Development of multiple IQ maps for use in the selection of inpatriate managers: a practical theory

Michael Harveya,*, Milorad M. Novicevicb, Timothy Kiesslingc

a Dean and Hearin Chair of Global Business, School of Business Administration, University of Mississippi, Mississippi, MI, USA
b University of Wisconsin-La Crosse, USA
c University of Oklahoma, USA

Abstract

The rate of expansion into the global marketplace by multinational corporations has begun to accelerate at a pace where international human resource managers are unable to meet the demand for managers to serve in global assignments. This shortage of qualified managers is exacerbated by a number of societal trends, such as, dual-career professional couples, increased number of high qualified female executives who have not been used extensively in international assignments in the past, and the changing format and sequencing of the overseas assignments beyond the traditional single 3–5 year assignment term.

The complexity of global management tasks is increasing requiring multi-talented managers capable of acting as knowledge-integrating boundary-spanners in global network organizations. Inpatriate managers (i.e., host-/third-country nationals relocated to the home organization on a semi-permanent to permanent basis) have been identified as a potential pool of global managers to complement the supply of expatriates for emerging markets. This paper develops a means for selecting inpatriate managers based on a multiple IQ approach that attempts to match the inpatriate managers’ portfolio of abilities with the type of assignments that they might have in global organizations.

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Keywords: Inpatriation; Multiple intelligences; Selection for global assignment; Global mindset

*Corresponding author. Tel.: +1-662-915-5820; fax: +1-662-915-5821. E-mail address: mharvey@bus.olemiss.edu (M. Harvey).
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1. Introduction

The rate of globalization of businesses headquartered in the United States and in other developed economies, is increasingly becoming contingent on having a sufficient number of qualified global managers (Gregersen, Morrison, & Black, 1998; Ghoshal & Bartlett, 1997). In a recent survey of the *Fortune Global 500*, conducted by Author Andersen and Bennett & Associates, 81 percent of the respondents to the survey, indicated their companies intended to rapidly expand their interests throughout the world (Expatriate, 1997). In another survey of *Fortune 500* companies, researchers found that 85 percent of the human resource managers did not believe they would have an adequate number of global leaders (i.e., managers) to implement their company’s global expansion plans (Gregersen et al., 1998).

There appears to be a growing consensus among international human resource managers, that their organizations’ global competitiveness and ultimately their global core competencies will be contingent on the uniqueness of their organizations’ cadre of global managers. It is envisioned that the management team must develop a “global mindset” that incorporates perspectives that are diverse, yet compatible in their basic philosophies (Kefalas, 1998; Kedia & Mukherji, 1999). Therefore, it becomes imperative to develop a global human resource system for selecting, training, and motivating global managers. This system will provide a basic foundation for organizations to gain a global competitive advantage (Bartlett & Ghoshal, 1994, 1995; Ghoshal & Bartlett, 1997; Minehan, 1998; Prahalad & Hamel, 1990, 1993).
The effective global organization of the 21st Century will have to become a repository of skills, competencies, routines, and dynamic capabilities that are managed by multicultural management teams in a manner difficult for global rivals to replicate (Barney, 1991; Grant, 1998; Prahalad & Hamel, 1990). The development of global management multicultural teams should insure effective knowledge acquisition and dissemination in global organizations (Early & Mosakowski, 2000; Millman, 1999; Napolitino, 1998). It is projected that global managers of the future must develop a pluralistic mindset (i.e., developing and maintaining multiple perspectives in a coherent way in order to solve complex global problems) and not be ethnocentric or “Westernized” when managing as team members in the global competitive arena (Aguirre, 1997; Harvey, Novicevic, & Speier, 1999a; Reynolds, 1997).

These global managers will have to possess a complex amalgamation of technical, functional, cultural, social, and political skills to successfully navigate the intricacies of changing responsibilities (Fish, 1999; Nohria & Ghoshal, 1997; Pucik & Saba, 1998). Amassing a sufficient number of global managers for multicultural teams has been characterized as a “contest” for talent on a global scale. The ultimate prize in this contest provides the winning organization with the ability to compete effectively by developing core competency based upon firm-specific multicultural team management that would be difficult to match by global rivals (Heene, 1994; Hamel & Heene, 1994; Rumelt, 1994; Sanchez, Heene, & Thomas, 1996). How to select managers from across the globe for inclusion into these multicultural teams in order to develop a corporate global mindset is the critical issue in knowledge-based competition that has not been adequately addressed in the literature (Montgomery & Yip, 1999; Napolitino, 1998; Yip & Madsen, 1996).

The objectives of this paper are fourfold. First, a knowledge-based view of selecting global managers is developed with particular attention to selection for the positions responsible for the newly emerging markets. Second, the rationale for increasing the pool of potential global managers through the use of inpatriation is discussed explaining why their selection process should be different than the one used for expatriated managers. Third, the development of selection process for inpatriate managers based upon multiple managerial IQs is proposed. Fourth, a practical; selection format, predicated on the multiple IQ logic, is developed to assist international human resource managers in designing the selection process for inpatriate managers. Each of these objectives of the paper will be explored in separate sections in an attempt to develop a flexible means to select inpatriate managers.

2. Developing a knowledge-based view of selecting global managers

The knowledge-based theory views the firm as an efficient mechanism for integrating knowledge diffused across a number of different sources (Grant, 1996). The focal variables of the knowledge-based view of the firm describe the modes of acquiring knowledge through learning, the coordinating mechanisms for knowledge
transfer, and the mechanisms for dissemination of knowledge among the constituents of the organization. Specific to this theory is the assumption that knowledge resides at the individual level which, when shared, becomes a common knowledge in the organization. It is argued that common knowledge facilitates the dynamic processes of acquiring, transferring, institutionalizing, and acting on new knowledge, which, in turn, contribute to the development of organizational capabilities (Zaheer, 1995).

If enhancing and modifying scarce common knowledge effectively reflects a dynamic organizational capability, then it follows that selecting individuals, who possess unique talents valuable to building the common knowledge base of the organization, is critical for the firm competitive advantage (Teece, Pisano, & Shuen, 1997). The scarcity of these unique talents becomes a key concern when the firm is competing in the hyper-competitive global marketplace and growing in emerging markets, where specific local knowledge is imperative to “act locally”. Therefore, from a knowledge-based perspective, developing a stock of knowledgeable global managers with specialized tacit local knowledge allows the organization to learn faster than competitors and effectively match the needs of the local markets with the firm responsive strategies. In global learning contexts, the individual and team ability to manage the transfer and integration of local tacit knowledge at the operating decision-making level of common knowledge becomes a distinctive competency that ultimately leads to global competitive advantage (Downes & Thomas, 2000).

Emerging markets represent a context-specific impediment to knowledge acquisition, transfer and integration in a global organization because of the tacit operating nature of the formal and informal institutions that govern business in these countries (Zaheer, 1995). This tacitness permeates operating systems of the formal societal institutions that govern not only banking and commerce but also legal and political procedures (Barkema, Bell, & Pennings, 1996). The acquisition of local tacit knowledge is particularly challenging for cultural “outsiders” because it is very difficult to perceive or accurately interpret policy change of institutions in emerging markets without extensive local training and years of direct experience (Eriksson, Johanson, & Majkgard, 1997). As a result, the transfer of local knowledge to the common knowledge base of the global organization is often distorted, thus limiting the development of a global mindset of the firm management (Harvey & Buckley, 1997). Therefore, the selection and transfer of managers with local knowledge may likely stimulate the formation of common internal understanding of the tacit knowledge being gathered in the emerging markets (Birkinshaw & Hood, 1998).

Therefore, the appropriate selection of managers with experiences from across the world is likely to lead to a reduction in distortion of specific knowledge acquired in and transferred from emerging markets.

A knowledge-based view of the firm suggests that the corporate human resource function does not add value if merely administering procedures for managing human resources across foreign subsidiaries. Rather, the corporate HR must design valuable processes of knowledge transfer facilitation, which integrate local human resource competencies into unique organizational capabilities (Kamoche, 1996; Oliver, 1997). In particular, the role of the corporate HR function in the development of the
managerial resources embodying the context-specific knowledge is critical to facilitate the integrative process of creating a collective experience base. In this way, the human resource function contributes to the process of developing the firm-specific learning capability that is difficult for competitors to duplicate because the competitive difference is based on the managers’ tacit capabilities (Taylor, Beechler, & Napier, 1996; Roth & O’Donnell, 1996).

The demand for an efficient and feasible identification of managers capable of transferring idiosyncratic knowledge from complex emerging markets necessitates developing a method of selection that takes into account the various domain-specific types of knowledge (i.e., political, cultural, social, institutional and the like) that must be possessed to assess opportunities in these markets. To map these various specific knowledge domains on to the common knowledge base of the global organization, a comprehensive insight into a candidate’s “multiple IQs” needs to be developed given the different domains of learning and knowledge that must be combined to exploit opportunities in emerging markets.

3. Global managers in demand: where and how to source them?

There have been a number of studies that have attempted to determine the reasons for the “success” or “failure” of expatriate managers in overseas assignments (see Fig. 1). Success in expatriate assignments has been examined in many empirical studies and attributed to a number of critical traits of successful expatriates: empathy, respect, interest in local culture, flexibility, tolerance, technical skills, and so on. On the other hand, failure in expatriate assignments has been characterized by issues such as family problems, unwillingness to be relocated, dual career issues, commitment to assignment, lack of language capabilities, lack of career planning, inadequate orientation, inadequate compensation programs, inadequate training programs, restrictions on HR by government, hostility (climate, healthcare, etc.) of environment, cultural taboos (women, minorities), ineffective performance appraisal system, “centric” HRM orientation, ad hoc case-by-case negotiations with candidates, inadequate career development process during foreign assignment, etc.

<table>
<thead>
<tr>
<th>Expatriate Performance</th>
<th>Individual</th>
<th>Organizational</th>
<th>Environmental</th>
<th>Systemic</th>
</tr>
</thead>
<tbody>
<tr>
<td>SUCCESS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Big “5” personality characteristics</td>
<td>• cross-cultural training</td>
<td>• relocation to similar economy/culture</td>
<td>• planning perspective</td>
</tr>
<tr>
<td></td>
<td>• technical competence</td>
<td>• repatriation program</td>
<td>• reduced government restriction</td>
<td>• integrated HRM system</td>
</tr>
<tr>
<td></td>
<td>• cultural adaptability</td>
<td>• knowledgeable HRM managers</td>
<td>• similarity of languages</td>
<td>• increased use of technology</td>
</tr>
<tr>
<td></td>
<td>• previous cultural adjustments</td>
<td>• separate HRM process/procedures</td>
<td></td>
<td>• flexibility of HRM system</td>
</tr>
<tr>
<td></td>
<td>• extensive foreign travel</td>
<td></td>
<td></td>
<td>• consistency of systems globally</td>
</tr>
<tr>
<td>FAILURE</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>• family issues</td>
<td>• lack of career planning</td>
<td>• emerging markets</td>
<td>• &quot;centric&quot; HRM orientation</td>
</tr>
<tr>
<td></td>
<td>• unwillingness to be relocated</td>
<td>• inadequate orientation</td>
<td>• restrictions on HR by government</td>
<td>• ad hoc case-by-case negotiations with candidates</td>
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<td></td>
<td>• dual career issues</td>
<td>• inadequate compensation programs</td>
<td>• hostility (climate, healthcare, etc.) of environment</td>
<td>• inadequate career development process during foreign assignment</td>
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<td></td>
<td>• commitment to assignment</td>
<td>• inadequate training programs</td>
<td>• cultural taboos (women, minorities)</td>
<td>• ineffective performance appraisal system</td>
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<tr>
<td></td>
<td>• lack of language capabilities</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RESEARCH</td>
<td>Caligiuri et al., 1998; Harvey, 1996; Fish &amp; Wood, 1997; DiCerri et al., 1991</td>
<td>Brewer &amp; Pickard, 1994; Brewster, 1995; Chen, 1994; Farkowski &amp; Fogel, 1999</td>
<td>Harvey et al., 1999; Dowling et al., 1998</td>
<td>Harris &amp; Brewster, 1999; Puck &amp; Sabar, 1998; Fish, 1999; Brewster &amp; Scullion, 1997</td>
</tr>
</tbody>
</table>

Fig. 1. Predicting success/failure of expatriate managers.
initiative, open-mindedness, sociability, and positive self-image (Kealey & Ruben, 1983). While it has been helpful to know what traits successful expatriates possess, the difficulty comes in how to assess these attributes in the selection process. Additional problems that arise when selecting candidates for expatriate assignments include: (1) lack of reliability and validity of assessment tools to measure expatriate characteristics; (2) difficulty of assessing the impact of job, institution, and cultural change on expatriate success (i.e., the characteristics beyond the personal traits of the expatriate); (3) lack of a standardized and integrated process for preparing candidates for expatriate assignments; (4) unreliable assessment of the impact of the expatriate spouse and family on the expatriate success; (5) uncertainty in predicting adjustment demands (i.e., success in making the change) and predicting effectiveness (i.e., ability to accomplish the goals of the assignment) of the expatriate manager; and (6) the impact of the “reality shock” on the candidate as no assignment can be designed in terms deemed important for successful expatriation (Kealey, 1996). Therefore, the past research on expatriate success (and failure) has not found consistent answers to the key questions that remain unanswered for global assignments: Which are the key individual attributes? For which foreign settings? To accomplish what set of tasks? In what time period?

Also, expatriation has been widely viewed in past research as the headquarters-to-subsidiary management transfer. Many of the factors influencing the success of expatriation (i.e., to mention a few: escalating cost, low productivity, failures, difficulties to expatriate professional dual-career couples) have been analyzed within this paradigm (Cauldron, 1991; Harvey, 1996a, b; Wederspahn, 1992). However, the one latent issue that has received less attention is that the nature of cross-border transfer has changed in the new global competitive landscape. In particular, the managers in global organizations are transferred not only from the headquarters to a foreign subsidiary (i.e., expatriates) but also increasingly from one foreign subsidiary to another foreign subsidiary (i.e., third-country nationals or “transpatriates”) and from a foreign subsidiary to the headquarters (i.e., in-patriates).

This evolving change of cross-border transfers is caused by the growing globalization-fueled interdependence of subsidiaries and their markets that need to be coordinated on a global scale through global assignments. The major driver of the globalization of assignments is in turn the increasing strategic importance of the emerging country markets (e.g., China, Russia, India, Indonesia, Malaysia, Turkey, Philippines, and select Eastern European countries) (Garten, 1996, 1997a, b) in the background of the growing regional integration of developed country economies (Govindarajan & Gupta, 2000).

These emerging country markets will constitute 7/8s of the world population in 2025 and are considered to be the prime targets for the growth of global organizations (The State, 1995; World, 1995). The emerging markets are frequently culturally distant, normally have significantly lower levels of economic development and for the most part, represent a potential hardship to expatriates coming from developed countries. The reluctance of expatriates to take assignments in these less attractive locations may limit the organization in future expansion opportunities and global managers’ development. IHRM experts have begun to examine a number of
alternatives to the exclusive use of expatriates to meet the management manpower needs for growth in emerging markets (Gregersen et al., 1998).

One of the complementary pools of candidates that have been given considerable attention recently is the use of inpatriate managers (i.e., home country nationals transferred to the headquarters organization on a semi-permanent or permanent basis to serve as “linking-pins” to global markets) (Harvey, 1997; Harvey & Miceli, 1999; Harvey, Speier, & Novicevic, 1999b). Inpatriate managers have the tacit local knowledge of the emerging market and at the same time are developed to establish credibility in the headquarters organization for control of emerging country subsidiaries (Harvey, Speier, & Novicevic, 2000; Harvey et al., 1999a). The tacit knowledge of inpatriate managers is a very valuable input for a global organization in developing locally adapted strategies (i.e., improving local effectiveness) while at the same time, remaining aligned to global goals and strategies (i.e., improving global efficiency). Such a distinctive corporate “signature” to act locally based on tacit understanding of local opportunities aids to insure local acceptance of the firm products/services without reducing the efficiency necessary for global competition (Ghoshal & Bartlett, 1997).

The inpatriate managers responsible for emerging markets will be expected to develop effective local control and coordination by maintaining: (1) an external focus on local government relations; (2) cultural leadership of indigenous employees and relational partners (i.e., channel-of-distribution members, suppliers, customers and the like); (3) social networking; (4) teamwork; (5) a keen sense of the dynamics of the local market in conjunction with the global perspective of the organization; and (6) a high level of local social knowledge of institutions and key functional counterparts (Bartlett & Ghoshal, 1990; Caligiuri & Stroh, 1995; Martinez & Quelch, 1996; Sohn, 1994). If the “soft” skills, derived form the context-specific social knowledge of emerging markets, are becoming the key determinants of successful country managers it appears that inpatriate managers could be a worthwhile complementary pool of candidates to expatriates (Harvey, 1997; Harvey et al., 1999b). When a normative comparison of expatriate and inpatriate is made for global assignments in both developed and emerging country markets, it becomes readily apparent that inpatriate managers have a distinct competitive advantage in social knowledge and the resulting “soft” skills necessary to be effective in emerging markets (see Fig. 2).

An additional contribution of inpatriate managers to the management team of global organizations is their diversity of background and pluralistic orientation to global competition. The plurality of their education, training and business experiences in emerging economies adds new perspectives to the management team of the global organization. The recognition of the need for cultural diversity in global management has recently become a topic in boardrooms throughout the world. Matsushita’s president has explicitly stated that, “to become a truly global company, we have to have diversity in top management” (Harvey & Buckley, 1997). Sony sells approximately 80 percent of its products in foreign markets and recognizes the need to have a pluralistic strategic orientation. Therefore, Sony’s board-of-directors has appointed two non-Japanese members to its member body and has plans to hire
more foreign nationals for executive functional positions in Japan and many of its overseas subsidiaries. The European global organization, Royal Dutch-Shell, has 38 nationalities represented in it London headquarters, exemplifying multicultural globalism. This multiculturalism engendered by inpatriation reinforces the development of a “global mindset” of managers throughout the organization (Kefalas, 1998; Kedia & Mukherji, 1999; Paul, 2000).

As global organizations move away from dependence on a single pool of potential candidates (e.g., expatriates) for global managers, an opportunity is opened for inpatriate managers to serve as a “linking pin” between the domestic and foreign operations. Functioning as boundary spanners in the global network organization, inpatriate managers can provide the tacit knowledge necessary to effectively communicate and develop new perspectives on emerging markets (Harvey & Novicevic, 2000; Harvey et al., 1999b). The diversity of perspectives is important throughout the global organization but is of particular value in the top management team (TMT). Without the in-house knowledge of the differences among markets and the significant discrepancies between the emerging and developed economies, the TMT is dependent on outsiders (i.e., remote local and third-country nationals) to communicate inputs for strategic intent formulation and the design of control mechanisms for the subsidiary operations (Harvey et al., 1999b; Miller, Burke, & Glick, 1998).
If inpatriate managers are a necessity for the globalization of the organization’s leadership (i.e., due to shortage of other candidate pools and because of the need to acquire local knowledge of the emerging markets) the question becomes, “how can these inpatriate managers be selected? Can the same “recipe,” traditionally used for the selection of expatriate managers, be used in the selection process for inpatriate managers? Given the tacit knowledge that is necessary to compete in emerging markets, it appears that inpatriate managers should rather be selected based upon “multiple IQs” which indicate various skill levels as well as the learning capacity of inpatriates. If acquiring knowledge to effectively compete is a requirement in the new global competitive arena, then selection could be guided by the various learning capacities of the inpatriate manager.

4. Developing a selection process for inpatriate managers

Inpatriate managers could present a unique set of problems to the corporate HR function relative to their selection, in that, this pool of candidates is so diverse (i.e., geographically, education, socially, and culturally) that attempting to utilize existing selection processes and procedures could be problematic. Therefore, some safeguards should be designed against the potential of use of a “Westernization” criterion by the corporate HR (i.e., the assumption that the traditional expatriation policies are equally applicable to inpatriates). The safeguards should also be designed to mitigate the potential and/or tendency among the headquarters line managers to hire inpatriates in “one’s own image” (Harvey, 1997). Therefore, it would appear an alternative focus in the selection process is needed to assess the various candidates for inpatriation. This is not to imply that the process being developed could not be used in the selection of expatriates for the increasingly complex global assignments where the candidates’ mental abilities are the critical variable.

In general, the capacity of international assignees (i.e., expatriates, trasnpatriates and inpatriates) for achievement as potential future global managers can be viewed as the product of: (1) cognitive abilities; (2) personality traits; and (3) environmental variables (Eysneck, 1998). While the researchers from the individualistic countries of North America and Europe tend to emphasize the personality variables (i.e., in particular, the five-factor or “Big Five” structure), the researchers from the collectivist countries of Asia, Europe and South America tend to emphasize the environmental variables (i.e., in particular, culture-specific values). These research streams sometimes take the form of a divergent debate (i.e., of a “nurture vs. nature” type), and sometimes that of a convergent dialog (i.e., of a “nurture-through-nature” type). What is common both streams of past research is that cognitive abilities do not have a relatively salient role in the selection process.

It is argued in this paper that cognitive abilities should take a salient role in the selection process when: (1) the organization takes a form of an integrated global network; and (2) the knowledge flows across borders, supported by dynamic cross-border transfers of managers, become the key resource of the organization’s global
competitiveness. In other words, cognitive abilities become critical when: (1) international assignments evolve into increasingly complex global assignments for all pools of assignees; and (2) the developmental demands for future global managers are to be upfront-mapped into the selection process.

There are at least two logical explanations why the introduction of cognitive abilities in general, and intelligence in particular, has been neglected in the past research. First, most past research contributions, focused on international assignments originating from the parent organization, were based on the assumption that cognitive abilities had been addressed for the job position of the candidate prior to the foreign assignment. Therefore, these researchers did not consider the assignment-specific cognitive abilities. Second, as it was also assumed that the assignment-related tasks were of mostly analytical nature, the validity of the general factor of intelligence (i.e., “the g factor”) was also assumed as job-generalizable.

However, they did not take into consideration a number of research programs examining how conceptions (i.e., implicit theories) of intelligence vary not only across occupations (i.e., across analytical, practical and creative dimensions) but also differ in many places around the world from those in the United States (Sternberg & Kaufman, 1998). In particular, empirical findings provide initial support for: (1) cross-cultural differences in the display of intelligence (Greenfield, 1997); (2) cross-cultural differences in the socialization of intelligence (Rogoff, 1990); and (3) differences in the socialization of intelligence across the US ethnic groups (Heath, 1983).

Building on this line of research, the selection of inpatriate managers could center on using a multiple IQ approach given the demand for knowledge transfer to compete in global hyper-competitive markets and for possession of unique social knowledge to adapt strategies to individual emerging markets (i.e., thus increasing the firm global leadership capital). Fig. 3 provides three categories of the total of eight different IQs that could provide the foundation for the selection of inpatriate managers. The three categories of IQs are modeled after the triarchic theory of human intelligence (Sternberg, 1985, 1996) and can be classified as:

I. Analytical intelligence—the planning, implementation, evaluation of problem solving processes and knowledge acquisition: (1) cognitive intelligence (Binet & Simon, 1916; Wechsler, 1939); (2) emotional intelligence (Cooper & Sawaf, 1997; Gardner, 1999; Goleman, 1995).

II. Practical intelligence—tacit knowledge that can be derived from common sense, intuition, and “street smarts” resourcefulness to adapt to an unknown environment or in shaping/selecting the environment to the problem facing the manager: (3) political intelligence (Ferris, Fedor, & King, 1994; Ferris, Perrewe, Gilmore, & Anthony, forthcoming); (4) cultural/social intelligence (Cantor & Kihlstrom, 1987; Sternberg & Smith, 1985); (5) organizational intelligence (Davenport & Prusade, 1998); (6) network intelligence (DeBurca & McLaughlin, 1988; Ford, 1998).

III. Creative intelligence—the ability to develop innovative solutions to new problems and environments given the rate of change and the unique context of global business: (7) innovative intelligence (Lubart & Sternberg, 1995; Sternberg &
Each of these categorized IQs will be briefly discussed individually and then mapped into an integrative inpatriate manager selection matrix.

4.1. Cognitive intelligence

Given the complexity and ambiguity associated with managing global network organizations, it would seem logical that a meaningful reference point for selecting inpatriate managers to manage the expansion into emerging markets would be to focus the selection process on the cognitively superior inpatriates. This cognitive IQ approach, i.e., the “g” factor of general intelligence) favors their problem solving abilities (Sternberg, O’Hara, & Lubart, 1997; Sternberg & Kaufman, 1998). The elements of general intelligence are: (1) higher level of abilities (such as abstract reasoning, problem solving); (2) the ability to learn more/faster than others; (3) the ability to learn what is valued by society; and (4) the ability to adapt and meet the demand of the environment effectively (Sternberg, 1997a). A perpetuating theme in the study of general intelligence over the last 100 years has been the ability of an individual to adapt to a changing and progressively complex problem environment (Barkow, Cosmides, & Tooby, 1992; Buss, 1995; Wright, 1994). The progressive complexity of the changing emerging market environments would support the concept of selecting inpatriate managers on the basis of the “g” abilities.

It is generally accepted that, to perform well in highly complex, fluid, or novel jobs &/or environments, a high IQ is a distinct predictor of job performance (Gottfredson, 1997). But general intelligence may not predict intelligent behavior
in a given environment. This difference not only speaks to potential cultural differences of what constitutes valued intelligence, but at the same time points out that multiple aspects of intelligence may be needed to successfully adapt or in some cases to influence specific environment. Therefore, even the common core of mental processes, captured as general intelligence, may have different behavioral manifestations in different cultural contexts (Sternberg, 1985).

While there appears to be some degree of invariance in “g” across cultures, there is also a degree of variability that could have an impact on selecting inpatriate managers for global organizations. This variability can be observed by illustrating the different Western and Eastern (a large number of transition and emerging nations) conceptualizations of intelligence. The Western concept of intelligence centers on: (1) practical problem solving, (2) verbal ability, and (3) social competence. In contrast, the Eastern conceptualization is focused on: (1) a general cognitive factor such as a general “g” score; (2) interpersonal intelligence (i.e., ability to interact and work well with others); (3) intra-personal intelligence (i.e., knowing one’s self and the basic strengths and weaknesses an individual has at various phases of their lives); (4) intellectual self-assertion (i.e., a willingness to act upon one’s capabilities); and (5) verbal and non-verbal reasoning ability (Chen, 1994; Yang & Sternberg, 1997a, b). The differences relative to what intelligence represents among cultures may be dependent to a degree on the types of skills valued by the various cultures. Therefore, in constructing an inpatriate manager selection process, it is important to go beyond general intelligence and include multiple “IQs”.

Measurement. There has been a long history of measuring cognitive intelligence with such measures as: Binet and Simon (1916) Basic Intelligence Test; Thurstone (1919) Intelligence Test IV; Wechsler (1950) Intelligence Test; Cattell (1949) Personality Factor Questionnaire; Golf and Ackerman (1992) Intelligence-as-Typical Performance Test.

The following research proposition relative to cognitive intelligence and the selection of inpatriate managers could provide guidance for future research:

Research. Proposition 1. The higher the complexity of opportunities to be explored in the market of the emerging country subsidiary, the higher the relative importance of cognitive intelligence factor in the inpatriate selection process in global organizations growing in emerging country markets.

4.2. Emotional intelligence

Beyond the cognitive intelligence of an inpatriate candidate, it is important to determine the emotional maturity of the individual. Emotional intelligence is categorized with cognitive IQ within the analytic category of multiple IQs because the emotional development and maturity are viewed as necessary to allow managers to effectively utilize their cognitive capabilities. The importance of emotional intelligence increases with the level of authority in an organization. At the highest level of authority, technical skills become less important than emotional control in
fulfilling the manager’s role (Goleman, 1998). In particular, the ability to control affect in the face of competing values becomes critical to assert authority. The emotional stability of inpatriate managers in complex, novel environments, where there is a salient social/cultural difference and little formal guiding parameters, is an important enabler of these managers to develop effective heuristics difficult for managers from other organizations to duplicate.

While not exhaustive (see Dulewicz & Higgs, 2000a, b, for comprehensive documentation on elements to be measured in emotional IQ), the list of commonly identified elements in emotional IQ includes: (1) being aware of one’s feelings and having the ability to effectively manage feelings in a variety of situations; (2) having the ability to “handle” pressure and stress so that emotions do not reduce skill performance; (3) having the personal energy and drive to be able to strive for and reach goals; (4) having the stability and interpersonal ability to communicate and influence others to accept one’s proposals; (5) the ability to adjust decision making to complex settings and having the ability to make decisions in unique environments (i.e., personal self-efficacy); (6) consistency in social interactions and in maintaining appropriate behavior compatible with the prevailing cultural/social mores; and (7) showing sensitivity and empathy towards others, particularly when these individuals are culturally/socially different (Dulewicz & Herbert, 1999; Goleman, 1998). Emotional IQ can be viewed as a composite of interrelated personal issues that reflect the ability of an individual to control their affects in a variety of different situations and environments.

These elements of emotional IQ are organized into a classification schemata composed for three categories: (1) Drivers–Motivation–Decisiveness—emotional traits that energize individuals and guide them towards achieving goals…frequently referred to as positivism or emotional energy; (2) Constrainers–Conscientiousness–Integrity–Emotional Resilience—emotional controls which counterbalance the Drivers of emotional intelligence especially in novel, stressful &/or difficult interpersonal or social/cultural situations; and (3) Enablers–Self-Awareness, Sensitivity–Influence—those emotional traits that facilitate performance, by maintaining emotional stability during periods of stress and not allowing emotions to rule one’s decision-making processes (Dulewicz, 2000; Dulewicz & Higgs, 1998). By using this type of classification scheme, researchers are making efforts to develop an instrument for measurement of emotional IQ.

The outcomes of emotional maturity (i.e., high emotional IQ) include a well-developed self-awareness which is internally or self-regulated by the individual, high positive energy derived from emotional stability, understanding for and empathy with others, and possession of a highly developed set of social skills (Goleman, 1998). These qualities are necessary to aid managers in addressing the complexities of managing cross-culturally, and therefore are an integral enabler for employing one’s cognitive IQ to solve managerial problems (Cooper & Sawaf, 1997; Dienstbier, 1989). Therefore, mental toughness can be viewed as the emotional “glue” of analytical intelligence. By combining both cognitive and emotional IQs into the analytical intelligence of managers, the ability to operationalize the concept is enhanced.
Measurement. A variety of tests in psychology and education have been developed to measure emotional IQ (Damasio, 1994; Goleman, 1998; Steiner, 1997). For measuring emotional IQ in organizational settings, an EQ scale of 16 relevant competencies has been developed in the Job Competencies Survey developed by researchers (Dulewicz, 1998; Dulewicz & Higgs, 2000a,b).

The following research proposition relative to emotional intelligence and the selection of inpatriate managers could provide guidance for future research:

Research. Proposition 2. The more salient the demand for affect control and coping skills to manage often-competing values of internal and external stakeholders in the headquarters and emerging country subsidiary contexts, the higher the relative importance of emotional intelligence factor in the inpatriate selection process in global organizations growing in emerging country markets.

4.3. Political intelligence

Organizational politics involves attempts of organization members to manage, create or modify shared meaning in social settings (Sederberg, 1984). The belief that organizations are often social political arenas, where competing interest groups vie for scarce resources through the exercising of power and influence, is a widely held perception (Fandt & Ferris, 1990; Ferris, Perrewe, Anthony, & Gilmore, 2000). To “engineer” social/economic situations conducive to outcomes that favor the initiator of the act, requires political intelligence to accomplish socially complex tasks. The level of ambiguity primarily influences the amount of organizational politics in accountability in organizations. As ambiguity increases in an organization or situation, managers will tend to exercise power to gain political influence (Ferris & Judge, 1991). Managers in these ambiguous environments attempt to put a “spin” of the events to gain disproportionate scarce resources and create a “shared” meaning of an event. This symbolic manipulation transpires through the manager’s persuasive communication and image management (Russ, 1991). Therefore, a manager’s political IQ is one’s ability to gain resources though exercising political power in situations where ambiguity and accountability levels allow for a shaping (i.e., spin) of attitudes and images among those being influenced.

Political skill is the intuitive savvy to operate within an organization and gain scarce resources beyond one’s position or functional skills. A political IQ refers to knowing how to get things done in an organization in the manner that may not follow the formal organizational procedures or routines. A high political IQ refers to having a sense about the social infrastructure and the individuals that occupy key positions that can be instrumental in exercising influence to change resource allocation or direction of the decision making (Ferris et al., 2000).

Political IQ in global organizations becomes imperative when addressing local stakeholders in the host country. In particular, external constituents (i.e., channel-of-distribution members, suppliers, logistic providers, as well as, governmental institutions) can play a significant role in the success or failure of organizations
operating in emerging countries. Managers who have well-developed political IQs have the ability to obtain support and cooperation from local institutional counterparts and government entities. This political skill enables the organization to develop competitive routines, which are difficult for competitors to duplicate. The organization’s image or reputation in the emerging economy may hinge on the political IQ of key inpatriate managers with contacts with external institutions. The resulting “reputational capital” established by inpatriates in the host country provides the organization with a unique and valuable source of market-based power that is difficult for competitors to imitate (Fombrum, 1996).

Political IQ of inpatriate managers can also be useful when attempting to influence the interface between the foreign subsidiary and the headquarters in the home country. Managers who possess the political insights and knowledge to build organizational coalitions with headquarters management provide an internal resource for the subsidiary. The strategic latitude or operating discretion of the subsidiary may be directly influenced by the political network and savvy of key inpatriate managers in the foreign subsidiary (Birkinshaw & Morrison, 1996; Birkinshaw & Hood, 1998; Birkinshaw, Hood, & Johnson, 1998). The political IQ provides the inpatriate manager with operating latitude that goes beyond routine policies and procedures and allows for the customization of strategies to local emerging markets.

Measurement. A measure of political IQ, which contains 11 items, has recently been developed reflecting an individual’s ability to exercise influence on others beyond one’s functional and resource bases (Ferris et al., 2000).

The following research proposition relative to political intelligence and the selection of inpatriate managers could provide guidance for future research:

Research. Proposition 3. The higher the demand for informal resources and means to manage internal and external stakeholders in the headquarters and emerging country subsidiary contexts, the higher the relative importance of political intelligence factor in the inpatriate selection process in global organizations growing in emerging country markets.

4.4. Cultural/social intelligence

A cultural/social IQ, based upon an inpatriate manager’s knowledge of a particular country or area, encompasses five categories: (1) material aspects (i.e., technology, economic development, available level of standard-of-living) of a society; (2) social institutions—educational, political, and religious; (3) aesthetic values in a society; (4) the official and unofficial languages of a culture; and (5) the cultural belief or philosophy of local groups of influence. In order to have a high social/cultural IQ, managers need to have insights into the foreign country’s culture/social context and how to “translate” or integrate the specific cues of that culture with the general frame in the home country of the headquarters of the organization. The cultural and social discrepancy between two countries increases the stress
experienced by managers responsible for the foreign culture market, resulting in
difficulties to effectively manage strategy implementation in the foreign culture
(Searle & Ward, 1990; Ward & Chang, 1997; Ward & Kennedy, 1993; Ward &

To assess cultural/social IQ of an inpatriate manager, the following comparisons
between the two cultures must be determined: (1) the degree of cultural variability or
stability in each of the national culture; (2) the level of cultural complexity (i.e., high
vs. low content) of each culture; (3) cultural hostility—the degree to which
conditions in the foreign culture are threatening to the individual (or organization’s
culture) in terms of norms, goals, values and the like; (4) the level of cultural
heterogeneity or level of differences between the two cultures; and (5) cultural
interdependence or sensitivity of one culture to changes or differences in the other
culture. The level of sociocultural adaptation an inpatriate manager has to make
when relocating to the headquarters country impacts the rate and severity of
adjustment for that individual. When two countries are culturally distant it is
anticipated that sociocultural adjustment will be great and there will be a negative
impact on the inpatriate manager’s performance (Ward & Kennedy, 1999). The more
“hostile” the headquarters culture is to the inpatriate, the more the inpatriate
cultural learning and social skills acquisition will be retarded (Ward & Kennedy,
1994; Berno & Ward, 1998). Therefore, the cultural impact on low social/cultural IQ
inpatriate managers could directly impact their performance over an extended period
of time making them of less value for actions in the emerging country.

Inpatriate managers with high social/cultural IQs are those who understand how
the organization functions and the role organizational culture plays in operation of
the entity (Kotter & Heskett, 1992). The organizational culture may vary across
organizational units, and therefore the internal culture of the foreign subsidiary can
prove to be an impediment to those corporate managers who do not have tacit
knowledge of how variations in the organizational culture operate. The commonly
held overt behaviors that constitute the subsidiary-specific organizational culture
are: (1) behavior regularities, the language, customs and traditions of interactions in
the organization; (2) group norms; (3) the espoused values; (4) formal philosophy of
the organization; (5) the rules (i.e., policies, procedures and processes) by which the
organization operates; (6) the climate or atmosphere (i.e., degree of formality among
various groups within the organization); (7) embedded skills and core capabilities of
the management and employees of the organization; (8) mental models or decision-
making heuristics used by the organization as a whole and by individual groups
within the organization; and (9) shared meanings, norms and beliefs of the
organizational culture (Schein, 1992). Differences between headquarters and
subsidiary cultures can be significant particularly when there is a high level of
external cultural distance between the two national cultures.

An inpatriate manager who understands the headquarters organizational culture
and has insights into the differences and similarities between the headquarters and
the subsidiary’s internal culture can provide valuable insights to the TMT. As these
managers have social knowledge (i.e., one’s ability to understand and predict the
others’ general pattern of behavior) of both organizational units, foresight about the
foreign subsidiary management’s decision-making frame-of-reference can be derived. (Frank, 1988, 1989). These high social IQ inpatriate managers can provide additional value, when the mechanism of social control is designed, by helping to predict the behavior of subsidiary employees and managers in emerging markets (Sohn, 1994; Tolbert, 1988).

Measurement. The Sociocultural Adaptation Scale (SCAC) was developed in the last decade (Searle & Ward, 1990). This scale was developed based on earlier social skills scale (Trower, Bryant, & Argyle, 1978). Most recently the SCAC has been expanded to include cognitive as well as behavioral domains (Ward & Kennedy, 1999).

The following research proposition relative to cultural/social intelligence and the selection of inpatriate managers could provide guidance for future research:

Research. Proposition 4. The higher the demand for social knowledge to assess the differences in cultural variability, complexity, and hostility between the headquarters and emerging country subsidiary operating contexts, the higher the relative importance of cultural/social intelligence factor in the inpatriate selection process in global organizations growing in emerging country markets.

4.5. Organizational intelligence

Inpatriate managers’ organizational IQ is predicated on their knowledge of how “things” officially are accomplished in the organization. This would include an understanding of the policies, procedures, planning processes, auditing formats and any other types of formalized prescribed activities/events that take place in the organization. Rather than reflecting an understanding of the informal process, discussed under social/cultural IQ, the organizational intelligence is the corollary to that notion by reflecting an understanding of the official formal “rules” of management. The rationale for inclusion of organizational IQ into the composite of IQs for selecting inpatriate managers is that the “fit” and “flexibility” issues between headquarters and subsidiaries and among subsidiaries in global organizations involve a complex web of policies and processes designed to coordinate resources and activities in the various organizational locations (Milliman, VonGlinow, & Nathan, 1991).

Knowledge of how the organization formally operates is of particular relevance when managing the coordination of organizational units in different countries. As the local institutional context and the nation-state play a role in how organizational units operate, the “official” operational dimensions across the organization may be different or in conflict with each other (Lewin, Long, & Carroll, 1999). Each nation-state legitimizes local business systems in terms of the acceptable design of the organization’s governance structure, employment requirements/relations, and management practices (Baron, 1996; Djelic, 1998; Guillen, 1994; Kieser, 1994). These variations across countries require coordination among the various operating units of the firm. Organizational IQ means not only having a systemic understanding...
of the required differences but also knowing how to compensate for differences between operating units while maintaining compliance with the nation-state requirements.

A general system of business values across emerging market countries differs procedurally from the accepted ways of operating in the global organization as a whole (Polos, Carroll, Hannan, & Pell, 1998). To resolve the potential conflict and to address the seeming incompatibility of the two “official” operating systems for the same organizational network is the reason why organizational IQ of inpatriate managers is considered formally to be a critical IQ. The “fit” and “flexibility” issues of maintaining consistency in the global organization and at the same time, accommodating the local “content” requirements of emerging countries is a difficult requirement to place on managers of subsidiaries in these emerging countries (Kostova & Zaheer, 1999; Sparrow, Schuler, & Jackson, 1994).

**Measurement.** The ability to effectively “get things done” in an inter-organizational context has a proxy measure of a team member’s tacit knowledge (Sternberg & Wagner, 1986). Instruments that measure tacit knowledge in managers (Wagner & Sternberg, 1991) and other occupations (Sternberg et al., 1993) have been developed and tested for validity and reliability.

The following research proposition relative to organizational intelligence and the selection of inpatriate managers could provide guidance for future research:

**Research.** Proposition 5. *The higher the demand for specific knowledge and systemic understanding of compatibility in the headquarters and emerging country subsidiary formal policies, employment relations, and acceptable management practices, the higher the relative importance of organizational intelligence factor in the inpatriate selection process in global organizations growing in emerging country markets.*

4.6. Network intelligence

Very closely akin to organizational IQ is a manager’s understanding of how the entire global network of organizations works as a whole. But, with network IQ one is attempting to ascertain the abilities of inpatriate managers for inter-organizational management, as opposed to intra-organizational management skills that were examined in organizational IQ. Global networks are visualized as a set of multiple connected business relationships among collective actors (Anderson, Hakansson, & Johansson, 1994; Emerson, 1981). From a social exchange perspective of business networks, the importance of the informal nature of network relationships among individuals in different firms becomes central as the network activities evolve over time (Granovetter, 1985). The quality of these personal relationships (i.e., the level of mutuality) and the scope of relationships (i.e., number of professional/business ties) in the emerging country can be used as a quasi indicator of an inpatriate’s network IQ.

In many ways, the inpatriate social networks can be envisioned as the sets of personal contacts through which an inpatriate maintains his/her social identity and
receives social support, aid, services, information, and new social contacts (Freeman & Wellman, 1995). The measure of an inpatriate manager’s personal network IQ would center on determining: (1) the size—the number of interpersonal business relationships that could provide network support in the host country; (2) density—the connectedness amongst the people within a given inpatriate network (Albrecht & Adelman, 1987); (3) cliques—the subsets of the larger network in which inpatriates have deeper more intimate interpersonal sub-networks (i.e., relationships that go beyond membership in a broad business relationship network) (Scott, 1991); (4) clusters—arrangement of inpatriates into groups of hierarchical nature based on similarities/dissimilarities in the status of the individuals in the group (Borgatti, 1995); (5) centrality—the positioning of the inpatriate in the network relative to information exchange (i.e., whether the individual’s role is central or peripheral to information flows); and (6) link reciprocity—the degree of mutual exchange of resources and favors across the links within the inpatriate network members (Albrecht & Adelman, 1987; Smith, 1999). The ability of inpatriate managers to effectively use their personal network within the emerging market country, as well as in the headquarters organization, becomes another means for the firm to develop a competitive advantage. This is of particular importance in emerging economies where there is a high impact of personal network relationships on the critical events in the business arena (Garten, 1997a).

Measurement. Network intelligence measure in personal relationships crossing organizations, which includes the number of nodes and ties in personal nets, has been developed (Albrecht & Adelman, 1987). This work has recently been expanded beyond the norms established for members of Western social system (Smith, 1997). The following research proposition relative to network intelligence and the selection of inpatriate managers could provide guidance for future research:

Research. Proposition 6. The higher the demand to develop/possess both institutional and individual networks of relationships in the headquarters and emerging country markets, the higher the relative importance of network intelligence factor in the inpatriate selection process in global organizations growing in emerging country markets.

4.7. Innovative intelligence

The ability to think in abstract terms, to develop business ideas and concepts that have not been conceptualized by others, constitutes business innovation. The embodiment of ideas/concepts into new processes, products, services, and technologies is a valuable outcome of innovation. An inpatriate manager’s innovative IQ is composed of six components: (1) basic knowledge—innovative creativity is generally directed by one’s knowledge of a topic or specific area of expertise; (2) the intellectual ability—to synthesize connections, reframe complex problems and assess the value or potential of creative innovative actions (Sternberg, 1997a–c); (3) inventing thinking/learning style—innovative managers have a
preference for thinking in novel ways that they have constructed in idiosyncratic ways (Andersen, 2000); (4) motivation to focus on the task/problem and its solution...ideas in and of themselves have value and are rewarding; (5) risk-taking attitude—creative innovativeness frequently conflicts with present convention and therefore, the individual has to have the willingness to “stand alone”; and (6) dependence on supportive environment—for creative innovation to occur, the environment has to be supportive of challenging to the status quo in order to promote change and accept cognitive diversity (Beir, 1995; Stein, 1991). A higher innovative IQ is difficult to measure up front, but over time, individuals who exhibit higher than average innovativeness can be recognized in an organization. The problem may be that these individuals are generally prone to challenge the conventional management wisdom and therefore, may be ostracized or leave the formal organization.

The highly innovative IQ inpatriate managers are likely to pay attention to context and details in the emerging market environment. One of the key considerations in assessing the innovative IQ of inpatriates is to examine their ability to recognize patterns and/or to be able categorize people, events, environments into classification schemes of opportunity. Patterns are also useful when attempting to integrate two systems or organizations (i.e., home and host country). By recognizing similar patterns between two entities in different environments, the inpatriate manager is able to determine what aspects do not need to be relearned or modified (Ray & Myers, 1989). The inpatriate manager’s creative use of tacit knowledge reduces the firm learning time relative to the emerging country culture allowing for the organizational effort to be focused on substantive issues. The ability to classify items enables inpatriates to pay selective attention to exceptions or problems in emerging markets that need creative solutions. Innovativeness in inpatriate managers may be one of their primary qualities, which must be activated by their intuitive IQ when attempting to effectively integrate the operations of the domestic and foreign organizational entities (Agor, 1991).

Measurement. A measure of innovative intelligence has been developed based on the investment theory of creativity (Sternberg & Lubart, 1991, 1995). The following research proposition relative to innovative intelligence and the selection of inpatriate managers could provide guidance for future research of the issues:

Research. Proposition 7. The higher the demand for tacit knowledge exchange between the headquarters and emerging country subsidiaries that is instrumental to develop change initiatives in emerging markets, the relative importance of innovative intelligence factor in the selection process in global organizations growing in emerging country markets.

4.8. Intuitive intelligence

It might be argued that nowhere in business arena is intuitive IQ more important than in the global environment. Inpatriate managers, who have to address multiple
sets of global environmental differences, while attempting to balance the organizational anomalies found between countries, almost need to have this “sixth sense” (Cunha, Cunha, & Kamoche, 1999; Khatri & Ng, 2000). The benefits of using intuition of inpatriate managers to manage subsidiaries in emerging markets are: (1) expedited decision-making process; (2) qualitative improvement of decisions aided by tacit, informal knowledge that is not generic to the organization; (3) facilitated personal development by building personal self-efficacy of an inpatriate decision-maker (i.e., having insights and confidence that others do not have in making decisions in complex environments); (4) facilitated decision compatibility with local institutional environment and within the host-country organization (Burke & Miller, 1999). The intuitive IQ of inpatriates provides experiential insights into specific local decision processes or routines. The insights that are provided by the inpatriate’s intuition make it difficult for competitors to replicate as the thought processes being used to develop strategies in emerging markets.

The difficulty in assessing an inpatriate manager’s intuition is its subconscious origin. Its tacit nature makes it very difficult for the inpatriate manager to justify his/her recommendations (i.e., “I don’t know why or how, I just know that it is”). The manager draws upon innumerable local experiences that have been stored for automatic retrieval and thus cannot be well articulated (Agor, 1990; Parikh, 1994). In many ways, intuition suspends the bounds of rationality in unstable and complex environments like emerging market countries to allow inpatriate decision-makers to know how to frame particularly complex problems and potential solutions (Kleinmuntz, 1990). Inpatriate managers have to trust their judgments and overcome their fear to use intuition, in that, it is not merely an emotional reaction to complexity but rather an evolved means to estimate how to address “unknowns” in the firm decisional framework (Vaughn, 1990). The most important element of using inpatriate intuition is the speed with which decisions can be made implying that intuition is critical for local agility (Harper, 1990; Khatri & Ng, 2000).

There are some behavioral researchers that relate the concepts of creativity and intuition to one another. At least some sort of preconscious activity is involved in creativity by guiding or alerting an inpatriate manager to pursue novel creative prospects (Finke, Ward, & Smith, 1992). This notion would support the contention that creative and intuitive IQs should be assessed in conjunction with each other. An additional element in the composite picture of intuition is that of tacit knowledge. There is research evidence that supports the contention that tacit knowledge of an environment (i.e., of the local emerging market) stimulates the use of intuition and provides the incentive for inpatriate to be an action-oriented decision maker (Andersen, 2000). When inpatriate managers are faced with complex unfamiliar decisions, but yet have tacit knowledge as well as intuition, they can successfully improvise in their decision-making processes.

Managerial improvisation is the conception of action as it unfolds, by drawing on available material, cognitive, affective and social resources (Cunha et al., 1999). Improvisation has a deliberate intentional element as well as an extemporaneous unplanned dimension that is based on “acting on the moment” (Miner, Moorman, & Bassoff, 1996; Weick, 1998). Improvisation is a critical concept relative to inpatriate
intuitive IQ in that it provides foresight for decision making in unexpected situations or when the dynamics of the environment does not allow for a preplanned course of action. In these situations, the intuitive IQ activates the inpatriate manager’s ability to use improvisation to develop strategies on the “run” (Moorman & Miner, 1998). This ability to reflect and act simultaneously is sometimes referred to as “street smarts” or “gut knowledge” that differentiates excellent from average global managers (Harper, 1988; Mintzberg, 1994; Sujan, 1999). Intuitive IQ becomes the mechanism for inpatriate managers to improvise when the complexity of the environmental change is very high and there is limited past experience for making decisions.

Measurement. The Keegan’s Type Indicator Form B (KTI), which has 16 items referring to the function of sensing and intuition, was developed in the 1980s (Keegan, 1982). It has also been suggested that the KTI instrument be used in conjunction with the Myers–Briggs Type Indicator (MBTI), first developed by Myers and Cauledy in 1985 (Myers and Cauledy, 1985; Andersen, 2000).

The following research proposition relative to intuitive intelligence and the selection of inpatriate managers could provide guidance for future research:

Research. Proposition 8. The higher the demand for exploratory learning to acquire insights into specific local routines in emerging markets and to improvise when implementing local strategies, the higher the relative importance of intuitive intelligence factor in the inpatriate selection process in global organizations growing in emerging country markets.

5. Inpatriate manager selection spreadsheet matrix

In an effort to incorporate the multiple IQs into the selection process of inpatriate managers, a decision spreadsheet matrix shown in Fig. 4 has been developed. This matrix is a means to map the eight IQs on to the key issues influencing the selection of inpatriate managers. As there is little empirical research done on the variables influencing inpatriation, the categorical grouping of variables, that could impact the selection of inpatriate managers, is specified at three levels (see Fig. 4): (1) Individual Level—the level of authority in the organization (i.e., supervisory–top management) and type of authority (i.e., line or staff; (2) Organizational Level—the extent of ownership (i.e., wholly owned or affiliated structure like a joint venture or strategic alliance) and the type of control over the subsidiary (i.e., outcome or process controls); and (3) Type of Environment—developed or emerging economy and the cultural distance between the home and host countries. It should be noted at this point, that other inputs thought to be of more and/or additional assistance in the selection of inpatriates, could also be included in the selection spreadsheet matrix. In general, the matrix is to be viewed as a default map of how a selection process could be assembled using the eight IQs discussed in the paper. If management thought that other issues were key to the selection of inpatriates, they could be substituted for the
ones in the matrix or additional elements could be added to the ones illustrated in
Fig. 4.

Each of the IQs can then be rated by the management or by international human
resource managers from 1–5 (i.e., least important–most important) for each of the
cells in the matrix. By doing so, a profile of the desired abilities of various types of
in patriate managers could be developed. In addition, the most critical IQs could be
identified as being requirements for each of the positions to insure some
commonality among in patriates for particular jobs at the same level in the
organization and for similar environments. This approach illustrates the dispersion
in the desired abilities of in patriate managers depending on what level in the
organization they are being hired as well as the type of position (i.e., line or staff),
and the type of environment they would be responsible for in the headquarters
organization. The matrix allows for development of consensus on what are critical
IQs, so that there can be a degree of consistency among the selection criteria for
in patriate managers in different categories.

The final step in operationalizing the selection of in patriate managers on the basis
of multiple IQs is to use the information from the in patriate selection matrix (Fig. 4)
as the reference against which is compared each specific in patriate manager’s
multiple IQ profile (see Fig. 5). In that way, the desired profile for each type of
in patriate manager can be mapped on to the profiles of the actual candidates who are
being assessed on multiple IQs. In this step of the in patriate evaluation/selection
process, the strengths and weaknesses of candidates relative to their multiple IQs can
be visually displayed and used to compare individual candidates against a standard
as well as to assess differences among the candidates for the same position. The
multiple IQ screening can also provide the basis for a management development plan
6. Summary and conclusions

The irreversible forces of globalization are shaping a new competitive landscape in which the decisive strategic leadership plays an increasingly important role. The global leadership capability evolves from developing a global mindset by the human resource management systems that encourage boundary spanning structures and processes across borders and organizations. Traditionally, the route to global leadership development has been paved by the developmental expatriation of selected high-potential managers to control international operations. Today, as “global thinking is what’s important today, not international operations” (Kantor, 1994, p. 232), a complementary practice of inpatriation of local and third-country managers into the home country operations has been gaining prominence in global HRM systems.

Inpatriation is envisioned as a corporate boundary spanning process designed to enhance the multicultural cosmopolitanism in the management culture of multinational corporations (MNCs). The cosmopolitan component of global mindset is a necessary condition for the development of dynamic organizational capabilities to resolve cognitively complex problems of growing in emerging markets. The development of dynamic capabilities in a MNC necessitates selection of those inpatriates who possess a unique and valuable portfolio of abilities (i.e., “multiple
IQs’’) to facilitate the access to and integration of local tacit knowledge from complex global environments like emerging markets.

In this paper, we propose a theory-grounded selection process for inpatriates based on their multiple IQs. In addition, a practical matrix to map the inpatriate IQs onto the relevant dimensions of a global organization is developed. This study illustrates how the selection practice in the global HRM systems should be adapted to respond to the demands for global mindset development. The proposed inpatriate selection process is designed to increase the learning capacity of a global organization necessary for its renewal through effective exploration and exploitation of neglected opportunities in emerging markets.

Future research should focus on empirical and practical testing of the model proposed in this study. In particular, it would be interesting to elicit cognitive maps of managers in high-performing global organizations to identify how the corporate strategic vision of global growth imposes firm-specific demands for the selection process based on the candidates’ multiple IQs. These maps may reveal how a global organization can effectively use inpatriation to meet the needs of the neglected strategic imperative for global growth—worldwide learning. The inpatriation-focused worldwide learning, developed from the firm-specific selection process, contributes to the improved organization’s dynamic efficiency for global knowledge acquisition and sharing based on “what we do not know”, rather than on “what we know” (Harvey & Novicevic, 1999, 2000; Santos, 2000).

7. Uncited references

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