a naturally extroverted business leader for whom networking comes easy, told us he did not develop his professional network solely for his own use. Instead, he created a type of social ecosystem that benefits all involved:

> *I have always had a lot of friends. So I developed an organisation with a friend of mine that is now managed by a small group of senior executives. We meet once a month and others are invited to join us. We take one professional from each sector. You contact anyone currently in the group if you want to join — I may not be the first contact.*

This business leader's example reminds emerging leaders to not be selfish with their professional networks — they are not meant to be solely self-serving. Another business leader, the CEO of a global bank's Malaysia subsidiary, also creates this type of mutually beneficial ecosystem on a smaller scale. He told us:

> *I try to maintain a smaller pool as opposed to a large network of people. It's very difficult to maintain a relationship with a large number of contacts, so I have a set limit of contacts in a few countries. They see I'm making the effort to be in and see them. It keeps the relationship warm. It's all about connecting with people and limiting the number of contacts because it's very difficult to maintain personal contacts with thousands of people.*

The head of business in Thailand urged emerging leaders to look outward and not just focus on how to climb the corporate ladder:

> *Often, leaders, or up-and-coming leaders, get it wrong. They believe that networking is all about figuring out who can influence your career the most and using that to sort of help to get your career moving. I think you've missed the boat because that gets you focused on networking internally within the organisation with whomever you believe to be key to supporting your career. And you don't always get that right. Networking is about making sure that you are in touch with the pulse of things that are happening both inside and outside.*

THRIVING ASEAN NETWORKS INCLUDE LOCAL, UNIVERSITY AND GOVERNMENT CONNECTIONS

Business leaders we interviewed also point to the importance of building a network outside of one's work organisation. School alumni and professional organisations are good platforms on which to develop an external network because they offer a mix of personalities, interests and expertise, our respondents advised. One leader, an expat executive in Thailand, said he reached out to his alma mater and founded a university group to connect with. He also became active in the American Chamber of Commerce in Thailand, which boasts participants from some 700 companies.

Expat business leaders, especially, need to focus on building local networks in their host country. An expat executive who is head of business for a local bank in Malaysia told us that, in his case, these contacts were crucial,

and while it is a long process to assimilate to different nuances, adaptability is paramount:

> *Coming to ASEAN was a new cultural experience for me, and trying to understand how things work individually within the different countries of the region is kind of self-taught. I've been working in local business, so a lot of our stuff is focused on small business. The only way you can run a small or medium-sized enterprise in ASEAN is to get very, very local and understand how the customers behave and do a lot of face to face. So, I think the ability to be open-minded generally allows you to have a more comfortable conversation with customers.*

A unique feature to consider about professional networks in ASEAN countries is the close ties between corporations and government agencies. Some of the biggest corporations in ASEAN countries are state-owned enterprises (SOEs). Among the six ASEAN countries this study covers, the share of SOEs in the respective country's top 10 firms are over 60% in Indonesia and Malaysia, 37% in Thailand and 23% in Singapore.[13]

The ties between corporations and government agencies have a profound implication on the flow of talent between the public and private sectors. With often-ambiguous regulation in most ASEAN countries, a favourable relationship with government agencies can provide a competitive advantage for companies over their rivals in the market. Being a top leader in an ASEAN company therefore requires a functional professional network to get things done. It is not an option for success — it is a requirement.

[13] Büge, M., Kowalski, P., & Sztajerowska, M. (2013, May 2). State-owned enterprises in the global economy: Reason for concern? Retrieved February 10, 2015, from http://www.voxeu.org/article/state-owned-enterprises-global-economy-reason-concern

Some senior leaders we interviewed are intentional in providing such opportunities to young talent. For example, a CEO of a large Indonesian bank shared the following:

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Since I joined the bank in 2006, every six months I pick two of the best officers from our office development program to go with me everywhere I go. We went to the banking institute where I teach. And after that we rushed to the National Audit Agency because they just changed the CEO and I just wanted to teach him something extremely important because we are the largest bank.

The diversity of opinions among the business leaders we interviewed reveals that professional networking is still an area in an exploratory stage of leadership development. Because those respondents who had small, targeted networks were more likely to attribute this to their professional success, Gallup and HCLI advise that taking this approach is more effective. Other recommendations include:

Consider networking an opportunity, not a burden. Networking helps you gain access to insights and information that you would miss if you spent all of your time alone in your office attending to "serious" business.

The best way to network is the way that works for you. Some naturally gregarious people find it easy to build large social networks in a short amount of time. Less outgoing leaders should deliberately focus on building trusting, authentic relationships one at a time if necessary.

Look outside your organisation for opportunities to build meaningful contacts. Professional organisations, industry events and conferences, college alumni groups and expat social groups can help you find like-minded contacts who share your interests.

Look outside your own interests and build a network that benefits the wider group. Shallow, self-serving networks are not particularly effective in the long term and sometimes backfire. A better bet is to create a network that is mutually beneficial to all.

Build relationships in the public sector. Given the close relationship between governments and businesses in ASEAN countries, business leaders who have allies in government offices can make it easier for their companies to do business.

 BOTTOM LINE FOR TAKING ACTION

For Line and HR Managers

You might need to introduce emerging leaders to people outside the organisation who are important to the business. A senior leader can bring young talent to external business meetings and introduce him or her to important networks. This external exposure is crucial because for an emerging leader to one day manage a business, he or she needs to know the macro political and social environment the organisation operates in.

For Emerging Leaders

Contrary to common misperceptions, networking is an important part of a leader's job and not just for extroverts. Even if you don't consider yourself a born networker, it pays to make the effort to build connections inside and outside the organisation. You do not need to attend every industry event and collect business cards from every professional you encounter. But staying in touch with contacts who inspire you or who share your professional or personal interests and investing in these relationships can help you build a circle of trusted advisers.
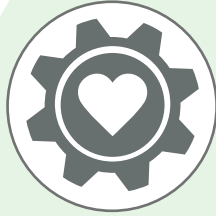
STRATEGY 5: **NO NEED TO "SAVE FACE"**

CONFRONTING WEAKNESSES AND MISTAKES CAN LEAD TO LEADERSHIP GROWTH AND EMPOWERMENT

HIGHLIGHTS:

⬛ *A leader wants to be accepted as an authority and expert in his or her field. But being honest about shortcomings in other domains is a more effective strategy for leadership growth than feigning expertise.*

⬛ *Leaders who show a genuine interest in others' ideas and expertise will discover a wealth of mentors and teachers at work.*

⬛ *Allowing employees to challenge dogmas and strategies makes a leader more flexible in uncertain times and encourages innovation.*

In Asian societies, it is difficult to overestimate the value of "saving face" or salvaging one's dignity in a potentially humbling situation. Because this value is often at odds with the Western propensity to freely speak one's mind, cross-cultural seminars routinely warn business people to avoid inadvertently embarrassing their Asian partners and contacts at any cost.

Conventional wisdom indicates that the wisest course of action for leaders in ASEAN business culture is to heed this societal norm and not only avoid embarrassing others, but also avoid showing signs of weakness or defeat themselves. In this light, it would seem that success lies in preserving one's composure, hiding mistakes and concealing areas of vulnerability.

Yet, surprisingly, the business leaders Gallup and HCLI interviewed found success by going against the grain with regard to this aspect of ASEAN culture. The majority of top executives across all the countries we studied, both local and expat, instead emphasised being open about their weaknesses and shortcomings along their path to leadership growth. They used their vulnerability to empower their staff and to build honest, trusting rapport.

HUMBLE LEADERS TRUMP HERO LEADERS

One Filipino marketing executive we interviewed in the fast-moving consumer goods industry explained his approach when his decision to discontinue a product proved to be a mistake. As the market share for the product category declined, he asked his team to revise the numbers, candidly admitting his error. This interaction typified his management style of not only celebrating individual and team successes, but also owning up to and learning from failures. As a result, he said his employees felt empowered to suggest strategic improvements and to speak up when they thought the business was moving in the wrong direction.

We heard similar stories from many of the business leaders we interviewed. Most respondents agreed that humility is a desired trait among leaders in ASEAN business culture, as opposed to the paradigm of the infallible "hero" leader who exudes charisma and confidence. Despite the all-consuming imperative to save face, our respondents felt that showing vulnerability is a valuable component to the region's "humble leader" ideal.

Although they risked losing face with this style of leadership, respondents felt they gained three important advantages:

1. By identifying areas where they lacked talent and confronting them early in their careers, leaders avoided pursuing roles that were not the right fit for them and found complementary partners who excelled in areas where they needed help.

2. When leaders were open about their knowledge and skills gaps, they found colleagues and business partners of every age and rank who were eager to act as teachers and mentors to help them get up to speed.

3. Leaders who have allowed team members and others to challenge their beliefs and strategies in uncertain times tended to be more adaptable and to foster innovation.

THE MYTH OF "FAKE IT UNTIL YOU MAKE IT"

People embarking on a new career path are often encouraged to "fake it until they make it" — that is, to cultivate an aura of competence and credibility even if they lack the talents, skills or knowledge they need to truly succeed in their role. The idea is to maintain the pretence until their abilities catch up with their projected image. Several of the business leaders we interviewed, however, disagreed with this approach, arguing that it could deprive a professional at the start of a career from discovering what he or she is genuinely good at.

Instead of feigning perfection, these executives suggest constantly seeking open, honest feedback from employees throughout the organisation. After all, the right feedback could keep an individual from wandering too far down the wrong career path and nudge that person instead into an area more aligned with his or her natural talents.

One HR leader we interviewed started his career as an engineer because he was comfortable with numbers and technical matters but typically shied away from confrontation. A stint in his company's HR department, however, convinced his mentor that he had uncovered an untapped talent that he needed to explore:

The first time I helped with union negotiations, I needed to be told to explore the HR function, especially employee relations and labour relations, because I was good at it — maybe better than I was in the field that I had come from. And it took time for me to realise and understand this because it was a competency that I had never developed or thought I was good at.

ASKING FOR HELP ACCELERATES DEVELOPMENT

Trusted colleagues, mentors and advisers can act as a mirror for leaders, reflecting back talents leaders cannot see in themselves. They can also help leaders in areas where they may have a potential knowledge or skills gap.

Leaders might feel uncomfortable admitting they need help, but many of the study's respondents agreed that asking their managers or HR partners for aid in specific areas accelerated their development, allowing them to receive the targeted support they needed. Respondents

said requesting help opened up more learning opportunities as they began to view their colleagues throughout the company as potential teachers. Making the most of opportunities to learn can help talented managers grow into strong leaders with a holistic business perspective who are adept at working with people and managing tasks.

An American C-level executive at a Malaysian bank described the effectiveness of this approach:

One of the things that people in ASEAN appreciate about my style is that I'm confident in knowing what I'm not good at. I have no problem telling somebody that I wasn't trained traditionally, and most of them probably know more about corporate banking than I do. And that really puts them at ease. Everyone's honest and upfront about their strengths and weaknesses. And this puts your employees in the role of the teacher, so you expect them to help you come up to the curve.

Great leaders get to where they are because of their skills, knowledge and leadership talent, but they don't pretend to be experts at everything. We learned from the leaders we interviewed that their openness about their own shortcomings helped them create a culture of ongoing learning and empowerment.

When leaders turn to experts within the organisation to boost their knowledge and skills, those employees know that their thoughts and opinions are being heard at the highest levels of the organisation. These cross-level encounters cultivate a collegial attitude focused on listening and help the leader build relationships throughout the company. Several respondents said employees in the millennial generation were easier to understand after business leaders spent time listening to their needs.

VULNERABLE LEADERS BREAK THROUGH BOUNDARIES

Business leaders who make decisions based on firm beliefs and dogma — those who consider themselves infallible — might find it difficult reacting to sudden or severe changes. Several leaders we interviewed mentioned that they had dogmatic leaders who were not flexible enough in uncertain times and ultimately failed. A prominent expat CEO in Malaysia said that when he first arrived in the region, he found that open, constructive feedback was not part of his organisation's daily practice:

How can you drive an organisation into an innovative environment without people's feedback? Feedback was just not part of the culture, so I saw it as the main element of my leadership to encourage people to give critical feedback. How do you make your people open up or give you positive criticism? Very simple: you ask questions. And once they start giving you responses — providing critical feedback and suggestions — you need to do what they say, if it makes sense.

Recent research shows that an organisation can only reinvent itself and thrive if leaders are open about their insecurities regarding the challenges they face. American scholar, author and public speaker Brené Brown, who made headlines with her groundbreaking study on shame and vulnerability,[14] claims that "vulnerability is the birthplace of innovation, creativity and change." Executives must welcome and learn from critical feedback.

Yet, studies comparing social interactions worldwide predominately show that Southeast Asian societies are less confrontational and more hierarchical than are their Western counterparts. One of the largest such studies, the Global Leadership and Organisational Behavior Effectiveness (GLOBE)[15] research programme led by Professor Robert House of the Wharton School at the University of Pennsylvania, found societies in Southern Asia score extremely high on the importance of hierarchies. The study's results suggest that many managers in the region are not wired to question authority, putting the impetus on leaders to reach out and help their team members and colleagues feel comfortable sharing their ideas.

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[14] Brown, B. (2012). Daring greatly: How the courage to be vulnerable transforms the way we live, love, parent, and lead. New York, NY: Gotham Books.
[15] Ashkanasy, N. (2002). Leadership in the Asian century: Lessons from GLOBE. International Journal of Organisational Behaviour, 5(3), 150-163.

Many of the leaders we interviewed considered open feedback paramount to their success, sharing with us their techniques for encouraging employees to give direct, open opinions:

Continuously seek feedback in your interactions with close collaborators. Assure your peers and followers that you are genuinely interested in their opinions about your performance. Smooth the way so they find it easy to share how they see your work and leadership. It pays to overcome your initial discomfort with negative feedback because comments from colleagues and followers can be a powerful source for improvement and development.

One-on-one meetings are more likely to produce frank feedback than group discussions. Our respondents said that in front of other team members, employees in Southeast Asia are less likely to speak up and voice important concerns. One-on-one relationships can help build trust and facilitate positive exchanges. Choosing channels that put employees in their comfort zone — such as casual talks in informal settings — can further enhance open, positive exchanges.

In organisational cultures that tend to "save face," an apology can do wonders to open up a conversation. In societies where saving face is of utmost importance and "sorry" is seldom heard, a leader who apologises when something goes wrong can be a pleasant surprise. Apologising will make it easier for colleagues to give feedback and be open about their own mistakes.

The more you ask questions and listen to your employees, the more likely they are to respond and give feedback. By frequently serving as a role model and making sure to listen, leaders create a culture of enquiry and frequent discussions.

Start a conversation by saying, "How can I help you?" Asking how you can help puts people at ease and lowers their defences. In a critical situation, it can be a productive way of moving forward without being stuck in discussions about blame and fear of unpopular opinions.

 BOTTOM LINE FOR TAKING ACTION

For Line and HR Managers

Communication habits and hierarchical thinking in Southeast Asia might be a major barrier to open exchanges. Create a culture where all employees can exchange their views openly and frequently. Allow leaders and their employees to fail and then to admit to failure without fearing harsh consequences.

For Emerging Leaders

A "fake it until you make it" approach might deprive you of opportunities to find the right job fit and fill competency gaps. The business leaders participating in this study told us that they received some of the best career advice and developmental support after speaking openly about their insecurities and shortcomings. Surrounding yourself with trusted advisers throughout the organisation can provide you with invaluable advice regarding your performance as a leader.

CONCLUSION

The year 2015 is important for the 10 Southeast Asian countries that constitute ASEAN. It marks the culmination of an integration effort[16] that began eight years ago to unite the region as a single-market economic powerhouse. The world has changed since the beginning of this endeavour, with many economies still struggling to put the effects of the global financial crisis behind them. In ASEAN economies, for the most part, countries are back to pre-recession growth levels. But the crisis served to underscore the volatile, uncertain environment in which these economies operate.

The region faces several challenges that could undermine its ascendance in the world market. Companies and workers in the region must shift their focus from working harder to working smarter by taking advantage of the latest innovations in technology and management thinking. The scarcity of qualified workers has brought many expats to ASEAN countries and businesses, but the region will need more homegrown talent to remain competitive on the world stage. Leadership talent is particularly lacking, and this deficiency will only get worse as more senior-level managers in the baby boom generation retire. In addition, local companies lag behind in their use of structured leadership assessments to find executives who have what it takes to help a business succeed.

Gallup and HCLI's candid conversations with successful executives in ASEAN countries uncovered factors instrumental in moving their careers, organisations and countries forward. These executives gave the following advice based on proven practices that were vital to their effective leadership to emerging leaders in the region:

- Have a long-term vision for your career, but reflect on your developmental status in short intervals of roughly three years.

- Embrace early cross-border experiences to sharpen powerful, broad-based leadership skills through a global perspective.

- Take risks and try new job roles in the beginning stages of your career to help you identify the right job fit and to build a holistic view of doing business.

- There is no right way to build professional networks. But being conscious and proactive about building a network will provide the contacts and feedback you need.

- Be humble and speak openly about your own shortcomings to earn others' trust.

These words of wisdom will benefit emerging leaders ready to make their mark in the region. Companies operating in ASEAN countries must also do their part to find the most promising emerging leaders in Southeast Asia and give them everything they need to make the most of their leadership potential. Given the intricacy of the business environment in the region, companies cannot leave their organisations' leadership to chance. They need a planned, concrete approach to identify the gaps in their leadership capacity and assess the effect of their leadership-related activities. It is also important for them to proactively create a culture of trust and open communication across all levels of the organisation to keep engagement high among all ranks of employees.

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[16] Jester M. de Vera, I. (n.d.). ASEAN Integration 2015 and what it means to your business. Retrieved February 10, 2015, from http://www.entrepreneurship.org. ph/index.php?option=com_content&view=article&id=448:asean-integration-2015-and-what-it-means-to-your-business&Itemid=90

METHODOLOGY

SAMPLE SELECTION

The goal of the Gallup-HCLI study was to investigate how emerging business executives can be developed for successful leadership in ASEAN economies. Gallup contacted numerous business leaders requesting to conduct an open, one-hour interview with them to understand what they believed had enabled their success as leaders. To identify outstanding leaders, we prioritised leaders that fulfilled one or more of the following criteria:

- they stood at the top two leadership levels of the region's largest enterprises, employing a minimum of 10,000 employees

- they had won significant leadership awards

- they were mentioned by industry sources and/or media in ASEAN countries and beyond as commendable and inspiring leaders

Once identified, we sent an email to these leaders or called them to invite them to participate in a one-hour interview in person or via phone. Given the qualitative nature of the study, we did not achieve full representativeness of leaders' opinions across all ASEAN countries. However, we did aim for a selection of leaders representative of the countries and industries present in the region.

SAMPLE DESCRIPTION

The 10 ASEAN member states include:

- Brunei
- Cambodia
- Indonesia
- Laos
- Malaysia
- Myanmar
- Philippines
- Singapore
- Thailand
- Vietnam

Given the less-developed business environment and/or accessibility of successful and progressive business leaders in some of these countries, we focused on the six major ASEAN economies generally known as the ASEAN-6:

- Indonesia (14 interviews conducted)
- Malaysia (13 interviews)
- Philippines (10 interviews)
- Singapore (14 interviews)
- Thailand (10 interviews)
- Vietnam (11 interviews)

We contacted more than 200 business leaders working out of these six countries, of which 72 agreed to being interviewed. Reasons for non-participation included non-response from leaders or an inability to schedule the interview at a convenient date or time.

The study's respondents work across a wide range of industries:

- Aviation
- Chemicals
- Construction
- Distribution and Logistics
- Education
- Manufacturing
- Electronics
- Food & Beverage
- Fashion
- Finance
- Fast-Moving Consumer Goods
- Human Resource
- Oil and Gas
- Pharmaceutical
- Real Estate
- Internet/Software
- Sports
- Telecommunications
- Tourism

Respondents either lead their organisations in the role of a chief executive officer, managing director, president or general manager, or head one of their organisation's divisions such as finance, operations or human resources.

Of the 72 leaders interviewed for this study, 44 were of ASEAN origin, nine moved to an ASEAN country from non-ASEAN Asia and 19 were expats who grew up outside of Asia.

METHODS OF DATA COLLECTION

One of the main motivations for this study was the lack of thorough research on effective leadership development practices in ASEAN countries. An in-depth review of existing leadership development literature as well as prior research on leadership undertaken by Gallup and HCLI was used to establish the main recommendations for leadership development methods mentioned in non-ASEAN studies. These were:

1. Mentoring
2. Structured Peer Feedback
3. One-on-One Coaching
4. Stretch Assignments
5. Networking
6. Self-Reflection Techniques

Gallup and HCLI then created a set of questions to investigate whether the leaders interviewed deemed these methods effective in an ASEAN context:

- Can you tell us **how you came to become a leader**?

- As you reflect on your growth as leader, what has been **most instrumental in enabling your success** in [ASEAN country]?

- Has there been **someone in your professional life who invested their time and shared their learning** and experience with you? Tell me about the most meaningful advice this person has given to you and how you have applied it.

- Was there a time in your career when you experienced **one-on-one coaching** on your performance? What was the most important lesson you learned through this?

- Have you ever worked on an **assignment that stretched you beyond your usual area of expertise**, such as a significant change in role, function or geography?

- A strong network is often mentioned as a crucial part of a leader's success. What is your own way of building your **network**?

- Recalling the journey that you have had, do you often take time to **reflect on yourself and your development in career**? How do you do it?

- Besides the experiences discussed so far, **is there anything else** that strongly enabled your growth as a leader in [ASEAN country] that you would like to mention?

- Is there **anything that you would have done differently** if you had the chance to relive your career?

- Looking to the future and thinking about the next generation of leaders — for companies operating in [ASEAN country], what do you feel is the **biggest challenge to effective succession management** for senior leadership positions? What initiatives have you put in place to ensure there is effective **succession management** in your company?

- Imagine you are facing an audience of young emerging leaders, please name **one quality that leaders must have to meet the future challenges of [ASEAN country]'s economy**. This quality should be specific to the [ASEAN country] context. What experiences are best suited to prepare a leader to take on these future challenges?

The interviews were not limited to these questions, and the conversations were generally not scripted, but topical and focused on the themes listed above. Leaders were free to discuss effective leadership development methods that did not fall under any of these categories.

The 72 interviews conducted lasted between 60 and 150 minutes and were conducted between April 14 and Sept. 9, 2014, either in person or via the telephone. Either one or two researchers from HCLI or Gallup conducted all interviews. The audio of all conversations was recorded and then transcribed. Interviews not conducted in English were translated into English. These translated transcriptions were the basis of the coding of the findings and the creation of the report structure.

ANALYSIS

After completing all interviews, Gallup and HCLI coded all interview transcriptions for patterns of ideas, concepts or suggestions made by several of the leaders in a "grounded theory" approach to qualitative research. These patterns of emerging findings were then judged by the following:

- Their actionability for emerging leaders and their companies;
- Their novelty as compared with existing leadership development literature.

The coding of answers led to the selection of the five recommendations made in this report:

- Strategy 1: Make Long-Term Career Plans but Remain Open to Possibilities
- Strategy 2: Go Global, Early
- Strategy 3: Early Cross-Functional Experiences and Risks Pay Off for Executives
- Strategy 4: Develop a Professional Network With Depth
- Strategy 5: No Need to "Save Face"

To verify the validity and business applicability of these recommendations, Gallup and HCLI organised a roundtable discussion in September 2014 with selected established or emerging leaders and HR professionals to discuss the recommendations. Based on this roundtable, Gallup and HCLI further refined the recommendations.

ABOUT US

GALLUP®

Gallup delivers forward-thinking research, analytics, and advice to help leaders solve their most pressing problems. Combining more than 75 years of experience with its global reach, Gallup knows more about the attitudes and behaviors of the world's constituents, employees and customers than any other organisation. Gallup consultants help private and public sector organisations boost organic growth through measurement tools, strategic advice and education. Gallup's 2,000 professionals deliver services at client organisations, through the Web and in nearly 40 offices around the world.

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human capital leadership institute

The Human Capital Leadership Institute (HCLI) is an aggregator and neutral player in the human capital ecosystem. HCLI offers the unique ability to bring together multiple perspectives and voices from business, government and academia, offering thought leadership and insights on understanding Asia, successfully doing business in Asia and its implications on leadership and human capital strategies for Asia. Through its efforts, the Institute aims to develop global leaders with a strong understanding of leading in Asia, as well as to build Asian leaders with the ability to lead on the global stage.

HCLI is a strategic alliance between the Singapore Ministry of Manpower (MOM), Singapore Economic Development Board (EDB) and Singapore Management University (SMU)

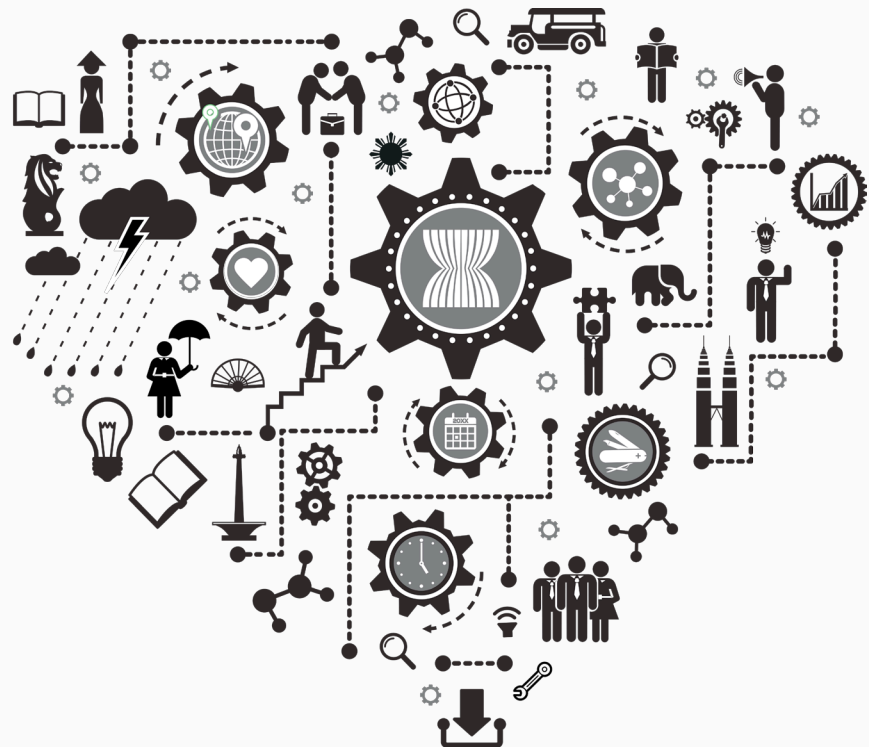For more information, please visit www.hcli.org

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