

China Transforms Executives' Brains

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Seeking to understand what sets apart the few highest performing non-Chinese executives from the large group of average expatriates in China, academics, **Nandani Lynton** and **Kirsten Høgh Thøgersen** identified and interviewed 35 of the best. They found that the top-performing group has particular patterns of thought that differ from their lower performing peers. These create a new mindset and alter the brain.



Highly effective expatriate executives in China learn to adapt their thinking in ways that actually changes their brains and not just their minds. These leaders use practices they have learned from the Chinese. They just go; they switch between linear and holistic thinking modes; they do not discuss emotions but attend to people; they strengthen their attention and concentration and they are connected beyond themselves. Together these practices reflect a different mindset; a new way of approaching the world using both the right and left brain more fully; paying attention to intuition and soft sides while picking up on situational details and relating to the whole.

PATTERN 1: THEY JUST GO

Chinese all learn strategic thinking. Some Westerners are familiar with Sun Tzu's Art of War, but Chinese learn this in school. Their

THE DATA

In addition to drawing on their over 40 cumulative years of experience with global executives, the researchers conducted in-depth interviews with 35 executives. These are usually the most senior member of their global companies in China, they are involved in other public roles such as heading Chambers of Commerce or industry associations in China, and are a significant influence in shaping opinion in the global business community. They are 50 per cent European, 25 per cent from North America, 25 per cent Asian, and 80 per cent male.

These successful leaders are:

- **Immersed in differences** – 100 per cent are bi-lingual, 80 per cent tri-lingual or more; their families are also multi-lingual.
- **Rooted in their own culture** – 66 per cent have spouses from their home country.
- **Involved in community and able to maintain relationships** – 90 per cent have marriages over 10 years in duration, 33 per cent actively participate in community organisations that are not linked to business activities.
- **Positive and social people** – 70 per cent are “happy quite often” and 66 per cent have more than 10 very good friends.
- **Reflective** – 78 per cent consciously take time – usually daily – to sit by themselves and think.
- **Connected beyond themselves** – 50 per cent actively practice a religion, the other 50 per cent talk about being a small part of a much larger universe, which has its rules and purpose.

strategic thinking is at heart, holistic; it is about cultivating acute awareness of the environment and striking when the moment is right. They are patient, wait for an opportunity, and move to implement in a second.

This can be confusing to Westerners used to linear arguments and business plans and structured negotiations.

One common result of this disjuncture is Western executives' frustration with the apparently “chaotic and unfocused Chinese managers,” who “do not do thorough research before jumping into a new project or product.” A talented Chinese executive typically expressed the other side, explaining he had changed companies because “the Europeans are just too slow to make decisions. I brought them great business opportunities and they wanted to wait and put it in next year's forecast. By then the chance is gone – so I left.” Chinese business people just go.

Go is the Japanese name by which the West knows the board game played with black and white stones, called weiqi in Chinese. It is a game of strategy that takes minutes to learn and a lifetime to implement; the masters use intuition and a holistic view to take into account multiple possible directions and develop new ways of using the rules. The Go master is patient and visionary, and then moves extremely quickly when opportunity arises. Business in China is like playing Go. “You watch them do business and they are masters at this game. They confuse even the most sophisticated strategist,” said James McGregor, author and businessman.

Successful non-Chinese leaders learn to think holistically. To focus only on linear strategy is to constrain the business situation to a certain set of problems that have to be analysed and certain solutions that have to be outlined, thereby denying the pace of the Chinese market.

Effective executives learn to recognise and use both ways. When things get difficult, they do not approach issues in their habitual linear way, but instead leap-frog problems and just go. “Instead of my usual problem-focused ‘get to the point’ kind of attitude, which turned out to be so unproductive here, I have learned to step away from disagreements and go ahead and trust my intuition. It's a completely different way of working and it took me years to learn,” said Clinton Dines, previously China Head of BHP Billiton.

PATTERN 2: THEY SWITCH BETWEEN THINKING MODES

You cannot think in two different ways at once, so the second practice of effective executives in China is learning



to switch modes between linear analytic thought and intuitive holistic thought. Switching modes of thought makes effective executives skilful problem solvers.

When working in China, the effective executive learns to listen to his intuition. To do this, he pays less attention to his habitual understanding (linear left brain) and focuses on his other understanding (holistic right brain). Unfortunately, when we use one form of thinking, the other seems like nonsense. “The most difficult part really is to not think the way one usually thinks,” says Roberta Lipson, co-founder of CHINDEX.

The only way to develop our second, less prominent understanding is to train it while also paying less attention to the first. Training in using the right brain and focused coaching can help extend intuitive understanding, but the culture in which we live continuously activates one way of understanding and deactivates the other. It is, therefore, probably only the hard knocks of cross-cultural living that provide sufficient training in the second mode.

PATTERN 3: THEY DO NOT DISCUSS EMOTIONS BUT ATTEND TO PEOPLE

In China, things are practical and unemotional. Like minor aches and pains, emotions are best ignored. Sharing emotions is not a sign of intimacy between people as it is in the West. “In negotiations I use feelings just to watch and see. Actually there are no feelings in business, just reactions,” says Siemens executive, Fabienne Bressot. Emotions are like a storm that passes over; they are recognised but not important. What counts is how you treat people.

Although feelings are rarely expressed in words, the Chinese expect business to be

THE BRAINS

“To think at all, we must have a cultural context,” wrote Clifford Geertz, a renowned American anthropologist. Our brains are formed by the culture in which we are raised, and we now know our brains continue to grow and develop throughout our lives. Recent advances in neurology show that identity building too is an ongoing process, with visible changes in the structure of the brain. Exposure to different languages and environments, especially to extreme differences such as China is to non-Chinese, builds new pathways in the brain. This is why successful global leaders actually think in more complex patterns than most other people; they have developed a different form of intelligence.



COMMUNITY COMMENT

Emma Fitzgerald, VP Global Retail Network, Shell

My time living and working in China was a genuinely life changing experience both personally and professionally. It taught me to have confidence in my instincts, to let go rather than trying to control a situation. I also learned to pay attention to creating an environment where people can deliver beyond what they believed was possible by individually energising them to be part of the bigger whole. All of these skills can be effective in a Western culture though it is an approach that requires resilience and personal commitment to sustain as the leadership style is less well understood and appreciated.

personal, which is easy to strive for and hard to accomplish. In China it is often assumed this means using one’s network of business relationships (*guanxi*) but this very network is a cultural construct, a “very complex mutual testing system for human personality traits before trust can be built,” says Hans-Michael Jebesen, fourth-generation based in Hong Kong with Jebesen Co. “It is very complex and especially non-transparent for us. Because Westerners seek transparency and certainty we can feel lost in the Chinese system,” says Dr. Sabine Stricker-Kellerer, senior China Counsel at Freshfields Bruckhaus Deringer.

The third practice for executives is to ignore emotions while learning the skill of paying close attention to people. China teaches useful lessons as global business and great leadership become increasingly “personal”- with less emphasis on vision and more on personal qualities. “You have to win them over to be part of a team. It’s very hard but very effective. So it’s lots of time one on one, showing you care for them individually. And you need one person personifying the corporate culture for a long time – this person then becomes the corporate values,” said McGregor, reflecting on his time as head of Dow Jones in Beijing.

When Dale Lyle was China Head of Fisher-Rosemount, he saw that “in the States I swim with the sharks, I keep my distance and focus on results. In China, I have lost an inherent aggressiveness. I am convinced that learning to pay attention to people has made me a more effective manager and a well-rounded person”. In China you do not get ahead by acting openly competitive, but by attending to the personal level.



COMMUNITY COMMENT

Mark Wilson, General Manager (North), British Sugar Overseas China

To succeed in China you must understand what a holistic approach means. You must understand the motives of all stakeholders, particularly local government and those of your own managers'. However don't abandon logic, Chinese businesses are able to create opportunities and profit in ways foreign invested firms cannot. What's right for them might not be right for you. If you learn these things, stay calm and are tenacious, China will reward you.

PATTERN 4: THEY STRENGTHEN THEIR ATTENTION AND CONCENTRATION

The fourth practice that makes business executives effective in China is their conscious use of passion. Our research suggests that passion in business is a combination of focus and concentration that ties an executive to the moment and the immediate goal while unleashing tremendous energy. Only passion is a strong enough feeling to break the abstraction and detachment that goes with the linear/logical mindset. By using passion, executives move into a condition of flow, in which they can manage huge workloads with ease. As David Wang, previous China head of GE and now of Boeing described, "stress comes from lack of control, and so if you don't feel things are out of control, then it's just business to get done. Get into the situation, forget about yourself and go ahead and do the work; it's all about your mindset." Effective executives learn to use and control intuition and emotion.

Passion is a way of dealing with emotions, in which the executive forgets about himself for a time and becomes one with the task to be done. Everything else seems unimportant. "When the passion is there, you know what you do and you reach your goals sort of painlessly and effortlessly," recalled Peter Feldinger, then China President of the Novo Group.

To act with passion requires emotional openness and can also have devastating costs. But effective executives do not destroy themselves because they know that passion cannot be sustained. Many executives recognised the pattern, referring to the ebb and flow of energy, and reporting, "if you are on a high for some days, you will be on a low soon after." The skill is to use passion despite the risks involved, "there is real fragility in this mood, one

can lose wind," clarified Dines. Less reflective practitioners can be caught in the downturn, leading to destructive behaviour. This is why reflection is so important.

PATTERN 5: THEY ARE CONNECTED BEYOND THEMSELVES

The fifth practice that sets apart true leaders in China is the ability to connect to a larger vision of themselves. With this connection, leaders are able to feel the fault lines around them, to sense movements affecting their areas of activity, and to see themselves as part of a larger purpose. This perspective breeds humility and tolerance, two key traits of successful global leaders. "I am a man of power, not for pleasure of power but to realise things for others. If you have social recognition, people will follow you. If you have a position that lets you add a drop of water to the glass of development for people, you must do it," said Jean-Claude Germain, then head of PSA Peugeot Citroën in China. This high self-awareness combined with their feeling part of a larger whole, means that successful executives are deeply connected to their surroundings. They know that everything they do affects others and that they cannot hurt anyone without also hurting themselves.

Effective executives in China schedule daily time to consciously reflect; they think about what they do and about how they think. "I reflect – all the time," they say. "I withdraw for 30 minutes, let my brain flow, take notes about what really is the situation? What do I really want to do? The more you think, the better you are," states Tom Behrens-Sørensen, previous China President of Maersk Sealand. Every executive interviewed had a time and method for pulling back and reflecting; some said they needed more time, but no one went without.

DEVELOP YOUR BRAIN

While you cannot always move to China to develop your brain, there are some simple practices that build whole brain thinking and develop intuition:

- Increase your right-left brain connectivity: use visuals, mapping, learn a character-based language, paint, draw with your left hand if right-handed
- Be curious: do self-assessments, look for feedback, visit new places, eat new foods
- Raise your mental complexity: learn languages, play chess, play Go
- Improve your focus: play golf or squash, learn ballroom dancing
- Connect yourself: think about what you think, reflect, meditate; learn a musical instrument

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THE NETWORK OF LEADERS

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