

# Trust Me! - Analyzing Global Leadership Networks

A. Marte, P. Gloor

MIT Center for Collective Intelligence, March 2007

pgloor@mit.edu

We analyzed the top three management levels of a medium-sized global high-tech company. The group with over 10,000 employees has roughly 40 production facilities and over 120 affiliates and distribution organizations worldwide.

We collected social network structures of reporting, advice, and friendship (trust) networks of the top 200 company managers employing an online survey. Network structure and position was correlated with subjective performance ratings reported by ego in a parallel online survey, and was compared with objective performance evaluators such as salary and bonus. This analysis enabled us to group leaders into different categories by interaction behavior such as coordinators, collaborators, innovators, and others.

In addition, we asked the 200 leaders to identify people outside the top three management levels whom they considered to be influential. We found country-specific differences among managers from Finland, Central Europe, US, and the rest of the world in their willingness to nominate informal leaders outside of top-level management. Furthermore, we discovered regional differences in collaboration ranging from closed hierarchical elite structures to more open, merit-based forms. Moreover, there were substantial differences in the overlap of business-related and friendship networks among managers from different nationalities, but also among different organizational units. The survey revealed that aspects specific of a global context were ranked differently: intercultural setting (values, norms, contexts), structural dynamics between the different units (recently acquired organizations, local versus global, central versus decentralized), virtual communication (technology, sensitive medium for misunderstandings) markets/countries (technological, political, economical), business unit differences within the corporation (culture, dynamics, global understanding), and language abilities.