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Achieving international global integration: the crucial role of 'globalising actors'

OD practitioners in multinationals must harness the skills of globalising actors to ensure successful international integration, say Tony Edwards and Olga Tregaskis

**Tony Edwards, Dean of Loughborough University, and
Olga Tregaskis, Professor of International Human Resource Management, University
of East Anglia**

Multinational companies are moving towards greater integration in how they organise themselves globally, motivated by the potential to exploit cross-national differences in business. Modern multinationals are seeking a more flexible form of global integration, unlike earlier examples of global firms, such as IBM, that sought tight control of operations and replication of their operating model across markets.

Successful global integration extends beyond the input of organisation development practitioners. It requires a group of individuals, whom we refer to as 'globalising actors', to be active in the process. This group is a diverse one and rarely features in mainstream accounts of how multinational companies achieve international integration. If organisations want successful and sustainable change, we must upskill and empower these globalising actors who can be forgotten in traditional change programmes.

Establishing global norms

Global integration can range from presenting a unified face to clients or inter-dependencies in the production of certain goods, through to global virtual teams serving particular customers or working on specific projects. To be effective, these forms of integration need to be underpinned by common understandings. This could involve agreement on the company's responsibilities to stakeholders, the criteria governing judgements of performance, or what forms a fair distribution and pace of work. When we establish common understandings across borders and they influence practice, they become 'global norms'.

We set out to get inside the 'black box' of how global integration occurs. We carried out a multi-year study supported by a grant from the Economic and Social Research Council, input from an international team of researchers and the participation of around 25 multinational companies. Often, global norm-making is motivated by solving operational problems and improving the predictability and quality of the work – crucial aspects of a multinational's operations. Our research focused on the people involved in norm-making processes, the globalising actors. We evaluated how globalising actors advance management change across diverse and distributed workplaces.

The importance of globalising actors

Much of the attention has been on senior managers as 'top-down' creators of global norms. While they are important, modern multinationals place a wider range of people at the forefront of global issues. If global integration occurs throughout an organisation, then many of those who are not in senior roles can contribute. These 'forgotten' globalising actors are crucial to the enactment of global strategies and can bring about 'bottom-up' norm formation.

Organisations face competitive challenges and need to progress organisation development (OD) in a sustainable way. There is potential advantage to developing the distributed leadership capability which can be seen in the wide diversity of globalising actor roles. This also means that OD is not only accomplished by consultants and professionals. Organisations should pay attention to the capability of people to be a blocker – or enabler – of global transformation.

Workplace norms are often nationally influenced. This makes the construction and operation of global norms a complicated and sometimes fraught process. It requires people with the foresight, inclination and skills to form, put into practice and maintain global norms. We also need to appreciate the fluidity in their work. Any one individual will often perform many roles at the same time or move between different roles. Supporting

globalising actors in their work by equipping them with the right skills and resources is therefore an important challenge for people professionals. It can contribute to successful OD throughout the modern multinational.

Key aspects of global norm formation

We identify three main aspects of how multinationals form global norms:

- Norm-making is a multi-stage process. At least one globalising actor must create the initial idea for the norm. This idea is shared with a range of other actors to secure enough buy-in to become established. It must be implemented across sites in different countries in a way that provides stability. If it is not to fail it must be monitored to ensure longevity. These elements – creation, dissemination, implementation and monitoring – are all important stages of how global norms come into existence.
- Norm-making is a contested process. Developing new norms can further the interests of some groups, for example by legitimising their claim on fresh resources. Certain norms may threaten the interests of others, leading to potential resistance. The construction and operation of global norms is a political process. Overcoming those who are resistant to the norm is a crucial and ongoing aspect of the work of globalising actors. Actors in senior positions may draw on their authority or control of key resources to secure compliance from others. ‘Low-power’ actors are unlikely to be able to use this source of influence. To be effective they must be able to frame the case for change in a way that appeals to the agendas of others. They must spot who the key influencers are within a network and anticipate where pockets of resistance might emerge. People use the relationships they have with others to get things done and bring them on board with new initiatives. This requires social skills. The social capability of employees is an important aspect of management training if organisations seek to support their globalising actors.
- Globalising actors vary significantly in their ‘reach’. Reach refers to the extent to which the global norms extend across a large or small set of operations. Global norms must operate across the multinational’s operations in many countries. Some may cover the entire multinational and even some of its suppliers, potentially affecting tens of thousands of employees. Other norms may operate across a global virtual team of a handful of people.

The ‘forgotten’ globalising actors

There are many 'high-power' actors who are driving global-norm formation, such as company founders, executives with global remit, HR directors, or those on international assignments. Our study revealed the importance of lower-power actors who have been ignored in previous accounts of global-norm formation. These 'forgotten' globalising actors tend not to have the reach of senior executives and perhaps not that of international assignees either. However, there are many hundreds of them in some multinationals and their collective potential to bring about change is significant. We expand on three types of these globalising actors here.

Global champions

The first group act as 'champions' for a particular norm as it forms. They are primarily involved in the dissemination phase. They have some authority from being 'appointed' to this champion role by senior staff who are pushing the idea, but must rely heavily on their social skills. They must be able to frame an appealing case for the new norm and have the ability to spot key influencers within their network. They have a reach that is usually geographically constrained, often championing the new norm in a given country or cluster of countries. The prime example of this in our research was in a large business services firm. The international managing partner's ambition to generate a more consistent way of interacting with clients was dependent on a network of champions across the organisation. They took on the role of getting buy-in to this idea from those within their country. They did this for a time-limited period in addition to their 'day job', making them in some sense part-time globalising actors. There was a concerted attempt to equip these champions with the skills they would need to bring about change. The potential for these globalising actors to bring about change was heavily dependent on their local context, particularly their ability to convince local partners of the need for change.

Global team leaders

A second group is leaders of global teams. These teams serve an international client or work on a particular project such as developing a new process. Every work group needs norms to underpin effective coordination. Many elements of these are not determined by formal policies but constructed organically within the group. The team leaders managed people in different countries but, interestingly, had often not visited those countries themselves and did not have a detailed understanding of their business practices or traditions. This group performed multiple aspects of the process of norm formation. This involved implementing some company or divisional norms or creating, disseminating, implementing and monitoring other informal ones within the team. They had some

authority from their role as team leader but also needed to be able to use their social skills to generate team cohesion. Typically, their reach was very large in terms of geographical coverage – often across many continents – but small in terms of the number of employees covered. In a large telecommunications firm we studied there were hundreds of such people who had previously managed small teams within one country and were now managing staff across the Americas, Europe and Asia. Many of these individuals indicated that there was a strong sense of being thrown in at the deep end. There was rarely much preparation for these roles and this limited their effective performance.

Aspiring globalising actors

A third category is aspiring globalising actors. Global norms are not simply created by senior people and then accepted or resisted by those lower down the hierarchy. The absence of global norms can be a problem for those in operational roles that require interaction with people in another country. This absence can increase uncertainty, making work unpredictable and stressful. Our exploratory approach allowed these actors and their stories to emerge. They typically took it on themselves to perform a range of roles, from identifying a norm, disseminating it and maybe also implementing it. With little source of authority, they had to rely almost entirely on social skills to achieve this. They had a reach like team leaders – quite large geographically but small in terms of people affected. One illustration was found in a business intelligence firm. The writing of features had been reorganised so that UK-based journalists relied on an Indian data centre for background research for their stories. There was an absence of clear norms concerning how quickly this work would be done or the quality of the data provided. Consequently, there was great variation in what was produced from one request to the next. This led to stress for the journalists, who were up against deadlines and sometimes poor-quality features. Managers were unreceptive to complaints and were more concerned with other priorities. One of the journalists took it on himself to strike up understandings with his Indian colleagues, partly through a visit to Bangalore that was not part of his regular activities. He had some success in generating norms concerning the quality and quantity of work. The major constraint on the potential to enact change was the inherent fragility in the norms the group hoped to develop, given the absence of strong managerial support.

How can globalising actors thrive?

There are two key elements of these processes that appear to be crucial in shaping whether these globalising actors are effective. First, to enact serious change they are likely

to have to use social skills rather than relying on experience or authority, as more senior globalising actors might. Much global-norm formation is carried out by people who have not been tasked formally with forming global norms and have no experience of, or preparation for, managing on an international scale. While social skills are crucial to these actors, on their own they are not likely to be enough. They are likely to need support from those above them if the fledgling global norms are to take root. This support can't be unconditional, but it should seek to harness their role in enacting strategy and carrying out global transformation. Without such support the fruits of norm-making appear to be fragile.

Second, the globalising actors we studied were never operating in a 'steady state' and the role or roles of any one individual were rarely set in stone. Sustainable transformation requires adaptability and the ability to handle uncertainty, which are key attributes for those in such roles and those who manage them. Globalising actors operate within a volatile environment – both within the firm and in the wider business context – that results almost always in a degree of fluidity in global norms. This fragility is enhanced by norm-making itself, as changes in one norm often cause knock-on effects on others.

Our research shows that organisation development in multinationals is not only performed by OD consultants and professionals. They can provide a supportive context for a large and diverse group of actors to enact global norms to complement the 'infrastructure' of international integration. If multinationals wish to operate successfully on an international scale, they must recognise that leadership capabilities are distributed across a range of roles. It is essential to harness the creativity and knowledge of globalising actors.

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The CIPD's series on the state of play in organisation development can be found [here](#).
