KEY ELEMENTS OF SUCCESSFUL GLOBAL ORGANIZATIONS

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Abstract

Key elements that are essential to successful global organizations are leadership, the political climate of the overseas companies, and corporate social responsibility. The first key element is leadership. There are certain characteristics of leadership of both the host company and its overseas counterpart that make global organizations successful. Using Maslow’s theories of self-actualization and transcendentalism as a backdrop, the qualities of leadership with global impact are explored and analyzed. Maslow’s theory of self-actualization is one that is exhibited in leaders who have risen above the struggling man and envision creativity and drive mirrored only by one’s excellence of self and realization of one’s ambition or dream. One such leader is Sir Richard Nicholas Branson, business tycoon who went from rags to riches. He is one who may have reached the level of self-actualization in Maslow’s hierarchy of needs – a height that is achieved by few. Sir Branson built Virgin Atlantic operations on vision, creativity, drive to excel, and to achieve what others may believe was impossible. His leadership style is encouraging, open, charismatic, and creative. Those attributes characterize him as a transformational leader. One who generates respect, open communication, and visualizes a future that the average person cannot see. However, the leadership of a global organization will remain in a vacuum unless the political climate of the country in which the company invests has the potential to be successful.

The second important element that makes global organizations successful is the search for a country in which the political environment is conductive for investment. India has risen as an excellent prospect for global organizations’ investment in labor and consumerism. However, the labor market and consumerism were not always conductive to business ventures. The rigid caste
system and religious divide hindered the pursuit of venture capitalists. It took a leader willing to sacrifice all to bring the country together for a common goal. That leader was Gandhi, one who exhumed sacrifice, was unafraid, and spoke with a powerful commitment to peaceful change. He paved the way for India to become what it is today, a mecca for venture capitalism. In doing so, Gandhi exhibited the attributes of Maslow’s highest height in the Hierarchy of Needs, transcendentalism. This is the height in which one’s presence and deeds are not to reach one’s own fulfillment, but to help others achieve self-actualization, as that leader has surpassed that stage. Mahatma Gandhi, a global leader and one who is respected and admired throughout the ages, changed the face of India and provided the world with both a labor and a consumer market. Companies are now enjoying the benefits of the groundwork laid by Gandhi.

The third important element that makes global organizations successful is corporate social responsibility. Corporate social responsibility is the ability to leave a footprint for the betterment of world. That footprint can be social, economic, or environmental. Creating efficiencies to have a greener world provides short and long-term benefits for the company and has a lasting impact on the future of the world. Projects that endorse research and development for the cure of diseases build a commitment to furthering the lives of individuals and from a business sense, labor and consumerism. Neighborhood projects create stability within its surroundings, and stability is needed to enhance the organization.

This presentation will focus on the three elements that are keys to successful global organizations. It will use Maslow’s two highest levels, self-actualization and transcendentalism, to give you a glimpse into what those attributes look like in two leaders who demonstrate those characteristics in their leadership styles. Those leaders are Sir Richard Branson and Mahatma Gandhi, both of whom had an impact on making global businesses successful.

*Key words:* self-actualization, self-transcendence, social responsibility

**Key Elements of Successful Global Organization**

There are three primary keys to a successful global organization: leadership, political climate, and corporate social responsibility. Leadership is a critical element, as leaders must be driven or motivated to succeed. One of the most talked about motivational philosophies is Abraham Maslow’s Hierarchy of Needs (Koltko-Rivera, 2006). Abraham Maslow crafted his theory of motivation based on the hierarchy of human needs, beginning with the most basic physiological needs and moving through stages until it reached what was originally the highest level, self-actualization (Goodman, 1968). Self-actualization is the realization of one’s goals,
the fulfillment of one’s purpose or potential. Though many readings and texts still have
Maslow’s highest level as self-actualization, he later amended this theory and identified a higher
need, self-transcendence (Koltko-Rivera, 2006). Maslow described self-transcendence as that
level in which the individual sought a more mystical purpose. It is that drive to satisfy the needs
of the world, as opposed to the needs of self. The difference between self-actualization and self-
transcendence cannot be underestimated. With self-actualization, the individual fulfills his or her
potential to the fullest; with self-transcendence, the individual has transcendent experiences
which may or may not be self-actualizing (koltko-Rivera, 2006). The individual is motivated not
by self, but by the need to fulfill a purpose or goal that is beyond the self. Self-actualization and
self-transcendence are both critical motivational attributes of a leader; however they are more
significant when applied on a global scale. Both are valuable attributes within an organization
and in the world.

Leadership

The first element of a successful organization is its leadership. The leader is
continuously driven towards self-actualization or the fulfillment of one’s potential. This
insatiable desire defined by the leader is prominent in the transformational leadership style.
Transformational leaders know when to take their leadership skills to greater heights. They are
known to be effective when visions of major changes are needed in an organization’s structure,
culture, or market. They have a high-powered vision of the future and strive to transform that
vision into localized implementation in the present (Wren & Bedeian, 2009).

The four qualities of a transformational leader are idealized influence, inspirational
motivation, intellectual stimulation, and individualized consideration. Idealized influence exists
when the leader is held in high esteem and exhumes an aura of charisma. This charisma serves
to influence followers to embrace one’s beliefs and goals. Inspirational motivation refers to the
ability to inspire confidence and motivation. To achieve this, the key is to articulate a clear vision
for the future, communicate what the leader is expecting of the groups and a commitment to the
goals that have been presented. This entails excellent communication skills and the ability to
convey messages with power and precision (Schieltz, 2014). Intellectual stimulation is described
as the leader’s value for originality and self-sufficiency among the leader’s followers. To
accomplish intellectual stimulation in one’s followers, the leader engages his followers in the
decision-making process, stimulating ideas and encouraging creativity and innovative.
Individualized consideration values the wants, needs, or desires of each follower. For example,
some individuals are motivated by money, whereas others by excitement and change (Schieltz, 2014).

Sir Richard Nicholas Branson, the exclusive owner of the Virgin Group of corporations, is one of those businesspersons who personify the qualities of a transformational leader, as well as one who has almost an insatiable desire for self-actualization. Branson’s portrayal as a role model, conviction, self-confidence, willingness to take risks and follow a set of core values are described as idealized influence – the first quality of transformational leadership. Branson exhibits charisma and builds trust with his followers, who seek to emulate his actions and embrace his vision. He inspires confidence and motivates his employees to excel. These are key characteristics of inspirational motivation – the second quality of transformational leadership. He involves his employees in the decision-making process and values their ideas, resulting in intellectual stimulation from all levels of the organization. Branson is attuned to the needs of his employees and rewards them in different ways, such as paying competitive salaries as well as offering the opportunity for significant contributions to the organization. His record will exemplify his insatiable desire for self-actualization.

Sir Richard Nicholas Branson, who is considered by many as a successful business tycoon, has operations across the globe. An unbelievable motivation, Richard Branson is the exclusive owner of the Virgin Group of corporations that has multiple business ventures under its umbrella (People with Impact, 2014, para. 1). Branson left school at an early age of 16 years old. While still in school, he started his first venture, “the student magazine” and launched a student advisory center. As a teenager, he founded a mail order record business called “Virgin” and later opened up a record store in one of the most-popular shopping areas in London. Both ventures were successful. Branson established a very intriguing background and an insatiable desire to fulfill his maximum potential by putting his capitals to work. His leadership style is not picked out of any ordered manual in management styles; Rigby (2011) noted it is passionate, driven, yet supportive of his team.

He is a person who has the drive and characteristics that equip him with the capability to bring about change successfully. Branson holds a distinctive combination of energy, innovation, and astuteness. Kets de Vries (1999) believed that Branson exudes charisma that lead to his ability to maintain loyalty with his contacts and followers. For example, Branson takes the time to review approximately thirty phone calls, emails, and concerns each day. He responds to all the calls directly. This is uncharacteristic for individuals of his status and wealth; however it is
one of those qualities which make him great. Some believe this is one of the key elements why Branson has been so successful in retaining key employees and maintaining low turnover rates (Ket de Vries, 1999). Time magazine listed him as one of the top 100 most influential people in the world (Cuban, 2007). In describing Branson, Cuban (2007) stated: “Business isn't what he does for a living. It's a playground where he can live out every dream and idea as if engaged in a sport, one where winning is creating a business that others thought impossible.” It is doing what others deem impossible that exemplifies Branson’s self-actualization, as defined by Maslow.

**Political Climate**

The second element of a successful global organization is the political climate of the country in which the organization wishes to enter or expand. Today, India is a prime market for investment and consumerism. The political climate is stable, the attitude of the country’s leaders is inviting, the people are ready for training in new industries, and the market for consumerism is growing.

This was not always the case in India. Prior to its independence, the climate in India was one of political inequity and discrimination, especially against the Indians regardless of their status, caste, or social standing. The British colonists ruled with political and social oppression for the purpose of maintaining the positions of wealth and power (Chakrabarty, 2006). Some viewed the British imperialism and the caste system in India as structural conflict; the people simply fulfilled the roles they were given (Burrowes, 1996). Colonialism brought discontent to all segments of the Indian society. It was not conductive for external investment into the country, nor was it a viable market for employ or consumerism.

Mahatma Gandhi, a man of all ages, left his footprint on the world that we feel today, centuries after his demise. He epitomized what Abraham Maslow described as reaching the highest peak of the Hierarchy of Needs, self-transcendence. He was not consumed with realizing his own potential; he was consumed with realizing what was right in his world and the world of others. Gandhi did not seek power, wealth, or position, but rather had a spiritual essence which transcended the need to fulfill his own potential. His life was one of humility and presented himself as a role model for ethical behavior to bring about social change. He viewed social responsibility as the ability to satisfy the fundamental needs of the individual, to remove inequities, protect the environment, and seek social and political justice. The method he used to bring about change was nonviolence. Nonviolence is not inaction; in actuality, it is the most powerful form of action. It is psychological warfare. It brings to light the injustices of society
and it renders the oppressors helpless. Each act of social injustice or violence against the nonviolent protestors enhances the oppressors as villains. It is this psychological impact on those who observe the actions or inaction of those who hold the power position in relation to the protestors that make nonviolent resistance so powerful.

The advancement of technology has created a world of observers who cast judgments upon peoples and governments. It is the world of observers who learn of the social and political injustices that are incurred when those who are oppressed rise up in nonviolent protest. Gandhi took the words from the pages of Thoreau’s *Essay on Civil Disobedience*, and gave those words of nonviolent resistance life. Gandhi proved that “a small body of determined spirits fired up by an unquenchable faith in their mission can alter the course of history” (Burrowes, 1996, p. IX). He did this by letting the words “nonviolent resistance” leap off of the pages of Thoreau’s essay to take their place in history and mold a new wave of protest.

**Corporate Social Responsibility**

Corporate social responsibility (CSR) can be defined as the "economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time" (Carroll and Buchholtz, 2003, p. 36). Therefore, companies should be involved in initiatives that are for the benefit of society (Fallon, 2014, para. 2). Social responsibility is essential especially when it’s an organization that has a global impact. Protecting the environment to curb gas emissions, respect the rights of all workers in relation to wages, human rights activities, and other such contributions are important for the civility and quality of life in our world. As organizations seek to make money, they should also seek to leave a legacy or a footprint that is lasting beyond the measure of the business.

**Conclusion**

There are several essentials that drive men to greatness. Abraham Maslow in crafting his Hierarchy of Needs named two of the highest needs that can bring men to greatness: self-actualization or the fulfillment of one’s potential and self-transcendence or the full spiritual awakening or freedom from egocentricity (Koltko-Rivera, 2006). Two leaders who have had a global impact have been identified and can be associated with one of Maslow’s peak needs on the hierarchy: Branson with self-actualization and Gandhi with self-transcendence. In examining the qualities of the transformational leader, the focus on this leadership style gave some direction as to the road to self-actualization both personally and on a global scale. Achieving self-transcendence however is paved with a different path, one of total commitment to
the betterment of others with little or no consideration for personal gain. Both footprints, Branson and Gandhi’s, have a lasting global impact. It is the drive and the dedication of its leadership, the political climate both at home and abroad, and corporate social responsibility that contribute to the success of a global organization and its ability to leave a lasting footprint.

References


