Journal of Leadership & Organizational Studies

The Evolution of the Concept of the 'Executive' from the 20th Century Manager to the 21st Century Global Leader

Joyce Thompson Heames and Michael Harvey Journal of Leadership & Organizational Studies 2006 13: 29 DOI: 10.1177/10717919070130020301

The online version of this article can be found at: http://jlo.sagepub.com/content/13/2/29

Published by:

\$SAGE

http://www.sagepublications.com

On behalf of:

a c a d e m y o f

Midwest Academy of Management

Additional services and information for Journal of Leadership & Organizational Studies can be found at:

Email Alerts: http://jlo.sagepub.com/cgi/alerts

Subscriptions: http://jlo.sagepub.com/subscriptions

Reprints: http://www.sagepub.com/journalsReprints.nav

Permissions: http://www.sagepub.com/journalsPermissions.nav

>> Version of Record - Jan 1, 2006

What is This?

The Evolution of the Concept of the 'Executive' from the 20th Century Manager to the 21st Century Global Leader

Joyce Thompson Heames - West Virginia University Michael Harvey - University of Mississippi

The purpose of this paper is to take an in-depth look at the profiles of executive skills and competencies drawn across the expanse of seventy-five years framed in the backdrop of management philosophy changes. In the early Chester Barnard outlined competencies he felt the executive of the future would need in the 20th Century. At the beginning of the 21st Century, Morgan McCall and George Hollenbeck interviewed over 100 expatriates and reported a list of needed competencies for the global executive of the 21st Century. This paper chronicles the changes in the management arena over that 70 plus year period of time to frame the backdrop of these two executive skill profiles. The journey is interesting and the outcome is surprising at times. Just as organizations are a product of their past, so to is the executive of today. He/she is an anthology of all the things that an executive needed in early 1900's, with a couple dynamic dimensions thrown in to maintain their sustainable competitive advantage in the new millennium global marketplace. Key Words: leadership. development, executive 20^{th} management, Century management training/development, 21^{st} Century global managers, differences between traditional managers and global leaders

"Systematic development of global leaders requires an even stronger, more focused commitment than does a domestic effort. You have to know what you are doing, why you are doing it, and what you want to get out of it. Without the clarity of commitment, the complexity of the global environment will

swamp the effort." (McCall & Hollenbeck, 2002, p. 8)

One of the fundamental questions asked by scholars and business leaders today is, "How can a company prepare to effectively compete in hypercompetitive, complex. environment of the 21st Century?" One of the central precepts in the management literature is the necessity to have a well developed, experienced management team at the helm, or in other words, experienced, well prepared executives (Porter, Lorsch, & Nohria, 2004). However, what constitutes an executive with the "right stuff" is defined in a variety of ways (McCall & Hollenbeck, 2002). There is reasonable agreement that much of what tomorrow's executives need to know can be learned yet, how they gain that knowledge is another matter and is not a simple 'cookie cutter' formula. Each person has individual talents and strengths that have to amalgamated into finely tuned organizational and market skills set (Kotter, 2001).

It is necessary to continuously assess the transformation from a good executive to a great executive, as well as how to develop leaders that are able to insure that organizations survive in today's multi-faceted multicultural marketplace. To gain insight into what it takes to be 'great' involves comparing past strategies for developing executives with the espoused formula for success today. In 1938 Chester Barnard put forth his thoughts on the traits and skills of the executive in a 'cooperative system' in order to be successful (Wren, 1994). Recently, after completing an empirical qualitative worldwide study, McCall Hollenbeck (2002) described their vision of the

uintessential 'global executive' and the necessary skills needed to retain a competitive edge in today's complex global business world.

The purpose of this paper is twofold. The first objective is to provide a brief historical review and draw a parallel of some of the more prominent changes in the management environment across the last 70 years. As we enter the 21st Century, it would seem to be an appropriate time to examine the evolution of desirable characteristics of managers compared to the past. Barnard's seminal work in the 1930s provides the backdrop for the historic representation of what was thought to be the necessary qualities of 'successful' managers. Secondly, we develop a comparative analysis of Barnard's 'successful manager' of the early 20th Century with that of McCall and Hollenbeck's (2002) 'global executive' of the 21st Century. Their empirical research can serve as the foundation of what is thought to be needed for success in the global marketplace of the 21st Century and therefore, be used to foreshadow what qualities are necessary to succeed in the future. It is important to continue to look at current phenomena through the lens of the past (Wren, 1994); thus the use of the comparison of the two perspectives should be helpful in linking the 70 years of change and development in the management conceptualized by Barnard with the developed by McCall expectations Hollenbeck about developing executives to meet the challenges in managing in the global marketplace.

Early Conceptualization of Management & Management Development

Discussion about what makes a good manager/executive/leader and how to develop such archetypes of commandership has been an ongoing debate for millenniums. As early as 400 BC, Socrates noted that management skills were transferable from one setting to another; it was just a matter of understanding the key areas of needs by a given group (Watson, 1869). In the year 1513, Machiavelli penned the first 'how to' book for rulers (executives) and listed his 'must knows' for the aspiring ruler (Swain, 2002). Even though the content was technical

and procedural in nature, in 1836 James Montgomery wrote what is considered by some as the first text book on management (Wren, 1994). In 1908, Henri Fayol responded to a call for a theory of management by developing his now universal 'principles of management' that allowed for what was thought to be an art (management) to be studied as a discipline in the classroom (Rodriques, 2001).

A glance back through the pages of management history illustrates that many management gurus of the early 20th Century had their beliefs about what constituted the qualities of a top notch manager. Each writer supported the viewpoint that management as a philosophy and practice, which helped to provide a backdrop of executive education throughout the decades. Perhaps ahead of her time, Mary Parker Follet believed in the communities of creative practice and suggested that employees be considered an intrinsic part of the organization that allowed it to be more productive (Wren, 1994). Nobel prizewinner Herbert Simon held strong beliefs about the decision-making process of executives and firms in general as he espoused his ideas about "bounded rationality" (1945). Simon believed that no one person, including the executive, could make the complicated decisions of running an organization in isolation. He defined organization as "the pattern communications and relations among a group of human beings, including the processes for making and implement decisions", (Simon, 1945, p. 19). And, not to be forgotten; Ralph C. Davis (1951) wrote "Management is defined as the function of executive leadership" (p. 12).

Fayol, Follet, Simon, Davis, and many others made important contributions to our understanding of management skills and competencies. But, it is the belief of many that one name prominently emerges from the early part of the 20th Century as having a significant impact on shaping the business landscape of his era and defining the roles that executives play in creating viable thriving organizations. Chester Barnard (1886-1961), as a great scholar, a notable successful businessman, consultant, through his imagery of the chief executive of the 1930's set the foundation for many to view the development of a world class Barnard attended Harvard Business leader.

School where he studied economics, but through out his life he earned seven honorary doctorates for his contribution to the understanding of organizations (Wren, 1994). During his presidency of New Jersey Bell, he was noted for his 'unbounded' enthusiasm and concern for his employees. As a consultant, Barnard assisted such organizations as the Atomic Energy Commission, the New Jersey Reformatory, and the United Service Organization, just to mention a few (Wren, 1994). Barnard was known for his belief that the executive "carried out his functions in a cooperative and democratic manner rather than in a unilateral autocratic way" (Gehani, 2002).

Having acknowledged the contributions of a few of the pioneers of management thought, it is useful to assess the picture as it is presented today. A review of the recent literature on developing executives revealed many prominent names, too many to capture in this brief note. Individuals who will no doubt go down in the history books as having left interesting and footprints in monumental the sands of management development include: Drucker, Michael Porter, and Victor Vroom, just to name a few. Drucker, the author of 30 books, touted as being a candidate for being one of the most influential observers in modern business history was an advocate of giving employees responsibility and not empowerment (Galagan, 1998). Porter (1980) outlined the 'Five Factor Analysis' that gave a clearer picture of the forces that impact profitability in an industry. Vroom promoted participative management and matching decision processes to the nature of the problem (Vroom, 2003).

Also, at the start of the 21st Century, a number of management experts published articles that specified the skills competencies needed by senior executives in the future (see Aupperle & Dunphy, 2001; McKinsey, 2004; Porter, Lorsch & Nohria, However, McCall and Hollenbeck 2004). completed an extensive, qualitative, multicountry study in 2002 that generated an allinclusive list of the competencies of the global executive. Their list was chosen for our basis of the discussion of the 21st Century executive, because of the comprehensiveness of their methodology, the amount of data collected for the study, and the attention given to the holistic global executive.

Managerial and Societal Transitions across the 20th Century

Perhaps a constructive first step would be to examine changes in society in general, and the business world specifically, to better understand how and why current conceptions of management might different from those of the early scholars. For clarity and to draw distinctions between various stages in the development of management thought, we have divided the 20th Century into five basic eras, between which paradigm shifts occurred in both the business arena and more specifically in the conventional wisdom among management scholars as to what constituted the practice of management and what managers needed to be successful: 1.) Era I, 1900-1945; 2.) Era II, 1945 - 1970; 3.) Era III, 1971 - 1991; 4.) Era IV, 1991 - 2001; 5.) Era V, 2001+. Harvey and Buckley (2002) synthesized many of the changes in the economy and management philosophy very effectively over the 70 plus years. Table 1 outlines the major tenets of their piece in a way that parallels the 20th and 21st Our objective is to tie their Centuries. observations of changes to these specific eras as they emerged as an impetus of change in the management arena.

Era I: 1900-1945

In the early part of the last century, the United States experienced a major transition from a basic agrarian economy to an industrialized society. Technology focused on the mechanization and the production of goods, the business and economic sectors became contributors to critical societal issues (i.e., employee rights, child labor, health/safety in the workplace, taxation of corporate entities and the role of corporation in a society), and improvements in communications and transportation broadened external perspectives from local

20th Century 21st Century 1. High percentage of manufacturing industries High percentage of service industries Emphasis on functional expertise Emphasis on management processes 2. Domestic market 3. Foreign markets & cultures 4. Legitimate authority in hierarchical Virtual team & network organizational 4. organizational structure structures Clearly defined operating procedures Fluid & reactive operating procedures Well-defined industry boundaries Ill defined industry boundaries 7. Fairly constant market 7. Turbulent market Bricks & mortar 8. Virtual offices Communication slow & unreliable Communication instantaneous & continuous Technology growth exponential 10. Technology growth emerging 11. Many employees with similar 11. Many employees with unique responsibilities responsibilities & skills & skills

Table 1Management Environment Transitions from the 20th Century to the 21st Century

(Harvey & Buckley, 2002)

national and indeed, international Making things with machines concerns. became known by a large segment of the society, as consumers demanded goods in a quicker time frame. How to make money by borrowing to maintain and grow businesses was discovered, creating capital markets. America discovered that unregulated markets could lead to monopolies and unfair business practices, and also fought two World Wars. **Business** organizations grew in wealth and size, management and ownership separated, and working for a wage became the norm in the United States.

Unrestrained competition led to business, poor monopolies, unfair labor practices, and massive debt accumulated by organizations. As a result, society demanded reforms and the resulting legislation increased the constraints on business practices. And the theories of economics taught managers important lessons in the Great Depression of the 1930s. New Deal programs formed by the government began to restore the faith in the power of government to help individuals as Social Security and many other work programs were established (Rue & Byars, 2003). Management's view of its world was broadened somewhat to include societal issues external to the business organization. This era of dominance by the organization also spawned the growth and importance of the trade unions in the United States. This trend of organizing by labor provided the appropriate countervailing power to the economic strength of the corporate world. This position was strengthen even more during the depression of the 1930s where the rights of laborers was abused in many cases due to the magnitude of need of those out of work/looking for work during the depression.

From a management perspective the growing size and complexity of organizations, and the need to create a skilled labor force, led to Fayol's theories of structure and division of labor (Wren, 1994). While many theorists were impressed with industrial technology mechanization, management discovered that human assets (largely focused on individuals) were also important. Management theories and development began to focus on improving the productivity of those human assets. acknowledged founder of a body of knowledge known as scientific management, Frederick Taylor, stated that training needed to be a part of the corporation's responsibility to its employees, yet he felt the best teacher for managers was Taylor also experience (Taylor, 1911). postulated that the principal objective of management was to secure the maximum prosperity for the employer and the employee (Taylor, 1911).

The 1920's brought the end of World War I and the onslaught of more studies of the

employee and his/her reaction to task and work environments called the human relations movement. Chief among these studies were those conducted at the Hawthorne facility of Western Electric in Chicago between 1924 and 1933 by a group headed by Elton Mayo (Rue & Byars, 2003). The results highlighted the importance of understanding the social interaction of workers and the existence of organizational informal social systems (Dulebohn, Ferris, & Stodd, 1995). Kaufman (1993, p. 24) characterized the human relations focus as "the incorporation of the human factor into scientific management." Lewin (1935) introduced a theory that human behavior is a function of both person and environment. This led to the thought that the work environment needed to give the individual a sense of belonging for him to function at maximum capacity and popularized the term group dynamics.

Era II: 1946-1970

In the three decades following World War II, large American corporations benefited from the weakened economies of other nations such as Germany and Japan. The United States economy was strong, stable, and experienced unparalleled prosperity. Producers benefited not only from the demand from American consumers, but also from the demand created when the United States government committed to rebuild war-torn Europe, as well as the Philippines and Japan (Tuma, 1971). United States corporations grew into mega-corporations that started exploring international holdings to meet both worldwide demand and to locate closer to new markets created. Two wars (e.g., Korea and Vietnam) and the continuing coldwar arms race continued to fuel the economy whenever recessions threatened (Library of Congress, 2004).

The tremendous economic growth and prosperity of these three decades, while beneficial to the industrial sector of the economy, led to a shift away from reliance on this sector to an emphasis on the development and delivery of services (Goldstein, 1991). Two factors explain this shift. First, as Americans enjoyed high earnings and prosperity, they began to add services to the 'goods' demanded on a daily basis. Second, technology born in the

war efforts and space race began to pervade the economy. The computer was born during WW II and greatly perfected during the space race of the late 1950's and throughout the 1960's. While the computer was a product, its effectiveness was determined by the software developed to make it useful as a data processor, as a reporting system, and in an increasing number of situations as a data repository (Wren, 1994).

While the industrial world was in full development mode, the philosophers and psychologists were in the 'academic wings' analyzing the changes from the worker's perspective. Team or group dynamics became the focus of management interest. (1949) suggested that cooperation and competitive spirit are ever present and demonstrated that developing cooperative groups increased production. Trist Bamforth (1951) indicated that it was important to allow the social dynamics of the group to exist and that the technical aspects of the job need not denominate the success of the workflow. Management continued to place increasing emphasis on its human assets/capital, now visualized in group or team dimensions, rather than as individuals. The advent of the civil rights movement also highlighted the disparity among social/ethnic groups as to opportunities in the workforce. The movement continues to this day having a direct as well as an indirect impact on the diversity and vitality of businesses.

While the computer clearly had a role in business organizations, it also made significant contributions to the development of management theories and practice. Computers made it possible to process larger amounts of data and coupled with a growing body of statistical techniques, management researchers turned to empirical studies with greater frequency. Moreover, as a data repository, computers made it possible to collect and store large volumes of data on economic transactions, which complemented research needs and theory development (Hammer & Champy, 1993).

Era III: 1971-1991

The years from the early 1970's through 1991 were a period of economic adjustment for the United States and much of Western Europe.

The oil and gas crisis of the 1970's played a major role as the increased cost of energy made the United States and many European companies less competitive in the manufacturing arena worldwide. Companies in the United States faced an increasingly competitive and rough economic environment laced with technology advancements, government interventions, and international dvnamics many (Ferris. Schelenberg, & Zammuto, 1984). Struggles to survive became the mantra of many boards-ofdirectors. Casio (1993) reported that in the 1980's United States based manufacturing firms cut more than two million workers with a seventeen percent of the dismissals being from middle management.

However, the demand for services grew exponentially, and as technology spread globally, an increasing number of enterprises from countries other than the United States became "best in the world" in various industries. And, because the United States' consumer market was the world's largest, many of these foreign enterprises entered the United States market and experienced phenomenal success. Domestic consumers, ever egalitarian in their purchasing choices and experiencing some belttightening of their own, bought foreign goods and services because they were less expensive and in many cases of higher quality (e.g., automobiles, electronic equipment, watches, cameras, and the like).

Companies in the United States faced an increasingly competitive and difficult economic environment laced with dramatically changing increasingly industry boundaries. rapid government technology advancements, interventions, and many international dynamics (Ferris, Schelenberg, & Zammuto, 1984). Companies in all sectors faced tough strategic decisions such as downsizing, restructuring, and rightsizing (Casio, 1993) as well as adopting new employment philosophies. During this time, diversity increased due to the increase in women and minorities in the main stream of management. This increased diversity provide the foundation for improving the skill set and management capabilities of the organization but also created a tension and in some cases a conflict among those in the organization. Michael Porter (1980; 1985; 1986) argued that business organizations needed to focus on their

value-chain, which led many to create interorganizational alliances with suppliers and buyers to increase competitiveness. TQM and business process re-engineering tools were used to drive out costs and improve quality, speed, and responsiveness. Many companies turned more to global markets in an effort to expand markets and gain added competencies.

Working dynamics were also changing. Teamwork and the subsequent social facilitation were recognized as important features, but negative behaviors were also being identified. Social facilitation highlighted the point that the presence of others could sometimes motivate individuals and spur them to greater efforts. However, the opposite pattern was also found in that sometimes individuals worked less hard in the presence of others than they did alone. This effect became known as social loafing. Two primary reasons were given for social loafing 1) feeling of anonymity (Harkins & Szymanski, 1988) and 2) perception of easy or not challenging task (Jackson & Williams, 1985).

The 1980's presented a change in philosophy and organizations found that it was important to foster a sense of mutuality and trust in the relations between management and workers, to develop employees as assets with the view of increasing competitiveness, and to assist the organizations' compliance with the increased government regulations (Kochan, Katz, & McKersie, 1986; Walton, 1985; Beer & Spector, The influence of the Japanese management style was being felt through out the American corporate landscape. The successful application of the Theory Z concept contributed to the recognition that employees represented a vital resource just as important as capital and should be managed to facilitate competitive advantages (Dulebohn, et al., 1995; Carnevale, Gainer, & Meltzer, 1990).

Era IV: 1992 - 2002

The economy of the 1990's could best be summed-up by a statement made by Larry Chimerine, former Managing Director and Chief Economist at the Economic Strategy Institute in an address to the Fibre Box Association's (FBA) 63rd Annual Membership Meeting on April 27, 2003 in Phoenix, AZ. "The 1990s was the longest period of uninterrupted growth in United States history, with no inflation, low

unemployment, and record corporate profits. Inflation has been taken-off the counter for a very long time. We're in a permanent disinflationary economy now."

The need to increase speed and responsiveness led to increasing use of virtual teams, new forms of organization, virtual offices, and more adaptive policies and As gaining a competitive edge procedures. became increasingly important throughout the 1990's management researchers began to rethink old theories and reframe them in a modern context (Wren, 1994). Pfeffer (1994) argued that gaining the skill to effectively manage people was one of the most competitive tools. Corporate strategy theorists (Birkinshaw, 2001; Mintzberg, 1991; Prahalad & Hamel, 1990; 2004) Whitney, argued that the core competencies of organizations rest in the human assets and knowledge base of the organization. Throughout this period, management organizations and specifically the human resource management function within them changed their philosophy and turned to a more incorporative mindset (Dulebohn, et al; 1995; Harvey, Buckley, & Novicevic, 2000).

Pfeffer (1994) argued that gaining the skill to effectively manage people was one of the most competitive tools. But, with a diverse workforce that faced more complex problems and group dynamics than ever before it was not an easy task. Diverse workforces brought opportunity and advantage along considerable challenges (Ferris, Frink, Bhawuk, Zhou, & Gilmore, 1996). The need for organizations to more proactively cooperative and self managed teams to improve their competitive position was recognized by many managers. Those teams were being drawn from across functions, from various business units, and even from external market sources. Rodrigues (2001, p. 82) posited that, "United States based organizations rely more heavily on the multi-boss, ad hoc organization than in the past." Teams – the size of teams, the kinds of teams, the dynamics of teams, the member diversity of teams, and the processes of teams became the central focus of training initiatives for employees and managers. Marks, Matthieu, and Zaccaro (2001) created the team process taxonomy to try and assist in the research on teams.

One of the primary methods of growth utilized by organizations is that of employing an acquisition strategy. This mode of gaining market power, diversifying risks, and gaining a broader consumer base has been an inordinately popular corporate strategy over the last several decades. In 2005, it was an estimated \$2.9 trillion worth of acquisitions made globally. In what appears to be an unrelenting quest for limited resources; the need to capture unique combinations of human resources management team tacit knowledge) to gain competitive advantage; the necessary speed of getting products to a market to remain competitive; the growing importance of relational marketing efforts and the resulting synergistic marketing channel strategies, an ever increasing number of firms are focusing on acquisitions to address these marketplace challenges more than ever before.

Era V: 2002-Date

The dawn of the 21st Century found the United States facing more economic uncertainty and increased government regulation. The Sarbanes Oxley act, terrorist attacks, and the subsequent war on terrorism have left executives of this new day concerned and very cognizant of the fact they are facing new tumultuous times. Kiechel and Sacha (1999) listed the following as trends that will reshape the workplace throughout the next decade.

- The average company will become smaller, employing fewer people.
- The traditional hierarchical organization will give way to a variety of organizational forms, the network of specialists foremost among these.
- Technicians, ranging from computer repairmen to radiation therapists, will replace manufacturing operatives as the worker elite.
- The vertical division of labor will be replaced by a horizontal division.
- The paradigm of doing business will {continue} to shift from making a product to providing a service.
- Work itself will be redefined: constant learning, more high-order thinking, less nine-to-five.

It is obvious that the role of the future CEO will be riddled with surprises, seven major issues will dominate according to Porter, Lorsch, and Nohria (2004). These authors listed the following as possible pitfalls for future executives: 1) you can't run the company solo (it takes a team of talented people); 2) giving orders is very costly (using power to unilaterally issue orders or reject proposals by senior staff will cost in social capital); 3) hard to know what is really going on (a magnitude of information and sources of information); 4) always sending a message (always being scrutinized both inside and outside the organization); 5) you are not the boss (still report to board of directors); 6) pleasing shareholders is not the goal (activities and strategies supported by shareholders may not be in best long term interest of the firm); and 7) recognizing that managers/leaders are still only human (bound by human joys, fears, hopes, and personal limits). These seven tenets speak to the dynamic changes of the multi dimensional environment in which future executives must operate.

How do the changes discussed above affect management development? Burns and Stalker (1994) would argue that the movement has been from a 'mechanistic' management to an 'organic' management. While Harvey and

Buckley (2002) would postulate that it is time to recognize those changes and make some tough decisions about what still works for the manager of today and discard the concepts that no longer apply. With that thought a look at a comparative model of the two executives that reside at the polar ends of the time continuum is in order.

A Cross Century Comparative Assessment of the Concept of the Executive

20th Century Manager/Executive

Chester Barnard developed his concept of what a manager/executive needed to learn to remain a viable part of the organization and to guide those for which he was responsible. He outlined five key competencies (see Table 2) that every executive of 'the future' (as perceived in the early part of the 20th Century) needed to brace themselves with beyond their formal institutional instruction: 1) broad interests and wide imagination and understanding, 2) superior intellectual capacities, 3) an understanding of the field of human relations, 4) an appreciation of the importance of persuasion in human affairs, and 5) an understanding of what constitutes rational behavior toward the unknown and the unknowable (Barnard, 1948).

Table 2A Comparative View of 20th Century Manager with the 21st Century Global Leader

20 th Century Manager (early 1900's)	21 st Century Global Leader (early 2000's)
Broad interests & wide imagination and understanding	1. Open minded & flexible
Superior intellectual capacities	Value-added technical &business skills
3. Understanding of the field of human relations	3. Cultural interest & sensitivity
4. Appreciate the importance of persuasion in human affairs	4. Resilient, resourceful, optimistic, & energetic
5. Understand what constitutes rational behavior toward the unknown & the unknowable	5. Able to deal with complexity
	6. Stable personal life
	7. Possess and engender honesty and integrity
(Barnard, 1948, p. 195-204)	(McCall & Hollenbeck, 2002, p. 35)

1. Broad interest and wide imagination: Barnard felt that having a well-rounded liberal arts education beyond business made managers/executives more 'flexible and adaptable' in their thinking. While in his role as

company president, he arranged a series of lectures and readings that were non business related and lasted up to six non consecutive weeks for all of the top management, many of who had college degrees (Barnard, 1948). His

position was that education could not be overemphasized.

2. Superior intellectual capacities: Having survived the Great Depression, World War I, and World War II, Barnard saw the future of businesses to be a 'closer integration of social activity' (Barnard, 1948, p. 195). Moreover, he felt "without education the supply of leaders of organization competent for conditions of the modern world would be wholly inadequate" (Barnard, 1948, p. 194). He drew on that advance understanding when he spoke to the concept of intellectual capacities (Barnard, 1948, p. 197).

There is no doubt in my mind that training in the more logical disciplines tends to foreclose the minds of many to the proper appreciation of human beings. Nevertheless, for executives, as well as many others, the world of the future is one of complex technologies and intricate techniques that cannot be adequately comprehended for practical working purposes except by formal and conscious intellectual processes....to deal appropriately with combinations of technological, economic, financial, social, and legal elements; and to explain them to others so manifestly call for ability in making accurate distinctions, in classification. logical in reasoning analysis....This means that the student needs rigorous training in subjects of intellectual difficulty, thereby to provide himself with the tools and mental habits for dealing with important problems.

- 3. Human Relations: Barnard was clear on his position of understanding social systems and recognizing formal organizations as 'organic and evolving social systems'. He used the analogy of organizations not being like machines, static and fixed; instead they were compilations of employees who would be different from location to location. Interaction and experiences with a given group of people is needed to fully understand their physical and psychological needs. This too requires constant and consistent communication to get to 'know your people'.
- 4. *Persuasion*: Barnard's belief s that one important managerial function was the process of explaining their actions and beliefs about company activities. The art of persuasion is paramount in getting others to accept and even

agree with management perceptions. He expressed the need to for adequate written and oral persuasion skills when dealing in human affairs.

5. Rational behavior: Perhaps the more difficult of his concepts to understand or that might be misinterpreted is the last; 'an understanding of what constitutes rational behavior toward the unknown and unknowable'. After having waxed on so eloquently about the need for superior intellect, here he adds the intuitive piece. The business world is full of unknowns and many situations are faced with incomplete knowledge of all the facts and thus require the executive to takes leaps of faith based on past experiences, signals from the business environment, or just gut instinct. Barnard prophesized that it is just as important to be able to exercise wisdom and instinct as well as intellect (Novicevic, Hench, & Wren, 2002).

He definitely was a man of vision and saw dimensions of the future that many of his time could not comprehend. All five of his competencies are still needed today, as will be demonstrated in a subsequent section of this paper as parallels are drawn between Barnard's list and the more modern interpretation of what competencies are needed by modern global leaders. All five items drawn from the pages of his 1948 book are reemphasized today.

21st Century Global Leader/Executive

As stated earlier it was hard to choose one set of leader characteristics from the list of noted scholars. However, the McCall and Hollenbeck (2002) empirically based qualitative study conducted interviews with over 100 global executives stationed throughout the world. The insight of such seasoned leaders was thought to add to the richness and insights derived from their research efforts. Their extensive interviews lead to the following list of competencies: 1) open-minded and flexible in thought and tactics; 2) cultural interest and sensitivity; 3) able to deal with complexity; 4) resilient, resourceful, optimistic, and energetic; 5) honest and authentic; 6) possess stable personal life; and 7) value-added technical or business skills (p. 35) (See Table 2). Each of these points will be discussed in more details as comparisons and linkages are drawn between the two lists in the

next section. McCall and Hollenbeck would be the first to say that no one list can depict a universal set of competencies as there is no 'universal global job.' "Global competencies, like global jobs, must be thought of as a mix, depending on the job" (McCall & Hollenbeck, 2002, p. 34). The world is just too complex and multi-dimensional. However, their list is comprehensive, thought provoking, and empirically created.

One additional interesting and apparently new facet to the development of the global executive is the importance of personal responsibility for their career paths. They seem to agree with Peter Drucker who advocates learning 'personal management' is as important as learning to manage other people (Galagan, 1998). McCall and Hollenbeck address the organizational and personal responsibilities in the development of the 21^{st} Century leader.

"Although global executive development is more complicated and uncertain than its domestic counterpart, it is not impossible. The problem is not a lack of know how - in many fact. processes managing the difficulties of cross-border assignments have been well known for years. The problem is the complexity and risk; few organizations have adopted a model robust enough to fit the challenge and then committed the time and resources necessary implement it... Given the added challenge of developing global talent, a substantial burden for development falls on the person who aspires to a global career. Individuals with such aspirations need to seek out international exposure, not wait for it to find them." (McCall & Hollenbeck, 2002, p.13)

Parallels

Table 2 provides an insight into how these two executive profiles compare when

positioned juxtaposed. A close look at the list reveals a number of parallels between the way Barnard described the 20th Century Executive and how today's leaders of the 21st Century depict their roles as articulated by McCall and First, broad interest and wide Hollenbeck. imagination seems to be another way to say open minded and flexible. Barnard realized in 1948 that the market place was getting more competitive and changes would come more quickly. He spoke of staying flexible and adaptable to allow for the changes that were occurring in the marketplace. The global leader of today is faced with changes at a faster pace and has more information to deal with than any manager in history. Technology puts more information at their finger tips than the average person can process. Therefore 21st Century leaders must also remain alert and responsive to the hypercompetitiveness and fast changes of today's global business arena.

Second, Barnard spoke of superior intellectual capacities, where the leaders of today reference value-added technical and business skills. It would appear that getting an education and additional training as a foundation to success is still a must. Both sets of authors speak extensively about honing intellectual abilities by continuously pursuing diverse educational opportunities. While it is clear that computer and technical skills are more of a necessity in the 21st Century, that does note preclude other forms of education. Life long learning seems to be their motto, which they allude to being as much an attitudinal issue as it is a skill.

Third, perhaps the human relations in Barnard's day were framed in a more domestic backdrop and focused on respecting employee and employer relations. Yet he still realized that each organization was unique by virtue of the set of employees that happen to make up the employee base. He spoke of organic and ever evolving systems because of the human element. The same is true today, however the multinational multi-cultural dimensionality of today's organization requires global leaders to be sensitive to respecting people from around the world from very diverse backgrounds, beliefs, and morés.

The fourth comparison evolves around personal attitude, both the manager of the 20th

Century and the leader of the 21st Century need to understand the importance of persuasion, optimism, and resourcefulness in dealing with others. Good communication skills, both oral and written, are a necessity as the executive is always acting as a spoke person for the organization and must be able to persuade others to accept and support organizational objectives. Both sets of authors also stress the need to be optimistic and caring when dealing with others in order to have true relationships with constitutes.

The fifth and last direct parallel between the authors addresses the need for dealing with ambiguity. McCall and Hollenbeck speak to the issue of complexity distorting the facts that leaders have to deal with on a daily basis. Barnard talked about how the executive needs to understand that the facts needed for decision making is not in 'black and white,' clearly spelled out. He explains there will be times where intuition is needed to make decisions because executives have to deal with the 'unknown and the unknowable.'

It is interesting that two additional characteristics are explicitly discussed when describing the leader of the 21st Century and yet were not given as descriptives for the 20th Century manager/executive: 1) stable personal life and 2) honesty and integrity. Perhaps, Barnard felt these two items were innate or such essential characteristics that he did not find it necessary to put them on paper. Whereas the authors of today may have recognized the changing demographic trends of blended families such as 'dual-earner lifestyles', and situations where both marital partners are sharing the burden and responsibility for family care. There is an emerging stream of literature that discusses the stress issues related to workfamily conflict (Eby, Casper, Lockwood, Bordeaux, & Brinley, 2005). When addressing the issues of honesty and integrity, McCall and Hollenbeck (2002) stated that is necessary for the leader of today to not only possess these characteristics, moreover to 'engender' them in Furthermore, they found in their others. research that consistent authenticity was crucial for one to stimulate honesty and integrity in others. There is evidence that Barnard believed in and promoted an authentic approach to leadership and that was an important concept

when leaders were faced with ethical decisions (Novicevic, Davis, Dorn, Buckley, & Brown, 2005). However, he did not list it as one of his competencies. Again, perhaps he felt it was so basic it was expected. It still leaves one to wonder if these personal dimensions (stable personal life, honesty, and integrity) are just talked about more today or are they seen as fading standards that need to be recaptured.

Common Themes

Two common themes run through the two lists. First, both executive images capture the value of and the human relational skills needed to succeed. Each seems to echo the Dale Carnegie philosophy of understanding your fellow man and mastering the art of influence and persuasion (Carnegie, 1936). A second commonality that ties the two together is the thought that first-hand experience in the lead role as CEO is still the most helpful step in the development of an executive. It appears that nothing can replace being in the trenches. People learn to be global from doing global work (McCall & Hollenbeck, 2002). The 21st Century global leader lives and operates in a more complex, faster paced, culturally diverse business arena. Yet he/she should start with the 20^{th} Barnard's principles that Century manager/executive lived by and then add a keen understanding of the traits and competencies that ensure success today as expressed by McCall and Hollenbeck. Moreover, this paper suggests that it is necessary to use today's profile as a basis for growth for tomorrow.

Final Thoughts

The major contribution of this paper is the parallelism drawn between the changes in the management environment and the profiles thought to be necessary for the executives/leaders of the early 20th and 21st Centuries. The changes that occurred in the marketplace over the past 70 plus years are exceptional and represent significant shifts in the way executives run global hypercompetitive enterprises. This comparative analysis helps to draw on the heritage of the past, while moving forward into the future, with eyes on changes still occurring at an ever increasing rate in the market place. The review of the last 70 plus

years leaves the realization that it is necessary to proactively and methodically develop global executives and continue to add to their store of talents and skills.

References

- Aupperle, K.E. & Dunphy, S.M. (2001). Managerial lessons for a new millennium: Contributions from Chester Barnard and Frank Capra. *Management Decision*, 39, 156-164.
- Barnard, C.I. (1948). Education for executives. Organization and Management: Selected Papers. In K. Thompson (Ed) The early sociology of management & organizations (pp. 194-206) New York: Routledge – Taylor & Francis Group.
- Barnard, C.I. (1950). *The Functions of the Executive*. Cambridge, MA: Harvard University Press.
- Beer, M. & Spector, B.A. (1984). Human Resource management: The integration of industrial relations and organization development. In K.M. Rowland & G.R. Ferris (Eds.). Research in Personnel and Human Resources Management, 2, 261-98. Greenwich, CT: JAI Press.
- Birkinshaw, J. (2001). Why is knowledge management difficult? *Business Strategy Review*, 12, 11-18.
- Burns, T. & Stalker, G.M. (1994). Mechanistic and organic systems. *The Management of Innovation*. Oxford: Oxford University Press.
- Carnegie, D. (1936). *How to Win Friends and Influence People*. New York: Harper & Brothers.
- Carnevale, A., Gainer, L.J., & Meltzer, A.S. (1990).

 Workplace basics: The essential skills
 employers Want. San Francisco, CA:
 Jossey-Bass.
- Casio, W.F. (1993). Downsizing: What do we know? What have we learned? *Academy of Management Executive*, 7, 95-104.
- Casio, W.F. & Zammuto, R.F. (1987). *Societal trends and staffing policies*. Denver, CO: University of Colorado Press.
- Davis, R.C. (1951). The fundamentals of top management. New York: Harper & Brothers.
- Deutsch, M. (1949). A theory of cooperation and competition. *Human Relations*, 2, 129-152.

- Dulebohn, J.H., Ferris, G.R., & Stodd, J.T. (1995).

 The history and evolution of human resource management. In G.R. Ferris, S.D. Rosen, & D.T. Barnum, *Handbook of human resource management*, Cambridge (pp. 18-41), Mass.: Blackwell Publishers.
- Eby, L.T., Casper, W.J., Lockwood, A., Bordeaux, C., & Brinley, A. (2005). Work and family research in IO/OB: Content analysis and review of the literature (1980-2002). *Journal of Vocational Behavior*, 66, 124-197.
- Ferris, G.R., Frink, D.D., Bhawuk, D.P.S., Zhou, J., & Gilmore, D.C. (1996). Reactions of diverse groups to politics in the workplace. *Journal of Management*, 22, 23-44.
- Ferris, G.R., Schellenberg, D.A., & Zammuto, R.F. (1984). Human resource management strategies in declining industries. *Human Resource Management*, 23, 381-94.
- Galagan, P.A. (1998). Peter Drucker. *Training & Development*, 52, 22-28.
- Gehani, R.R. (2002). Chester Barnard's "executive" and the knowledge-based firm. *Management Decision*, 40, 980-991.
- Goldstein, I.L. (1991). Training in work organizations. In M.D. Dunnette & L.M. Hough (Eds.), *Handbook of industrial and organizational psychology*, (2nd Ed). Palo Alto, CA: Consulting Psychologists Press.
- Hammer, M., & Champy, J. (1993). *Reengineering the corporation*. New York: Harper Collins Publishers, Inc.
- Harkins, D.G. & Szymanski, K. (1988). Social loafing and self-evaluation with an objective standard. *Journal of Experimental Social Psychology*, 24, 354-365.
- Harvey, M.G., & Buckley, M.R. (2002). Assessing the 'conventional wisdoms' of management for the 21st Century organization. *Organizational Dynamics*, 33, 368-378.
- Harvey, M.G., Buckley, M.R., & Novicevic, M.M. (2000). Strategic global human resource management: A necessity when entering emerging markets. In: G. Ferris (Ed.), Research in personnel and human resources management, (pp. 173-241). New York: Elsevier Science, Inc.
- Jackson, J.M. & Williams, K.D. (1985). Social loafing on difficult tasks: Working collectively can improve performance. *Journal of Personality and Social Psychology*, 49, 937-942.
- Kaufman, B.E. (1993). The origins and evolution of the field of industrial relations in the United Sates. Ithaca, NY: ILR Press.

- Kiechel, W., & Sacha, B. (1999). How will we work in the year 2000? *Fortune*, 127, 21-44.
- Kochan, T., Katz, H., & McKersie, B. (1986). *The Transformation of American Industrial Relations*. New York: Basic Books.
- Kotter, J. (2001). What leaders really do. *Harvard Business Review*, 79, 85-91.
- Lewin, K. (1935). *A Dynamic theory of personality*. New York: McGraw-Hill Book Company.
- Library of Congress, (2004). www.loc.gov
- Marks, M.A., Mathieu, J.E., & Zaccaro, S.J. (2001).

 A temporally based framework and taxonomy of team processes. *Academy of Management Review*, 26, 356-376.
- McCall, M.W., & Hollenbeck, G.P. (2002).

 Developing global executives: The lessons of international experience. MA: Harvard Business School Press.
- McKinsey Special Quarterly Report (2004). What global executives think.
- Mintzberg, H. (1991). Learning 1, Planning 0: Reply to Igor Ansoff. *Strategic Management Journal*, 19, 464 466.
- Novicevic, M.M., Davis, W., Dorn, F., Buckley, M.R., & Brown, J.Q. (2005). Barnard on conflicts of responsibility: Implications for today's perspectives on transformational and authentic leadership. *Management Decision*, 43, 1396-4109.
- Novicevic, M.M., Hench, T.J., & Wren, D.A. (2002). "Playing by ear"... "in an incessant din of reasons": Chester Barnard and the history of intuition in management thought. *Management Decision*, 40, 992-1002.
- Pfeffer, J. (1994). *Competitive advantage through people*. Boston, MA: Harvard Business School Press.
- Porter, M. (1980). Competitive strategy: Techniques for analyzing industries and competitors. New York: The Free Press.
- Porter, M. (1985). Competitive advantage: Creating and sustaining superior performance. New York: The Free Press.
- Porter, M. (1986). *Competition in global industries*.

 Boston, MA: Harvard Business School Press.
- Porter, M.E., Lorsch, J.W., & Nohria, N. (2004). Seven surprises for new CEOs. *Harvard Business Review*, Oct, 62-72.
- Prahalad, C.K., & Hamel, G. (1990). The core competence of the corporation. *Harvard Business Review*, May-June 1990, 79-91.

- Rodriques, C.A. (2001). Fayol's 14 principles of management then and now: A framework for managing today's organizations effectively. *Management Decision*, 39, 880-889
- Rue, L.W., & Byars, L.L. (2003). *Management:* Skills and application. (10th Ed.), New York: McGraw-Hill, Irwin.
- Simon, H.A. (1945). Administrative behavior: A study in decision-making processes in administrative organizations. (4th Ed. 1997). New York: The Free Press.
- Swain, J.W. (2002). Machiavelli and modern management. *Management Decision*, 40, 281-287.
- Taylor, F.W. (1911). *The principles of scientific management*. New York: Harper Brothers.
- Trist, E.L. & Bamforth, K.W. (1951). Some social and psychological consequences of the long wall method of coal-getting. *Human Relations*, 4, 3-38.
- Tuma, E.H. (1971). European economics history: Tenth Century to the present. Palo Alto, CA: Pacific Books.
- Vroom, V.H. (2003). Educating managers for decision making and leadership.

 Management Decision, 41, 968-978.
- Walton, R.E. (1985). The future of human resource management: An overview. In R.E. Walton & P.R. Lawrence (Eds.), *HRM trends and challenges*. Boston, MA: Harvard Business School Press.
- Watson, J.S. (1869). Translation: Xenophon, the anabasis or expedition of Cyrus and the memorabilia of Socrates. New York: Harper & Row.
- Whitney, K. (2004). Steve Kerr: Managing the Business of Learning. *Chief Learning Officer*, August, 34-37.
- Wren, D.A. (1994). *The Evolution of management thought*, (4th Ed.) New York: Wiley.