

Survey finds global companies lack strong leadership

February 12 2008

In a just-completed survey of Fortune 500 companies operating in accelerating economies – Brazil, Russia, India, and China (the so-called “BRIC” countries) – a team at Stevens Institute of Technology has found that continued, accelerated corporate growth may be hampered by insufficiently trained technical personnel failing to meet international standards.

“International companies in China and elsewhere must recognize that selection, retention, and development are interrelated,” said Stevens Professor Richard Reilly. “Otherwise, accelerated growth experienced recently may be faced soon with a technical talent wall.” Reilly, who headed the Stevens team, collaborated with Peter Dominick and Michael Ryan of Stevens’ Howe School of Technology Management.

Respondents said that leadership programs in these countries were mostly informal, often mimicking those at headquarters. Technical leadership in emerging markets, they claim, is largely pursued passively, without global or local support.

The Stevens survey also discovered frequent conflict between local and headquarters management, with emerging executives often given insufficient latitude to operate independently in their own markets.

The study revealed that international companies are losing new hires at an alarming rate in China and elsewhere. Employees are departing for many reasons; some claim that chief among them is that global

companies often do not pay enough attention to the cultural needs of local staff, nor do they provide sufficient training or motivation to retain them.

The survey of about a dozen global companies operating in accelerated economies was conducted as part of the newly launched Stevens Institute for Technical Leadership. The Institute offers a certification program to employees worldwide as well as assessment, feedback, and coaching for technical staff.

Source: Stevens Institute of Technology

Citation: Survey finds global companies lack strong leadership (2008, February 12) retrieved 27 April 2024 from <https://phys.org/news/2008-02-survey-global-companies-lack-strong.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.