

economic focus

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Chris Parry (left), Executive Chairman of CHPD in Doha

Business leadership challenges facing the Middle East

According to leadership development consultancy, the Centre for High Performance Development (CHPD), the Middle East is part of a global leadership shortage and needs to act now to ensure it moves forward to a position of greater strength.

CHPD works globally to identify and develop leaders at all organisational levels. For the last 30 years, the consultancy has researched and benchmarked thousands of leaders around the world. Following recent work in Qatar and the United Arab Emirates, the company is now able to share some insights into how its proven leadership model has relevance across culturally diverse markets.

Why leadership matters more now than ever before

Clearly any organisation needs leadership, but the importance of great leadership is often underestimated. In fact, studies have shown that up to 40 per cent of an organisation's success is determined by its leadership.

Combine this fact with the evidence that leadership is most crucial in dynamic,

complex and fast-moving markets. The case for a focus on leadership in the Middle East is compelling. Qatar has grown at a rate of 30 per cent each year for the past five years and Dubai's growth rate is running at around 11 per cent. Experts have estimated that the region has seen 30 years of growth in just seven years.

Chris Parry, executive chairman of CHPD, outlines the implications for this growth when it comes to leadership in business: When businesses grow very quickly, they face a significant challenge in ensuring that their own people have the right skills. In slower growth situations, people have the time to gain experience at various levels in an organisation — from technical expert, through to team leader, departmental manager, functional head, through to country manager and even

CEO. The danger in a fast growth environment is that people miss an opportunity to gain experience and apply their learnt leadership behaviours.

Growing markets and businesses also demand more people and Middle Eastern countries are finding it increasingly difficult to recruit enough high quality, experienced people. A situation exacerbated by cultural sensitivities around women working. In Dubai for example just 15 per cent of the workforce is female. In the UK, 45 per cent of the workforce is made up of women.

The behaviour that define leaders

Crucial to the development of great leaders is in understanding what makes a high performing leader. Research into this very



subject began at CHPD more than 30 years ago. The original research set out to answer two fundamental questions:

¥ Is it possible to identify leadership and team behaviours that underpin outstanding performance in dynamic, complex and competitive environments?

¥ Can people learn and develop these skills?

The researchers created simulated organisations operating within environments, which could be changed from being stable and simple to dynamic and complex. Several of these simulated organisations were created and leaders and teams from different organisations managed them for extended periods of up to one year wrestling with the problems of running a dynamic organisation in an ever-changing environment. The simulations were based on business, the military and national governments.

After some three years of research it became apparent that the simulations on their own were not producing tangible results. Changing their approach, CHPD's experts introduced behavioural observation to the simulations and slowly patterns of behaviours emerged that correlated with superior

performance in dynamic environments. A cluster of behaviours that we now call the 'thinking behaviours' was identified. Subsequent research identified three further clusters of behaviour that incorporate eleven High Performance Behaviours (HPBs). The eleven HPBs have been thoroughly validated at the London Business School by Dr Tony Cockerill, who developed the methodology into a form that could be used by organisations across the world.

One of the exciting features of this leadership model is that it can be used to benchmark leaders within industries, between countries and even globally. However, while the behaviours themselves are universal, how these behaviours will be expressed will change from culture to culture.

An example of this is the behaviour of empathy, which is the basis of interpersonal communications. In Japan, the cultural understanding of this behaviour is very different from a Western interpretation. In Japan, understanding is seen as intuitive rather than dialogue-based. In the West people spend time asking questions to further their understanding of someone else's position, almost the opposite of the Japanese intuitive approach.

Similarly, a culture can impact upon people's readiness, or perhaps more accurately ability, to explore and strengthen a leadership behaviour. In Chile, CHPD identified a cultural block to proactivity: the behaviour related to achieving results, ranging from project management through to identifying, tackling and removing organizational obstacles to success. Chile's violent history has left a legacy on its leadership that makes people reluctant to express views and confront organisational constraints.

Leadership behaviours in the Middle East

CHPD's work with organisations like the Supreme Education Council in Qatar and Dubai World, has highlighted the relevance of all 11 HPBs to effective leadership in the Middle East, but has also revealed some interesting differences in the way the leadership behaviours are applied.

Chris Parry explains 'We know that the behaviours we have identified are crucial for high performing leaders. We also know that it's highly unlikely that a single leader will have strengths in all behaviours, but that strengths in all behaviours should be evident across the whole organisation for it to reach its full potential. What is really exciting us now is how

different cultures apply these behaviours.

This interest has led CHPD to establish a new research project that focuses on the Middle East and will examine the cultural complexity of leadership behaviour in the region.

Chris Parry will be leading the research:

I'm going to be personally interviewing around 20 of the most respected leaders in the region to identify how they apply the High Performance Behaviours. The findings of this exercise will be combined with an analysis of the leadership profiles of senior managers from the region to enable us to draw some conclusions about leadership in the region.

I'm confident that we'll be able to identify some of the ways successful leaders in the region use the leadership behaviours and then go on to identify how leaders in other parts of the world could learn from that different approach.

Much of CHPD's work involves helping leaders develop their High Performance Behaviours and Chris Parry believes her research will enable the training and development programmes to be finely tuned to cultural diversities.

Working with leadership consultancies

Many forward-thinking organisations in the region are already taking steps to identify and develop their own leaders, but there is still much work to be done. CHPD has already identified issues for local companies in employing foreign consultancies. Chris Parry explains: Foreign consultancies have been employed to provide solutions and support

nation building of both countries. There is a concern that the traditional western style consultancy is not always appropriate to the Middle East situation. There is a tendency in the West for consultancies to go into an organisation, give instructions on what needs to change then walk away again, leaving implementation to their client.

In our experience, the needs of organisations in the Middle East demand a very different model of consultancy. A longer term partnership approach and a deep understanding of a client's needs are essential if the right solutions are to be found and real improvements are to be achieved.

Norma Turnbull, Principal Business Development Consultant - Middle East, also points out that CHPD are currently in discussion with the Arab-British Chamber of Commerce to deliver an Executive Leadership Development Programme, designed for the specific needs of GCC members, and to be held at the Arab-British Chamber of Commerce's prestigious London offices in Mayfair.

The way forward

A special set of circumstances exists in the Middle East at the moment. The rapid pace of growth and a shortage of local people could restrict the opportunity for organisations to reach their full potential. There is a natural temptation to promote people into roles for which they have had little experience and little opportunity to develop the behaviours that will ensure a high level of performance. Leadership development can help in this regard, but



Portrait of Emir of Qatar H H Sheikh Hamad Bin Khalifa Al-Thani.

only if it is sensitive to the cultural differences in the region. The right leadership development will not only ensure that Middle Eastern organisations benefit from high performing leaders, but could offer some new insights for western leaders about how to improve their performance.

CHPD is a member of the Arab-British Chamber of Commerce and can be contacted at: info@chpd.com; website: www.chpd.com

High Performance Behaviours



Each behaviour has five distinct levels

Level 5: This leader will have a strategic and sustained impact on your organisation. Their impact will go beyond their individual leadership and role.

Level 4: This leader will have an impact on a team, a business unit or a division. This level of behaviour is considered a developing strength.

Level 3: The impact of this leader will be limited to individual tasks and their role. This leader should be encouraged to develop to have a greater impact.

Level 2: This leader will recognise the need for this behaviour but will not apply it. As a result, they will not add value and maintain the status quo.

Level 1: This leader may have a damaging impact on your people, business and profitability.