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## Key Leadership Skills to Expand Your Business Internationally

When companies venture into the international arena and become multinational, they not only need to transform their organizational structure, professionals in leadership positions must also adapt and strengthen their skills to face new challenges. Whether working with teams from multiple locations, dealing with intercultural difficulties, or sustaining growth in new territories, leaders must overcome significant hurdles when their companies go global.

We analyzed the essential qualities leaders must possess to expand and drive their businesses toward new markets. According to data from our Global Business Pulse, 57% of executives believe their success is determined by how they approach these challenges. Therefore, our professionals share their insights on the essential skills that current leaders should develop to successfully manage their organizations' growth in foreign markets.

**1. Develop your communication skills.** Before expanding internationally, leaders must communicate their vision and growth strategy to employees and investors to gain acceptance. Additionally, once established in a new territory, winning over local partners and teams and attracting new customers is crucial.

Having strong communication skills is essential for global leaders. At Kevane Grant Thornton, we encourage our local people and other member firms' representatives to continually develop their skills to explain their competencies and service lines clearly; and to assist our clients entering new markets. Furthermore, a key factor for successful internationalization is understanding other countries' language and cultural differences.

**2. Be willing to take risks.** Often, the fear of exploring new markets and capturing new sources of income motivates leaders to step out of their comfort zones and embark on international expansion. The most successful leaders take risks to achieve potential market opportunities that have yet to be realized thus far.

**3. Maintain a global perspective.** In addition to the willingness to explore beyond existing markets, understanding the global context is crucial for analyzing the risks and opportunities that may arise in other territories.

Active participation in our International Business Center (IBC) network provides a global perspective, offering information about foreign markets and practical export guidance. Additionally, attending global conferences, monthly working meetings, and participating in international management committees significantly enhances leaders' knowledge.

**4. Foster a culture of innovation and adaptability.** In today's rapidly changing business landscape, leaders need to foster a culture of innovation and adaptability within their organizations. This is especially true when expanding into new markets, where local dynamics and customer preferences may differ significantly.

By fostering a culture of innovation, leaders can drive continuous improvement and stay ahead of the competition, ensuring that their businesses remain relevant and successful in diverse markets.

**5. Develop cross-cultural competency.** Expanding into new markets often means interacting with people from different cultural backgrounds. Leaders must develop cross-cultural competency to navigate and build relationships in these diverse environments.

Understanding cultural nuances, customs, and business etiquette can help leaders establish trust, communicate effectively, and collaborate with stakeholders from different cultures. This may involve learning about local traditions, values, and communication styles and adapting management practices to accommodate cultural differences.

**6. Embrace technology and digital transformation.** In today's digital age, leaders must embrace technology and leverage digital transformation to drive growth and generate a competitive advantage. This includes adopting digital tools, implementing data analytics, and leveraging emerging technologies to streamline operations, enhance customer experiences, and gain insights for strategic decision-making.

**7. Build a strong network of local partnerships and alliances.** Building a solid network of local partners and alliances can provide valuable insights, resources, and support when expanding into new markets. Collaborating with local businesses, suppliers, distributors, or industry associations can help leaders gain a deeper understanding of the market, navigate regulatory frameworks, and establish a strong presence.

Leaders can tap into existing networks by forging strategic partnerships, leveraging local market knowledge, and establishing credibility in the new market. These alliances can also facilitate access to distribution channels, help navigate cultural nuances, and mitigate potential risks.

**8. Adhere to ethical and sustainable business practices.** Operating in international markets requires leaders to uphold ethical and sustainable business practices. This includes complying with local laws and regulations, respecting human rights, promoting diversity and inclusion, and adopting environmentally responsible approaches.

Adhering to these practices ensures legal compliance and contributes to long-term business sustainability. It can enhance the brand's reputation, attract socially conscious customers, and foster

a positive work culture. Additionally, leaders should stay informed about global sustainability trends and incorporate responsible practices into their expansion strategies.

**9. Continuously learn and adapt.** Expanding into new markets is an ongoing learning process. Leaders must be open to feedback and adjust their strategies accordingly.

**10. Monitor and measure performance.** To ensure the success of international expansion efforts, leaders must establish robust monitoring and measurement mechanisms. This involves setting clear performance indicators, tracking key metrics, and regularly assessing progress against predefined goals.

By implementing performance measurement systems, leaders can gain visibility into the effectiveness of their expansion strategies, identify potential bottlenecks, and make data-driven decisions. This helps optimize operations, allocate resources effectively, and maximize the return on investment in the new market.

Expanding into new markets is a complex endeavor that requires strong leadership and strategic planning. By following these ten fundamental principles—conducting thorough market research, adapting the business model, building a diverse and inclusive team, localizing operations, leveraging technology, forming local partnerships, adhering to ethical practices, learning and adapting, and monitoring performance—leaders can increase their chances of success in international expansion.

It's important to remember that each market presents unique challenges and opportunities, so leaders should approach expansion with caution, agility, and a willingness to learn. By incorporating these principles into their expansion strategies, leaders can navigate the complexities of international growth and position their organizations for long-term success in the global marketplace.

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\* Grant Thornton member firm in Spain published the original article we adapted to our market with permission.

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