Preparing for a Future in Global Business and Global Service

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Abstract

Controversial and thought-provoking themes are emerging within global business and service industries. Increasing efforts are required to apply global perspectives as part of the topics and objectives in diverse business curriculums. This article provides insights and observations on globalization related to the healthcare industry; global leadership and ethical decision-making; globalization and business schools; and developing global competency for a global work environment. However, a common theme, despite these diverse perspectives, supports increasing efforts to prepare graduates, from diverse areas in schools of business, for development of global competency. Business programs would benefit from enhancing diverse courses with global knowledge, abilities, and skills that will ensure the ability of future graduates to compete in a global market with diverse global perspectives and global ethical standards.

Keywords: Business School, Ethical Decision-Making, Globalization, Global Business, Global Leadership, Global Competency, Global Workforce, Healthcare.

Introduction

Observations among multiple countries suggest that historical trends continue to shift priorities to focus on domestic economic interests or decisions to avoid or exit economic integration (Lan and Li, 2015). As diverse international businesses encounter these global choices, effective leadership, management, strategic planning, and ethical decisions require a more thorough understanding of a global approach, and meaningful global perspectives before pursuing business interactions with diverse countries. Although this global phenomenon would not be considered new, there are implications for graduates in diverse areas of business education, and management. The authors of this article also provide unique perspectives regarding the impact of particular global challenges. Additional clarification on the dynamics associated with those challenges result in significant insights and observations associated with globalization in the healthcare industry; global leadership and ethical decision-making; globalization in business schools; and developing global competency for a global work environment.

Diverse Global Perspectives

Globalization of the Healthcare Industry

Current observations within the U.S. healthcare industry suggest that without full globalization that includes access to resources and knowledge, the healthcare delivery system cannot attain optimal levels of efficiency. Failure to maintain and further develop global competency could result in negative consequences. Inability to access global levels of knowledge, to add diversity to research, treatments, and procedures would significantly decrease the potential to save lives.
Within the business of the healthcare industry, the challenge is preparation for those graduates to develop competencies for global healthcare education and global healthcare work environments. Similar preparations should also occur in business schools who are developing global leaders who can demonstrate ethical decision-making.

Global Leadership and Ethical Decision-Making

Business schools have “critical responsibilities in developing students’ global leadership and ethical decision-making skills” so that their graduates can manage the tension between economic nationalism and globalization and they have a clear knowledge of the notion of “best” interests both for their business but also for the countries that they intend to engage business activities into. Finally, for such scenario to happen, a leveled playing field needs to emerge where countries and people in those countries have a similar baseline of competencies that allow them to “share” a similar understanding of a better-balanced globalization.

Considering these realities valuable insights are available in a survey from the Organization for Economic Co-operation and Development (OECD) that clearly identifies particular areas requiring areas of improvement to “improve adult skills and develop skills-oriented learning” in multiple countries. The following discussion will continue with an expansion on the global impact in the healthcare industry.

A Global Healthcare Industry

The inability for the healthcare services delivery sector industry to avail itself of all free-market resources is countercultural to best-practice decision-making. A select example of the importance of a global economy using a case example for a small Midwestern United States Ambulatory Surgery Endoscopy Center is profiled to support this assertion.

Healthcare Delivery and Economic Nationalism: Compatibility Challenges

One of the paradoxes of healthcare delivery in the United States is that while healthcare is largely a locally–driven local construct, the business dimension for optimizing best-practice hinges on the breadth of choices and the global availability of broad resource options and competition. This process is similar to decision-making from a broad array of vendor options (e.g., the selection of an automobile from foreign and domestic options!)

Healthcare services are culturally-rooted in attitudes aimed at tailoring local delivery design and execution of plans along with a continuum of care services. This design is coupled with the reality of a need to instill a sense of personal responsibility for one’s care as well as concern in the model for family and friends. Evidence for this difference is proven and can be seen in the vast differences and disparities among populations throughout the United States as well as the existence of similar vastly different health outcomes patterns worldwide. In many communities, nonprofit faith-based organizations fill a void and contribute to defraying the actual real cost of bringing healthcare services fully to market. These nonprofits assume some aspect of holistic healthcare services as part of their core mission organizations and supplement the paid services or services for which charges are levied, by community providers. These local concerns catalyze awareness, as part of their nonprofit mission, and serve as voluntary coordinating forces to influence and encourage participation rates in preventative and wellness services. These organizations also serve as a resource for referrals into the continuum of services relative to the provision of primary care, specialty care, and disease- state population health.

Manufacturing Parallels and Constructs with Healthcare Delivery

In the 1950s, Japanese Professor Kaoru Ishikawa first introduced conversation to identify upstream or root cause issues for problem identification as well as potential solutions for amelioration or resolution (Kasaven, 2013.) Once identified, problems are typically categorized into cause domains where they are analyzed and studied for proposed recommended improvements. From a business standpoint, the classic manufacturing “6 M” model has evolved from this seminal research and offers a foundation for refinement that can be tailored to address challenges among a host of diverse disciplines. (6M’s in Six Sigma, 2017.) This “6 M” model has relevance for illustrating why an “economic nationalism” approaches on the issue of healthcare services delivery is likely sub-optimal for best practice as described in the following:

Men: (Human Resources): There is a shortage of American born and trained physicians and other supportive healthcare manpower. Restricting the pool of human resource availability to only those born or available in a country poses a challenge that could affect quality care delivery and continuity at an optimal cost.
Materials: (Medical and Surgical Supplies/Money): Medical and Surgical Supplies--Many of the items used to support surgical procedure operations are manufactured outside of the country. The ability to consider goods manufactured overseas/ globally and distributed in this country would be hampered by an insular restriction to access domestic goods only. Working Capital, Operating Cash-- The infusion of capital and monies to support healthcare delivery often rests with an ability to maximize the return on savings investments generated from international funds’ investment. International equities are a responsible consideration for a balanced portfolio in this global economy. Investors interested in a solid return on investments seek outlets with calculated risk and a bright return on investment (ROI) strategy. It would seem responsible to consider and not responsible or prudent to dismiss non-domestic investor monies. Non-domestic options for offshore insurance support, as a select example of healthcare services delivery expense containment, drive a capitalistic competitive spirit of strategically keeping costs low and optimizing stakeholder/shareholder return on investment.

Machinery: (capital equipment): Technology development for capital goods is a global phenomenon. The major “tools” used for procedures that are preferred and or considered “the best”, are not available domestically and are manufactured in other countries. To not select the best by limiting choices to domestic products only delivers a disservice to customers and stakeholders. Comparison of optimal capital options is inhibited by a domestic only practice.

Measurement: (Evaluation and Monitoring). The purpose of measuring is to identify and understand the components of variation arising out of a measurement system defined by the stakeholder. Using the appropriate tool for analysis, based on the project, helps to assess degrees of improvement as well as the return on investment (ROI) from the time and resources expended to study an issue. Measurement is at the heart of quality improvement and drives process design and refinement. As above, the comparison of optimal process adoption options is inhibited by a domestic only practice if global intellectual capital is not considered nor applied in the solutions phased of problem-solving or management.

Methods: (Polices, Procedures, Practices): The availability of global aggregated databases that allow for evidence-based decision making and benchmarking for local and current decision making is fueled by the intellectual property and research cultivated among professionals worldwide. The act of researching, establishing a hypothesis, engaging in higher-order thought (critical thinking and problem solving), making a decision, and revisiting these decisions through “iterative reflective loops” is the hallmark of the scientific process for decision-making rooted in quality improvement processes.

The quality improvement crusade as we know it today was incubated in a non-domestic country. Gurus such as Deming, Juran, Crosby, and Ishikawa are among the trailblazers who capitalized on intellectual property that had its roots first in manufacturing and now in healthcare. This global process has spawned processes such as Lean and Six Sigma approaches to standard work process development and minimizing statistical variation to maintain quality and reduce/minimize unnecessary process waste. Benchmarking best-practices from other countries’ delivery systems is a strategy that helps everyone to use the limited resources available to deliver high-quality services within the realities of limited dollars.

Mother Nature: (Environment/Environmental Considerations): A reliance on a domestic only philosophy and practice rail against a common information technology (IT) best practice for emergency backup: purposeful redundancy. In the event of natural disasters that affect an ability to provide for a necessary base of goods and services for the provision of healthcare services “according to routine processes and protocols, it does not make business sense to cut-off global options. The natural disasters that are unplanned “acts of God” can affect the supply-chain distribution and general manufacturing operations, which requires backup systems and processes that could hinge on a non-domestic based contingency “Plan-B.”

Global Healthcare Summary

The historical evolution and core of values refining the technology to foster optimal healthcare delivery are rooted in global collaboration. It is possible to engender and encourage local patriotism and support for local domestic processes first. But there needs to be a recognition that an economic nationalism is also not consistent with the global spirit of a moral cosmopolitanism that challenges those to whom much has been given to further develop and improve communities—a mindset that improvement is not restricted to a country’s borders. To ignore and not avail oneself to the resources available globally, that simultaneously helps domestically and abroad (e.g., basic physiological and safety needs, and immunizations) could be construed, at an extreme moral position, to be committing a crime against humanity”.

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Embracing a worldview that considers a realistic sense of “moral cosmopolitanism” (Petriglieri, 2016) is consistent with a sense of global citizenship that simultaneously blends prudent business practice with a global sense of corporate social responsibility.

Economic nationalism can occur as a program that cultivates a sense of local responsibility and pride while recognizing the reality of a world’s global challenges—especially those less fortunate and marginalized. It would be difficult to reverse the robust global economy that has emerged as a result of the fruitful collaboration among scholars, business professionals, and practitioners. Therefore, globalization issues associated with business schools reveal considerable challenges and opportunities.

Globalization and Business Schools, Challenges and Opportunities

There is a growing demand for business graduates who can serve as effective global team members of multinational firms across countries with diverse cultural, economic, and social background. This demand has created ample opportunities for business schools to revisit their curricula for areas of concern for both multi-national firms and business graduates. Many business schools do not offer a fully developed general global curriculum. In addition, business schools also often lack specific strategies for integrating global leadership, foreign countries’ investment opportunities, multinational collaborative opportunities, and cultural, legal and economic differences into the business curriculum. For example, most business schools’ strategies deal with globalization suffice by putting more attention on study-abroad programs than placing emphasis on global content. According to AACSB’s Taskforce on Global Leadership (2011), “the present efforts by business schools to globalize business education typically include a series of independent and fragmented activities that are not fully responding to globalization in a coherent way.”

Challenges and Opportunities for Business Schools

Business schools have critical responsibilities in developing students’ global leadership and ethical decision-making skills that could help them creatively and proactively adapt changing business world and economy. Schools need to infuse a global mindset in their curricula and prepares graduates as future global leaders with demonstrated global perspectives and skills. Most international businesses, employers, and business schools have identified “a global perspective” as a first unmet need for business graduates. Business graduates who are culturally self-aware perform their global leadership responsibilities more effectively.

Statistics on current issues reveal that many business graduates and global leaders are concerned with many of these global competency pitfalls, and share that these skills gaps should be addressed in a curriculum inclusive of global skills. Gundiling, Hogan, and Cvitkovich (2011) report on their studies entitled “What is Global Leadership” revealing that 60% of global leaders surveyed reported that they considered their own preparation in global leadership as fair or poor while 50% viewed the support from their own corporations as Fair or Poor.

Addressing the Skills Gap

More than ever, business schools should, gear up, with high energy levels and strategies, to prepare graduates that are equipped with a global mindset and skills. Business graduates with a global mindset can navigate and adapt to the rapid changes in the global, political and economic environment with quality and confidence. According to Global Mindset Inventory (GMI), developed by Najafi Global Mindset Institute, a “global mindset” is designed to help global leaders develop an ability to influence individuals, groups, and organizations unlike themselves. These attributes include the following: intellectual capital that contains global business savvy, cognitive complexity and cosmopolitan outlook; intellectual capital that contains global business savvy, cognitive complexity and cosmopolitan outlook; and Social capital that contains intercultural empathy, interpersonal impact, and diplomacy. Business schools can use the Global Mindset Inventory, which is developed through the rigorous scientific process as a framework to assess their students’ progress and readiness to lead global organizations. This instrument is available in multiple languages and also as self-assesses with 360-degree peer feedback.
Globalization and Business Schools Summary

Globalization enforces another opportunity for business schools to collaborate across the continent with other business schools and businesses in training the of future business leaders. Schools have come to realize that they need each other’s help in training graduates who can thrive in this interconnected and complex business environment. In such an interconnected business economy, forging alliances with multi-national institutions is vital. The business schools’ collaboration across nations with like partners with a combined effort, expertise, and perspectives can make the world-of-difference in educating future business leaders.

Business graduates with global vision and skills not only can navigate this turbulent environment but they can lead and position their organization for global success. Global business leaders need to demonstrate responsibilities similar to leaders in locations they work. They must be able to develop strategies and shift personal style to fit different cultural environment with diverse employee background. The meaning of global competition continues to evolve for new and existing professionals in the modern workforce.

Developing Global Competency for a Global Work Environment

Global economic growth reveals diverse people, skills, products, and services that move freely across geographic borders (Hitt, Ireland & Hoskisson, 2017). Considering these current realities diverse individuals, in diverse work environments, require continuing education and training to guide them towards achieving global competencies. Support for this suggestion may be found in the results from a series of adult skills surveys provided by The Organization for Economic Cooperation and Development. Reflections of the current status and needs associated with adult skills in several countries suggest that adults who are committed to continuous education, training, and professional skill development throughout the adult stages of life will have a competitive advantage in the workplace of the future (OECD, 2013).

Achieving global competency will address the need to be marketable in a competitive global work environment. The addition of global perspectives would transform traditional professional development into global professional development. Outcomes from this type of education and training may include assessments of global knowledge, abilities, and skills that would determine appropriate levels of global competency for managing diverse types of global business. Diverse forms of skills-oriented education and training may be strategies to consider for assisting in the transformation of traditional employee training programs to meet global employee needs. However, before the development of specific programs a thorough skills assessment would identify what employers and employees need to know as an initial step towards skills-oriented learning (Aquino, Robertson, Allen & Withey, 2017).

Skills-Oriented Learning

A thorough assessment from results of The Organization for Economic Cooperation and Development suggests multiple areas to improve adult skills and develop skills-oriented learning that includes the following:

1. Adult Literacy
2. Elementary Computer Skills
3. Social Disadvantage and Lower Skills Proficiency
4. Foreign Language Immigrants
5. Rapid Aging Populations
6. Maintaining Work Related Skills
7. Proficiency and Age
8. Participation in Adult Learning
9. Improving Adult Literacy
10. Developing Links between the World of Learning and the World of Work
11. Under-Skilling
12. Gender Differences

Table 1 provides a thorough and revealing summary of essential adult skills. Areas for improvement are identified in multiple countries to ensure a global perspective for global human needs. Employers would benefit from information that would identify how existing professional development programs may be transformed to address global-oriented issues.
## Table 1

**OECD Survey Summary 2013**

<table>
<thead>
<tr>
<th>Survey Category</th>
<th>Survey Result Highlight</th>
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<tbody>
<tr>
<td>Adult Literacy</td>
<td>- Significant numbers of adults do not possess the most basic information-processing skills considered necessary to succeed in today’s world.</td>
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<td></td>
<td>- Poor literacy and numeracy skills may also place workers at considerable risk in the event that they lose their jobs or have to assume new or different duties when new technologies, processes, and forms of work organization are introduced.</td>
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<tr>
<td>Elementary Computer Skills</td>
<td>- In nearly all countries, at least 10% of adults lack the most elementary computer skills.</td>
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<td></td>
<td>- The Survey of Adult Skills also shows that, in most countries, significant shares of adults have trouble using digital technology, communication tools, and networks to acquire and evaluate information, communicate with others and perform practical tasks.</td>
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<td></td>
<td>- Across participating countries, from 7% to 27% of adult’s report having no experience in using computers or lack the most elementary computer skills, such as the ability to use a mouse.</td>
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<td></td>
<td>- In addition, there are also adults who lack confidence in their ability to use computers.</td>
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<td>- In England/Northern Ireland (UK), Germany, Italy, Poland and the United States, social background has a major impact on literacy skills. In these countries more so than in others, the children of parents with low levels of education have significantly lower proficiency than those whose parents have higher levels of education, even after taking other factors into account.</td>
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<tr>
<td>Social Disadvantage and Lower Skills Proficiency</td>
<td>- France, Germany, Poland and the United States all show both below-average performance and large social disparities.</td>
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<td>- The fact that the countries with the greatest social inequities in the OECD Programme for International Student Assessment (PISA) are also those with low rates of social mobility as observed in the Survey of Adult Skills suggests that the relationship between social disadvantage and lower skills proficiency may be established early in individuals’ lives.</td>
</tr>
<tr>
<td>Foreign Language Immigrants</td>
<td>- Social disadvantage and lower skills proficiency may be established early in individuals’ lives.</td>
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<td></td>
<td>- In most countries, immigrants with a foreign-language background have significantly lower proficiency in literacy and numeracy than native-born adults;</td>
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<td>- Countries with relatively large immigrant populations, such as Flanders (Belgium), France, the Netherlands, Sweden and the United States, need to consider more effective ways to support immigrants in learning the host language, through pre- and/or post-arrival interventions.</td>
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<td></td>
<td>- Foreign-language immigrants who have low levels of education are, particularly at risk.</td>
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<td></td>
<td>- When low educational attainment is combined with poor proficiency in the language of the host country, integration into the labor market and society becomes even more difficult.</td>
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<tr>
<td>Rapid Ageing Populations</td>
<td>- In England/Northern Ireland (UK) and the United States, the improvements between younger and older generations are barely apparent. Young people in these countries are entering a much more demanding labor market, yet they are not much better prepared than those who are retiring.</td>
</tr>
</tbody>
</table>
In numeracy, the United States performs around the average when comparing the proficiency of 55-65 year-olds, but is lowest in numeracy among all participating countries when comparing proficiency among 16-24 year-olds. This is not necessarily because performance has declined in England/Northern Ireland (UK) or the United States, but because it has risen so much faster in so many other countries across successive generations.

The implication for these countries is that the stock of skills available to them is bound to decline over the next decades unless action is taken both to improve skills proficiency among young people, both through better teaching of literacy and numeracy in school, and through providing more opportunities for adults to develop and maintain their skills as they age.

Maintaining Work-Related Skills

- Beyond formal education, learning occurs in a range of other settings, including within the family, at the workplace and through self-directed individual activity;
- For skills to retain their value, they must be continuously developed throughout life. Lifelong learning opportunities are relevant for workers in both high-skilled and low-skilled occupations; and
- In high-technology sectors, workers need to update their competencies and keep pace with rapidly changing techniques. Workers in low-technology sectors and those performing low-skilled tasks must learn to be adaptable, since they are at higher risk of losing their job as routine tasks are increasingly performed by machines, and since companies may relocate to countries with lower labor costs.

Proficiency and Age

- The Survey of Adult Skills shows proficiency in literacy, numeracy and problem-solving skills to be closely related to age in all countries, reaching a peak at around age 30.

Participation in Adult Learning

- Countries showing higher levels of participation in organized adult learning activities also demonstrate higher literacy and numeracy skills.
- Participation in adult learning helps to develop and maintain literacy and numeracy skills, especially when the learning programs require participants to read and write and confront and solve new problems.
- As individuals age and spend more time out of education, other factors, such as participation in adult learning activities, the tasks they perform at work, and engagement in activities involving the use of literacy, numeracy and problem-solving skills outside of work, become increasingly important for enhancing and maintaining these skills.
- Higher levels of literacy and numeracy facilitate learning; therefore, people with greater proficiency are more likely to have higher levels of education and be in jobs that demand ongoing training. They may also have the motivation and engagement with work that encourages individuals to learn and/or their employers to support them. All this can create a virtuous cycle for adults with high proficiency – and a vicious cycle for those with low proficiency.
- Low-skilled adults risk getting trapped in a situation in which they rarely benefit from adult learning, and their skills remain weak or deteriorate over time – which makes it even harder for these individuals to participate in learning activities. This presents a formidable policy challenge for countries such as Canada, England/Northern Ireland (UK), Ireland, Italy, Spain and the United States, where significant shares of adults are at or below Level 1 on the literacy and numeracy scales. Helping low-skilled adults to break this vicious cycle is crucial.
Improving Adult Literacy

- Many countries offer subsidized adult literacy and numeracy programs, designed to upgrade the skills of low-skilled adults. In addition, policies may aim specifically to increase the participation of low-skilled adults in adult learning, for example through targeted subsidies.
- Results from the Survey of Adult Skills suggest that Denmark, Finland, the Netherlands, Norway, and Sweden have been most successful in extending opportunities for adult learning to those adults who score at or below Level 1.
- Within the workplace, for example, redesigning work tasks to maximize engagement in activities that require the use of literacy, numeracy and ICT skills should be considered in conjunction with providing training.

Develop Links Between the World of Learning and The World of Work

- Skills development can be more relevant and effective if the world of learning and the world of work are linked. Learning in the workplace allows young people to develop hard skills on modern equipment, and soft skills, such as teamwork, communication, and negotiation, through real-world experience;
- Hands-on workplace training can also help to motivate disengaged youth to stay in or re-engage with the education system and makes the transition from education into the labor market smoother.
- The more individuals use their skills and engage in complex and demanding tasks, both at work and elsewhere, the more likely it is that skills decline due to aging can be prevented.
- The Survey of Adult Skills shows that countries where a large proportion of the workforce is employed in jobs requiring greater use of reading skills have higher output per hour worked, a standard indicator of labor productivity.

Under-Skilling

- Under-skilling, the under-use of skills and unemployment can also reflect lack of information and transparency; and
- The under-use of skills is often related to field-of-study mismatch, whereby individuals work in an area that is unrelated to their field of study and in which their qualifications are not fully valued. Under-skilling could be the result of skills shortages that force employers to hire workers who are not the best fit for the jobs on offer.

Gender Differences

- The Survey of Adult Skills shows little variation in proficiency between men and women.
- If literacy and numeracy skills were used less frequently in part-time jobs than in full-time jobs, this may explain part of the difference in skills use between genders, as women are more likely to work part-time than men.
- This reasoning could apply to occupations as well, with women more likely to be found in low-level jobs that presumably require less intensive use of skills. When these factors are taken into account, differences in skills use by gender are smaller.
- While women tend to be concentrated in certain occupations, they use their skills more intensively than do the relatively few men who are employed in similar jobs.

Global Competency Summary

The results from international surveys provided by the Organization for Economic Cooperation and Development (OECD) will include updates through the year 2019. Forty countries are currently associated with the Programme for the International Assessment of Adult Competencies (PIAAC). Focus on skills-oriented learning will create opportunities to develop global competencies for the global professionals of the future.
Conclusion

Recommendations within this article suggest that globalization should not be a topic for one particular course, but an application imbedded within multiple business courses to ensure that business students enter the global workforce with global competency. An important perspective from global healthcare encourages embracing a worldview that considers a realistic sense of “moral cosmopolitanism” (Petriglieri, 2016) that is consistent with a sense of global citizenship that simultaneously blends prudent business practice with a global sense of corporate social responsibility.

Significant learning points regarding globalization, business schools, leadership and ethical decision-making suggests business graduates with global vision and skills not only can navigate this turbulent environment but they can lead and position their organization for global success. Global business leaders need to demonstrate responsibilities similar to leaders in locations they work. They must be able to develop strategies and shift personal style to fit different cultural environment with diverse employee background.

References


