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BRIDGE MAKERS INFLUENCE MULTICULTURAL BOARDS OF DIRECTORS

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Bridge Makers Influence Multicultural Boards of Directors

Are you a member of an international Board of Directors? Have you felt frustrated, and limited by language difficulties? Maybe observed that some appear to have more influence and power than others, even without a formal position? If so, you are not alone. In **Suzanne Liljegren's** and **Lena Zander's** recent study, board members responded that their main challenges were language and culture. But does language proficiency decide who will exercise the most power and influence? According to their research the answer is no.

ARTIST MESUT DURMUS

THE STUDY Interviews with directors and supporting officers in the Executive Committee (ExCom) of the organization of the largest cities in Europe. EUROCITIES, and access to the extended minutes taken during a five year period of board meetings. The ExCom has twelve members of the Board of Directors from different national, cultural and language backgrounds. The board composition does not remain the same but changes over the years. Each of the directors has a supporting officer, who carries out pre-meeting functions, and although present at the board meetings, does not have any voting rights.

oards of Directors in large corporations have long been rather a homogenous group; senior men with similar national, cultural, educational and language backgrounds. These similarities and shared taken-forgranted assumptions have facilitated communication and ensured relatively friction-free discussion and smooth decision making processes. But locally composed Boards of Directors in global organizations may in the near future be something of the past. Companies listed on the Stockholm stock exchange, for example, are slowly but increasingly becoming more multicultural. In 2011 many of the listed companies had at least one non-Swedish director, and a smaller group of larger companies displayed a surprisingly 50 per cent or more of non-Swedish directors on board. As a result the working language changes from the original, national language (Swedish), to the use of English, while similarities of educational, national and cultural background are being replaced by differences in the same. In a recent survey by one of the members of the 'European Confederation of Directors' Association' the vast majority of responding directors believed in increased internationalization of boards in the future, more than half of the respondents already had personal experience of serving on local boards with foreign directors, and similarly almost half had served on boards outside their own country. As could be expected, the lack of understanding of the Corporate Governance model under which the international board operated, e.g., that the Anglo-Saxon model differs from the German two-tier model, which in turn differs from the Swedish model, was one of the main challenges experienced by those who responded to the survey. But interestingly more 'soft' issues such as language and culture were also highlighted as main challenges to working on international Boards of Directors.

Lacking language competence may affect your confidence, but according to our research you can still become an influential powerful member of international boards. We found that there were other skills and abilities that were important. The directors with the most power to influence the board used what we label as 'bridge making' skills, rather than relying solely on their formal position. But before describing the functions typically carried out by a bridge maker, a brief account of the study underlying our conclusions is in place.

We wanted to identify the criteria governing why certain board members were seen by the others to be powerful and influential. The context of our study is the work of highly international multicultural Boards of Directors – the Executive Committee or ExCom for short - of the organization of the largest cities in Europe, EUROCITIES. For the directors of ExCom the power and ability to influence decisions is crucial, which provided us with a highly appropriate research setting. The twelve ExCom members of EUROCITIES are all mayors from some of Europe's largest cities. They are seasoned politicians with vast experience of serving on Boards of Directors in their home countries. Many of them chair organizations with tens of thousands of employees, and revenues comparable to large multinational corporations. Several of them had been, or were on the brink of becoming, ministers or heads of states in their home countries at the time they acted on the ExCom board.

Responding to our open question of naming who on the ExCom board has been powerful and influential, only four directors were repeatedly identified in our interviews (and we found support for this when we analyzed the minutes). The four were among 40 directors and some 70 supporting officers who had been on the board for shorter or longer spells during a five-year period. They came from different national, cultural, political and geographical backgrounds. Only one had English as mother tongue and two of the four were less than fluent in their command of English. This stands in contrast to those directors who were not identified as the most influential. although they had an excellent command of English and an extended experience of working in international and multicultural settings. Despite these accomplishments they lacked the power and influence attributed to 'the four most powerful and influential'. But if not language competence was critical, then what did these four have in common, what did they actually do, and what were the skills that led us to identify them as bridge makers?

What was recognizable from our interviews was that the most influential, the bridge makers, possessed an understanding for, and adaptability to, the international multicultural setting provided by the ExCom board. They recognized the need to be culturally sensitive and avoided forms of argumentation or communication behavior that catered only to people with their own cultural background. In support of such an adaptive capability, coupled with the ability to interpret others' culturally based communication and behavior, was the exclamation among those we talked to that the most powerful and influential directors behaved very differently in the ExCom compared to in their own cultural environment. One example was the director who was an authoritarian and dominant director in his domestic environment, but as a member of the Ex-Com, was more open minded, empathic, sensitive and compromise-seeking, by bridging cultural and language divides. We were also told of contrasting examples, of how directors despite experience of international multicultural work settings displayed an inability to make these 'cultural transformations', as they lacked both cultural sensibility and necessary bridge making skills. Most importantly, it was those we interviewed that listed both the influential individuals and what in their view made across the board members differing culturally-based them powerful, as well as why others did not posexpectations and suggestions, they were found to act sess their influence. The interviewees were not in in an opposing, negative way. There were also board any way prompted by us. From these accounts we members who were more passive, as they perhaps did could identify five bridge making functions that the not realize the need to bridge make across different most influential board members, compared to the member perspectives, or they did not want to make rest, engaged in as part of their participation and the effort to bring people and ideas together, or perinvolvement in the ExCom meetings. haps they simply lacked the skills necessary to do so.

The most influential board members were personally engaged in 'transacting' and 'linking', two typical boundary spanning functions, which were carried out within the team instead of between organizational units. They also carried out archetypical bridge making functions.

In essence this means that the influential directors 'facilitated' communication between members, e.g., by teasing out the core message or idea in what others said, 'intervened' so that the other board members could understand each other when cultural, national or language differences hampered the communication, and 'convinced' other board members by arguing in favor of a certain point of view or the merit of a specific decision in a way that made sense across cultural divides. To this we can add that the most powerful

and influential directors chose supporting officers with similar bridge making abilities as they possessed themselves, suggesting that they recognized the between individuals and sub-groups. **5. Convincing** Personal determination and engagement in actively trying to convince board members from another national, cultural and language background of the value and importance of reaching a certain decision.

need for supporting officers with similar skills if they were going to influence the Board of Directors in an optimal way.

By leveraging bridge making skills to form conin an optimal way. What about those Board of Directors' members sensus and compromises, which lead to successful who were not identified as powerful and influendecision making across cultures, and by being actively committed to the cause of the organization, bridge tial. Did they act differently? In our study we found some directors who used personal characteristics to makers play a powerful and highly influential role in enhance their mandate and formal position when exinternational multicultural Boards of Directors. The ercising power, trying to influence board members, good news for directors aspiring for influence, is that albeit of a more gate keeping kind. That is they did not the specific skills of a bridge maker can be acquired. engage in interpreting national, cultural and language You don't need to be pre-destined to a position of less differences between members to facilitate commupower and influence compared to your fellow board nication and provide a common grounding for decimembers; you can learn how to develop your cultural sion making. Rather, they built their ideas and argusensitivity to be able to carry out bridge making funcmentation on their own cultural frame of reference, tions, and thus how to act to improve your chances being less sensitive, if at all, to board members from of making an impact on international multicultural other cultural contexts. Instead of bridge making Boards of Directors.

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1. Transacting Personal engagement in information exchanges (and other transactions) with board members from outside ones own national, cultural, language, and functional group.

2. Linking

3. Facilitating

4. Intervening

5 bridge-making functions

Utilization of a personal network to enable other, previously not connected board members to connect across different national, cultural, language or functional boundaries.

Personal engagement in interpreting differing language and cultural communication codes between members within a multicultural group.

Personal support and when necessary also intervening in other board members' communication efforts, so as to solve misunderstandings, manage conflicts and facilitate the building of trust between individuals and sub-groups.

er, it will not automatically lead to an influential position for a director to operate from, as we could see in many of the cases. The powerful and influential bridge makers were also characterized by a strong commitment to the cause. Here it is easy to argue that combining a power base with commitment will lead to influence on any Board of Directors. We cannot but agree, but we emphasize that it is especially the commitment to the cause that acts as a strong motivator to bridge make across cultures, and simultaneously motivates other members of the board to engage in bridge making on their part too. Commitment together with carrying out bridge making functions, provides the bridge maker with a different type of 'platform'





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