To read the German version of this interview: <a href="https://hub.hslu.ch/leadership/2022/03/31/ist-die-welt-noch-immer-ein-dorf/">https://hub.hslu.ch/leadership/2022/03/31/ist-die-welt-noch-immer-ein-dorf/</a>

## Is the world still a village?



Quo Vadis, Intercultural Leadership in the 21st Century

For a long time, cooperation across national and cultural borders in teams, projects, between companies and other organizations was considered a matter of course - especially for companies in the internationally strongly networked Swiss economy. Managers in companies of almost every size operated on a daily basis in a globally networked world with employees, partners, suppliers and customers from different regions, cultures and time zones. This global collaboration has experienced unprecedented disruption over the past 24 months. Today we discuss with Lucerne University of Applied Sciences and Arts (HSLU) experts <u>Jillaine Farrar</u> and <u>Sebastian Huber</u> what this means for cross-cultural leadership in the 21st century.

## Interview: Beat Hauenstein

After a severe slump in exports in 2020, almost all industries in Switzerland had already recovered by the end of 2021 and were able to build on the success of previous years with their international business activities. Is international business now returning to the modus operandi of before the pandemic?

**Sebastian Huber:** That is very unlikely. In many areas and sectors, the disruptions in production and supply chains are still noticeable and will continue to determine international business for months to come. Furthermore, some changes have become irreversibly established - many business processes have been digitized in recent months, and collaboration has been adapted to the new conditions, even across national borders. There are hardly any reasons not to continue these improvements in the future. In addition, customer and employee expectations have changed permanently, so issues such as sustainability, location-independent working, local sourcing, carbon footprint, travel and transportation costs at home and abroad will continue to play a role in management decisions in the future.

**Jillaine Farrar:** Exactly! It's important to accept that a return to the old way of doing things is probably not possible in the near future, nor is it desirable for many. The next normal will be

different for managers, employees, students, faculty, and researchers. However, it will still be a world where global progress can only be achieved through international collaboration and cross-cultural awareness.

To the surprise of many companies and executives, international business did not collapse in the last two years despite all the constraints. How do you explain this resilience?

Jillaine Farrar: Good leadership skills! If the leader demonstrates that they live interculturality and strive to be a sustainable global leader, the team will be more open to global collaboration. Global teams face challenges, but thanks to the pandemic, many doors have also opened. Colleagues who might have met once a year are now sharing ideas via video conference several times a month. While this is not the same as on-site collaboration, it can help maintain contact and work to achieve common goals.

**Sebastian Huber:** Overall, many entrepreneurs have succeeded in developing their business models during the challenges of the pandemic in such a way that they can function even with restrictions on the international movement of people and goods. In many cases, preparations had already been made for digitization, for example; in the case of urgent disruptions, these could then be implemented quickly. The common concern across industry and national borders has also led to a greater willingness to find unconventional solutions.

In the months of lockdown and travel restrictions, many companies and teams have learned to collaborate successfully in virtual spaces and with digital tools internationally. And they did so without any travel time or costs. In the future, will we conduct our international projects and business deals entirely without business travel?

**Jillaine Farrar:** Of course not... The virtual world is constantly advancing, and there are definitely advantages, also in terms of time and cost, to not having to travel for every meeting. However, personal and business relationships reach another level when you can meet locally and experience the local environment together. Relationships are important!

**Sebastian Huber:** In purely technical terms, innovations will continue to develop the possibilities of virtual collaboration, not only in an international context, but also for generally location-independent work. At the same time, the importance of personal contacts, of building trusting business and collaboration relationships will increase. While the frequency of international travel may decrease, the content of face-to-face meetings will focus more on core leadership issues in teams and projects. Operational tasks, on the other hand, can be handled virtually, flexibly in terms of time and space, and should take up less of the valuable face-to-face time.

What does this mean for the requirements and competencies of leaders who operate in an international environment? How can they be successful in the future?

**Sebastian Huber:** Just because we meet less in person doesn't mean that the leadership tasks are reduced. On the contrary, leaders in an international context are all the more challenged to use an appropriate combination of face-to-face and virtual interactions to achieve the best possible impact in their relationships with employees and business partners from other cultures. Consciously choosing the appropriate format and technical tool will become more important as an additional leadership task, precisely because people will no longer meet face-to-face on such a regular and informal basis.

**Jillaine Farrar:** These new competencies in virtual and personal leadership of teams and projects must be specifically acquired and continuously developed by managers. Today, this can mean virtual collaboration with employees in Switzerland who come from different language and cultural

backgrounds and could be accustomed to using digital tools in different ways. Later, specific decisions will have to be made about how to collaborate on projects across national borders and time zones in the future. There are many possibilities; however, one's own understanding of leadership in the selection and handling of these possibilities and challenges requires one's own new competencies and requires targeted further training in international leadership.

**<u>Beat Hauenstein</u>**: Thank you very much for the interview.

Prof. Jillaine Farrar, Lucerne University of Applied Sciences and Arts - Business (HSLU), teaches intercultural leadership topics and conducts research on the internationalization of SMEs. Together with Prof. Dr. Ingo Stolz, she leads the taught-in-English continuing education program CAS Leading Global Teams and Projects. In her spare time, she volunteers as Vice President SIETAR Switzerland (Society for Intercultural Education, Training and Research) and is Associate Editor of the Swiss Journal of Intercultural Education, Training and Research. She is originally from Canada and holds both Swiss and Canadian citizenship.

<u>Sebastian Huber</u> teaches and conducts research at the Lucerne University of Applied Sciences and Arts - Business (HSLU) on topics related to international management and business model transformation in the luxury market. He leads various continuing education programs in business excellence and international management at the Institute of Business and Regional Economics and is conducting research on the business-to-business sharing economy for SMEs as part of his doctoral studies at Silpakorn University in Thailand.

The <u>CAS Leading Global Teams and Projects</u>, held in English, provides the international leadership skills to successfully manage employees, projects and companies in the "global village" of the 21st century. This program, designed for specialists and managers from Switzerland and abroad, is designed to be completed alongside working. The registration deadline for the next cohort is April 30, 2022.