# LEADING ACROSS BOUNDARIES

**Today's business world** is global, requiring managers to work effectively across all kinds of boundaries. Corinne Balaam, regional marketing director at Piaget Asia Pacific, shares some insight on how to engage and successfully lead across these interfaces.

Leading across boundaries implies meeting the challenges of different dimensions, such as:

- Managing globalisation together with local adaptation;
- Building efficient organisations and structures while remaining agile and responsive;
- Adopting new approaches to build effective interfaces and engaging across them;
- Dealing with uncertainty and fast-paced change.

Here are some ideas on how leaders can resolve some of these paradoxes and adapt their approach to build trust and empower individuals and teams across boundaries.

## Thrive in current business challenges and paradoxes

Globalisation is not a trend, it is the norm in doing business. Most business leaders take decisions and lead activities which have an impact beyond their "boundaries", whether geographical or functional, and which often lie outside their direct line of authority. However, globalisation does not take away the reality of diversity of markets and the need for local adaptation. Solving the paradox of globalisation and localisation is key.

Leaders need to respond to simultaneous pressure for global integration to ensure efficiency, productivity and consistency as well as local responsiveness. This often leads to increasingly complex organisations, processes and systems. In order to remain agile and reactive, these structures require engagement across interfaces, implying in turn a different approach than "command and control".

In addition, business leaders must sometimes navigate in uncharted, fast-changing and unfamiliar waters. This means new leadership approaches and skills are needed to be effective across the boundaries and new borders that managers face.

## Create a clear, shared vision that transcends borders

Leading across boundaries requires determining a clear vision: where does the company aim to go? This serves as a common goal and provides a unity of direction across boundaries. In addition to being well understood, it is crucial that the vision inspires people and talks to their hearts. They must feel it is compelling, as high accomplishments go with a high level of emotional engagement. Leaders must define and communicate the vision and then deploy it with the right strategy.

## Reinforce the alignment and consistency of company culture

When in coherence with the vision and the leader's behaviour (walking the talk), the company culture and values represent powerful tools, influencing behaviour beyond hierarchical "command and control". Integrated in recruitment, training and common performance management, they reinforce unity and facilitate working across boundaries.

## Understand the rules of the game

One main reason why leaders struggle or even fail in leading across boundaries is their lack of understanding of the rules of the game.

Leading across boundaries requires a systematic and in-depth understanding of the business context. It requires understanding the Societal Business System, from the form of ownership of companies, structures of networks and sources of influence, to the role of government and institutions, relationships between employers and employees, etc.

It is necessary to understand the "hidden rules" beyond a classic understanding of consumers, the competition and key stakeholders. A key example of this, particularly relevant in Asia, is the role, whether visible or not, of the government in local markets. For example in China, state-owned enterprises might receive financial support, which provides them with a competitive edge. This is generally knowledge and insight only fully understood locally, not in an HQ on another continent.

## Standardise or adapt?

This is a recurring question and a key paradox faced by many businesses. While there is no single solution, a number of fundamental elements are common to successful companies:

- Local strategy needs to be consistent with the global strategy;
- Creating a strong global brand with clear brand DNA, image and codes ensures consistency and allows to better target communication and investment;

- Marketing Mix adaptation is generally unavoidable. It is important to have a core common offer worldwide representing the brand; however, as customer-centricity is key, it is vital to adapt to local culture. There are a number of well-publicised examples of business failures in Asia due to a lack of genuine understanding of who the consumers were and how they relate to the product – Barbie (not the idol of Asian girls) and Leroy Merlin (a Do It Yourself concept not as attractive to Chinese) being two examples. Other companies have been extremely successful, repackaging or redesigning standard products such as pens, shampoo, cookies and cheese, by responding to taste, the need for affordability, etc;
- Price is definitely a topic that needs to be defined in part centrally, especially given the various tax systems and margin structures, but also taking into account price positioning of the different markets and local competition dynamics;
- Operations management is deeply influenced by market practices and requires strong local adaptation.

## Finding the balance between control and autonomy

Complex teams make it virtually impossible to control everything! One temptation can be to reinforce control, multiplying reporting, control systems and processes. The potential pitfalls are micromanagement, administrative overheads and "de-responsibility".

Successful leaders will focus on building effective interfaces and strong engagement across them, founded upon empowerment, building trust and mutual respect. They know how to develop the necessary level of "psychological safety" for members of the team. It is essential for team members to believe that they will not be marginalised or penalised if they speak up or challenge the prevailing option. This can be a particular challenge in cultures with a high respect of hierarchy. Leaders need to build strong relationships with effective communication and trust, and to empower the right people.

## Building cultural bridges

Leaders should actively go beyond the tip of the iceberg of readily observable behaviours, and try to understand and integrate others' mindsets and values.

This deeper cultural understanding allows them to be more effective in common business and leadership situations such as understanding decision-making processes, managing conflict resolution, leading meetings effectively, motivating people, providing feedback and negotiating with clients and partners.

Different frameworks present various key dimensions of "culture". Some commonly recognised ones include independent vs interdependent (or individual vs collective); egalitarian vs status; direct vs indirect, and task vs relationship.

An obvious and simple example is the Western tendency to focus on individual achievement as opposed to the group harmony and cooperation more commonly found in Asia (a Japanese phrase states, "the nail that sticks out gets hammered down…"). Another is the concept of saving face, which, if misunderstood, can result in a full breakdown of communication.

Brainstorming, open debate or asking for feedback may produce answers in Paris or San Francisco, but quite different results in Hong Kong, Shanghai or Jakarta. Leading across boundaries requires integrating cultural orientations, reading between the lines, changing one's frame of reference and adjusting behaviour and communication style.

Successful leaders will have the curiosity and passion to understand their environment and the cultures in which they operate, define relevant strategies, build effective interfaces and have the emotional ability to build relationships and trust across boundaries within the organisation.

As always, they will also recognise that what worked in the past will not necessarily work in the future. *E*