

The Nexus Effect

When Leaders Span Group Boundaries

In this age of global interconnection, leaders need to go beyond their traditional focus on managing and protecting group boundaries and work toward boundary-spanning leadership—bridging intergroup boundaries in order to achieve a shared vision or goal. The experiences of leaders in three different sectors shed some preliminary light on the collective solutions that can be achieved when leaders facilitate collaborative practices *across* diverse and even divided groups.

nex-us

1. CONNECTION, LINK; also: a causal link
2. a connected group or series
3. CENTER, FOCUS

—Merriam-Webster's Collegiate Dictionary, Eleventh Edition

The practice of leadership traditionally has focused on the role of leaders in managing and protecting group boundaries. Leaders often operate within their box on the organizational chart, within the interests of their unit or team, and within the mind-sets of the demographic or cul-

tural groups to which they belong. However, in this age of global interconnection, the opposite response is often required—the ability to bridge intergroup boundaries toward a shared vision or goal.

What can be achieved through boundary-spanning leadership? Specifically, we use the term the *nexus effect* to describe the higher, collective outcomes that can be achieved when leaders span boundaries that are above and beyond what each group could achieve on its own. In this article we explore the nexus effect through the experiences of leaders in three different sectors:



by Jeffrey Yip, Serena Wong, and Christopher Ernst

Ingrid Srinath, former CEO of Child Rights and You (CRY), the leading nongovernmental organization in India dedicated to children's rights; William J. Amelio, president and CEO of Lenovo, the world's fourth-largest manufacturer of personal computers; and Mechai Viravaidya, a social entrepreneur and former politician in Thailand who is currently chairman of that nation's Population and Community Development Association, which he founded in 1974.

REFRAMING DIFFERENCES

In 2004, Ingrid Srinath was appointed CEO of CRY, then known as Child Relief and You. In this role she was given a clear but daunting task—to

lead a sweeping reorganization that would transform CRY from a child relief agency to a child rights agency.

At the onset Srinath was keenly aware that this undertaking would require her to adopt a new and different model of leadership. Srinath came to CRY after eleven years of leadership in the hard-charging world of corporate advertising. When asked to describe her leadership style, she summed it up in two words: *impatient* and *unreasonable*. CRY, however, is a grassroots organization

only if all the groups of the organization reframed their differences and identified with the new strategic direction. As Srinath explained it, "We can't create a movement [for child's rights] with over a billion people in India until we first create that movement and that understanding within our own diversity."

Guided by the principle that all groups within CRY had to be brought along on the transformational journey, Srinath and her team instituted a number of boundary-spanning practices over the next two years. One of these practices involved bringing representatives from the organization's entire system together for dialogue, planning, and implementing key change initiatives. Another practice incorporated an innovative planning process in which the CRY people in each Indian region worked collectively to create an overarching strategy. The final plan is what emerged after the regional groups cooperated to reconcile regional variations in support of an integrated strategy. A third practice leveraged the CRY's intranet to create a consensus decision-making platform through which groups could participate in decisions related to implementing the transformation.

Practices such as these, although complex and time consuming to implement, helped Srinath to bridge groups in service of the larger transformational goal. "Investing the time up front pays off because there is a genuine acceptance of the need for change," explains Srinath. "The sustainability will be so much greater because it becomes fully internalized."

In April 2006, CRY celebrated the transformation process with an event involving all 191 employees. On that day, CRY's name changed from Child Relief and You to Child Rights and You. True to Srinath's guiding principle, everyone in the organization was brought along on the jour-

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based on the principles of democracy and collective action. The groups that make up CRY span seventeen of the twenty-eight Indian states and are a microcosm of the tremendous diversity of the vast nation, differing in matters of gender, religion, region, language, ethnicity, and caste.

Srinath and her management committee recognized that the organizational transformation would take root

ney. One employee poignantly described the event: “It was a day in which everyone experienced a collective vision. It was no longer different groups with different agendas but rather a powerful, integrating vision.”

That same year CRY went on to affect the lives of nearly five hundred thousand children through advocacy and initiatives in more than five thousand villages throughout India.

GOING GLOBAL

William Amelio was brought in to lead Lenovo after its high-profile acquisition of IBM’s global personal computer operation in 2005. Beyond the merging and streamlining of Lenovo’s and IBM’s systems and procedures, Amelio, an American with several years’ experience heading up Dell’s Asia-Pacific business from Singapore, had the complex challenge of leading at the crossroads of two distinct organizational cultures and also two national cultures. “It’s hard enough just putting two companies together,” Amelio told *U.S. News & World Report* in 2007. “Imagine doing that with different ideologies, backgrounds, and histories.”

After the merger, Amelio and his team moved quickly to implement Lenovo-only branding of the company’s products, and the company celebrated the change at a party where employees ripped IBM logo stickers off computers in unison. Employees were also encouraged not to hang onto old legacies; a “trash bin project” gave former IBM staff members the opportunity to submit examples of things they did while with IBM but did not want to continue doing.

More than just products and processes were unified under a single brand. Ken DiPietro, head of human resources at Lenovo, told *U.S. News*: “We were labeling people as legacy IBM, legacy Lenovo, or new hires. At one point, [Amelio] and I got really

frustrated with everybody talking about three streams. We said we need to stop doing that.”

From that point on, Lenovo was positioned as a global company rather than a Chinese or a U.S. or a Sino-American company. One move was to internationalize the management team. Nowadays even the management meetings have taken on a global character. Amelio works out of Singapore; Lenovo chairman Yang Yuanqing lives in Raleigh, North Carolina; and meetings among top executives are held in different locations each month.

The Lenovo management team worked to reduce potential East-West cultural tensions among employees. A “cultural audit” of Lenovo employees was conducted. Chinese employees were encouraged to speak out more, and Western employees were taught to be less confrontational and to speak more slowly and listen more. The company also worked with its Chinese employees on improving their English skills to facilitate communication. Informal company table tennis sessions helped employees bond over common interests.


Although it is still early in the merger to make a full assessment, healthy numbers posted for the most recent fiscal year—for instance, a 17 percent increase in sales over the previous year—are encouraging. Lenovo also retained almost all of the former IBM staff, which again suggests Lenovo’s success in spanning two distinct organizational and societal cultures.

WORKING TOGETHER

In the late 1980s, Mechai Viravaidya, a longtime activist for population control and family planning, anticipated that AIDS would become a crisis in Thailand but was aware that broaching the subject was not going to be easy. Yet amid the sensitivities of a conservative society and resist-

ance from some business and government groups, Viravaidya managed to bring his fellow Thais on board to fight the spread of AIDS. The Viravaidya-led AIDS awareness and prevention campaign in the 1990s has been deemed one of the world’s most successful.

Viravaidya realized early on that effectively curbing the spread of AIDS in Thailand would require many different groups with diverse interests working together. It looked like an uphill battle. Former Thai prime minister Anand Panyarachun recalled in 2004 that the tourism



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industry was concerned that visitors would be scared off by this highly publicized education campaign on AIDS.

Viravaidya reached out to groups outside the government, especially those with wide influence in Thai society. As he had learned from his days as a family-planning activist, it was important to get religion on his side and win over conservatives. He gained the support of Buddhist monks, an important moral authority

in predominantly Buddhist Thailand. Some religious associations trained monks and nuns to work in AIDS prevention and treatment. In 1989, Viravaidya persuaded General Chavalit Yongchaiyudh, Thai Army chief and acting supreme commander, to agree to make 126 military-run radio stations and two television networks available for the AIDS prevention campaign. The general also presided over the testing for AIDS of all the military's personnel, including its temporary civilian staff.

When Panyarachun appointed Viravaidya as Thailand's AIDS czar

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in 1991, Viravaidya positioned AIDS as a societal and national challenge rather than as an issue to be handled by the health ministry and confined to a small group of Thais. He persuaded the prime minister to helm the national AIDS committee. This was an important symbolic move that also afforded Viravaidya, by extension, the power of the prime minister's pulpit with the government ministries. He used the office to engage and direct a variety of groups—including government departments, schools, television and radio stations, nongovernmental organizations, and the business community—to support the AIDS education campaign. As Viravaidya told Agence France-Presse in 2007,

“Everyone was involved, every ministry—education was involved, business was involved, religion was involved, everyone.”

Viravaidya also found a powerful image that even if criticized by some as gimmicky was an effective tool for changing mind-sets and breaking down barriers. Back in his family-planning days, he had persuaded Buddhist monks to bless batches of condoms before they were sent out for distribution. When it came time to show people that AIDS could not be passed by casual contact, Viravaidya during a news conference drank from a cup that had been used by an AIDS sufferer.

In 2006, a World Bank report estimated that if Thailand had not pursued such an effective campaign, a further 7.7 million people would have been infected with AIDS.

FOUR PRINCIPLES

The word *nexus* comes from the Latin word *nectere*, which means “to bind.” A nexus is a form of connection, a link, or a tie. In mathematical terms, Alfred North Whitehead, the late nineteenth and early twentieth century English mathematician and philosopher, described a nexus as a system of relationships in which the whole is greater than its parts. In philosophical terms, Aristotle recognized that although there will inevitably be differences of opinion about what is the common good, it is the responsibility of a leader to identify the highest possible common good for all. In organizational terms, from the examples of Ingrid Srinath, William Amelio, and Mechai Viravaidya, CCL's early research suggests four principles for the nexus effect.

The nexus effect occurs when there is a strong bridge between us and them. In CRY the nexus effect was created when a powerful, collective vision was created that could not

have been achieved by any one group in the organization acting alone. For this vision to take root, Srinath and leaders throughout the organization had to bridge groups from different parts of India, representing different beliefs and cultures, to work together effectively. This required leaders to not only understand the interests, needs, and values of different groups but also to actively facilitate dialogue among those groups. Organizations often fail to create an inclusive vision when the dynamics of *us* and *them* cannot be transformed into a collective *we*. In the case of CRY, boundary-spanning practices created an effective bridge, one that allowed a collective future strategy to emerge.

The nexus effect is as much about changed mind-sets as it is about action. As seen in the example of Amelio and Lenovo, the nexus effect is manifest not only in the increased productivity of a merged company but also in the shared mind-sets of employees from different cultures. Amelio advanced a multigroup vision that produced a greater good for everyone. This is an example of how leaders can span boundaries to enhance relationships and sensitize different groups to shared concerns. An aspect of the nexus effect is that people start to think across boundaries and shift their beliefs from in-group attitudes toward a vision shared by all groups.

The nexus effect unleashes resources beyond an individual or organization. In the case of Viravaidya's campaign, the nexus effect was realized through the outcomes of AIDS prevention and the coordinated response at every level and sector of society. The nexus effect occurs when leaders such as Viravaidya tap into a diversity of knowledge and capabilities represented by different sectors of society. The energies of diverse groups are harnessed to address persistent and often previously intractable problems.

The nexus effect can create a mutually reinforcing cycle. This occurs when success in one group strengthens the other groups and creates a positive feedback loop. The effect is significant, especially when it comes to finding solutions to difficult yet important developmental problems and fostering sustainable change. In CRY, for instance, by spanning the boundaries within the organization, Srinath and her team were able to create the change they wanted to see in the groups they worked with. They were able to create a reinforcing cycle of diverse people working toward common objectives and the realization of a shared vision for social change.

CHANGING DYNAMIC

As the examples in this article suggest, groups of people who historically had remained apart now find themselves increasingly working together. Organizations today are junctions and nodes through which people, resources, and information interact and flow. Despite this reality, current leadership research and practice continue to focus on leadership *within* a defined group, assuming a traditional dynamic in which leaders

and followers share a common culture and set of values.

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Through its research, CCL is just beginning to understand the nexus effect and the collective solutions that can be achieved when leaders facilitate collaborative practices *across*

diverse and even divided groups. CCL hopes to identify methods for developing effective leadership across groups and to create frameworks for understanding boundary-spanning practices and mind-sets in varying contexts.

CCL believes that boundary-spanning leadership is particularly vital as business, government, civil society, and local communities partner to try to solve the world's most pressing societal challenges. As philosopher Martha C. Nussbaum writes in her book *Cultivating Humanity: A Classical Defense of Reform in Liberal Education* (Harvard University Press, 1997): "Citizens who cultivate their humanity need an ability to see themselves not simply as citizens of some local region or group but also, and above all, as human beings bound to all other human beings by ties of recognition and concern. . . . Issues from business to agriculture, from human rights to the relief of famine, call our imaginations to venture beyond narrow group loyalties and consider the reality of distant lives."

Therein lies both the challenge and the opportunity of the nexus effect when leaders span group boundaries. ✍

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