



People are easier to manage
when you know what they're really like.

PEARN **KANDOLA**

Increasing Cultural Intelligence in Organisations

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Because all business is psychology.

A QUICK OUTLINE

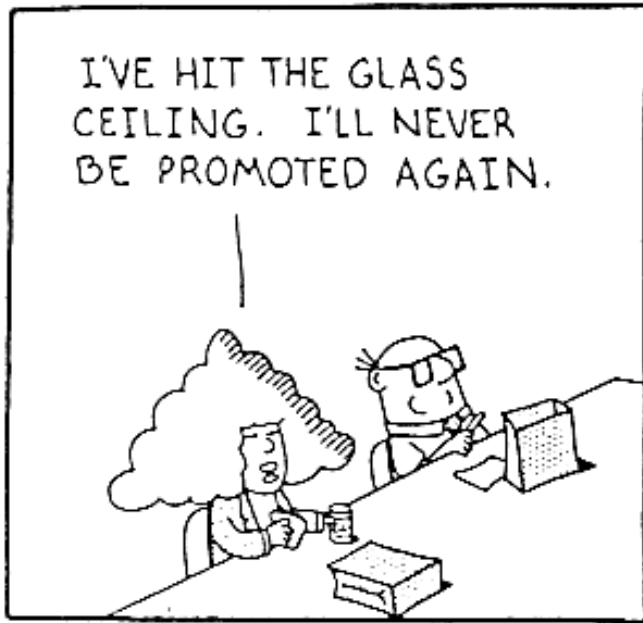
- The impact of cultural values on careers
- Accurate selection of effective expats
- Communicating effectively with international teams
- 6 key points





How culturally intelligent
are we as business
psychologists?





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CONCEPT OF CULTURE

Programming of the mind which distinguishes members of one group of people from another

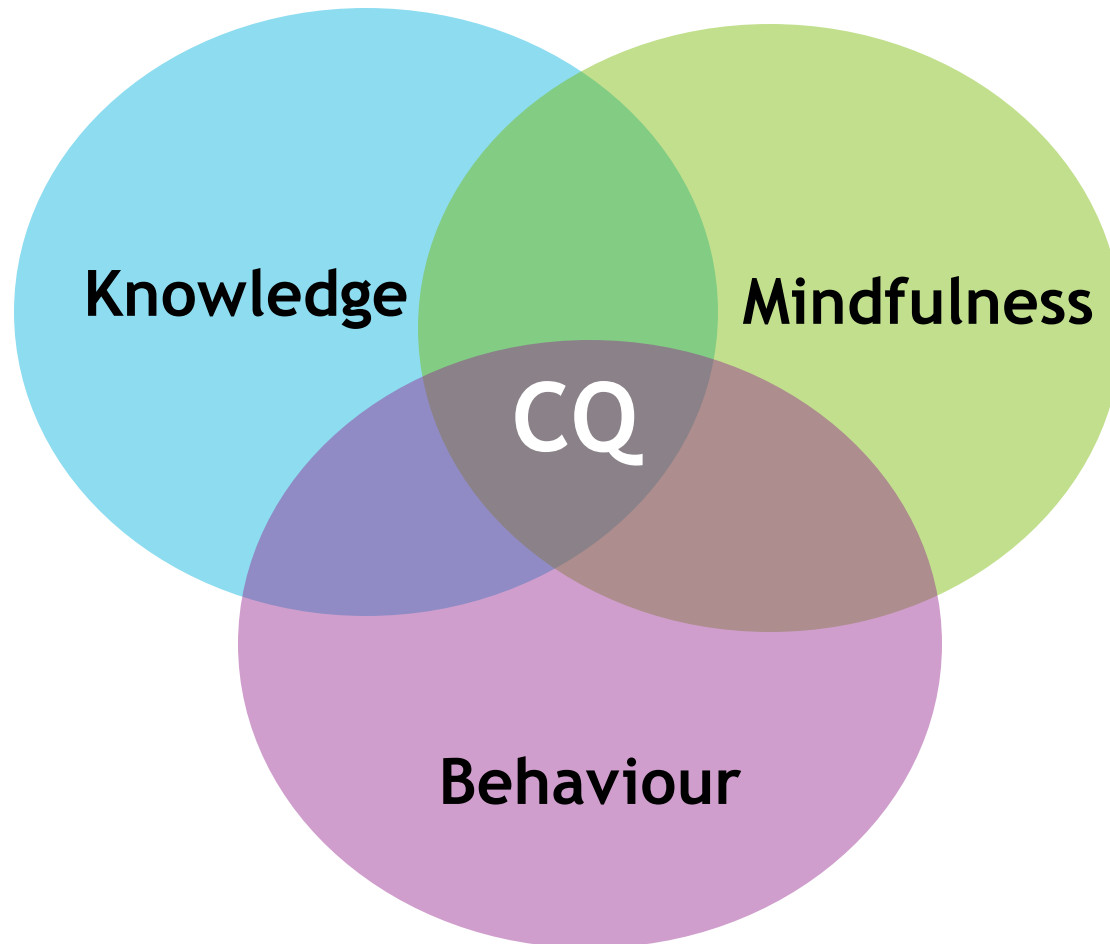
HOFSTEDE'S SCALES OF DIFFERENCE

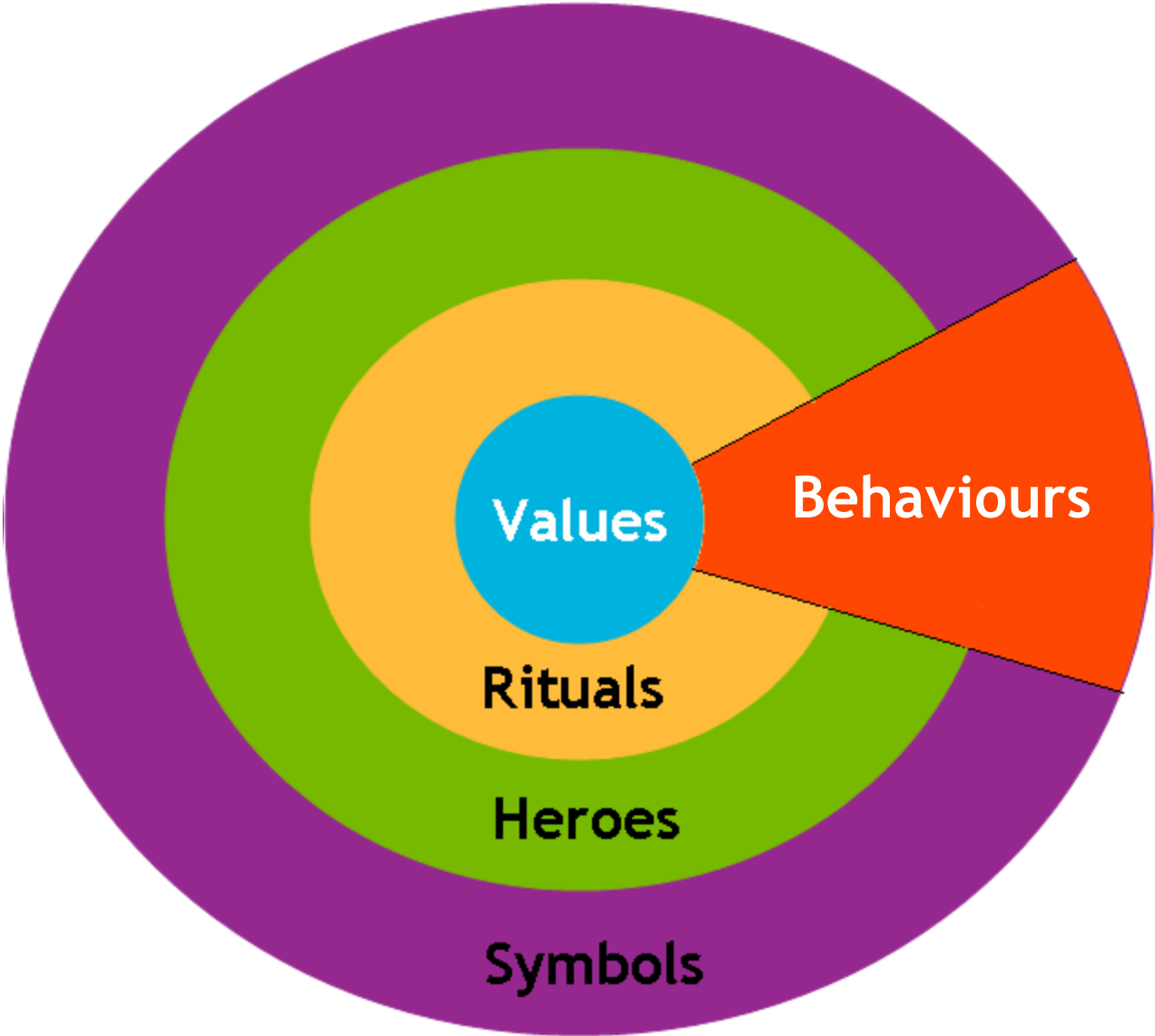


IMPACT OF CULTURE ON WORK BEHAVIOUR

- A. Cancel the meeting immediately.
- B. You continue with the meeting whilst Peter goes to the hospital to be with his child.
- C. Carry on with the meeting - you indicate that you think Peter should stay, but it is his choice.
- D. Carry on with the meeting, indicating that Peter has to stay.

CULTURAL INTELLIGENCE







Be warned!!
Ecological fallacy



SCHWARTZ VALUES SURVEY - CONSERVATION

Security

Safety, harmony, and stability of society, of relationships, and of self

Tradition

Respect, commitment, and acceptance of the customs and ideas that traditional culture or religion provide

Benevolence

Preservation and enhancement of the welfare of people with whom one is in frequent personal contact

Conformity

Restraint of actions, inclinations and impulses likely to upset or harm other and violate social expectations or norm

SCHWARTZ VALUES SURVEY - SELF ENHANCEMENT

Stimulation

Excitement, novelty and challenge in life

Hedonism

Pleasure and sensual gratification for oneself

Achievement

Personal success through demonstrating competence according to social standards

Power

Social status and prestige, control over people and resources

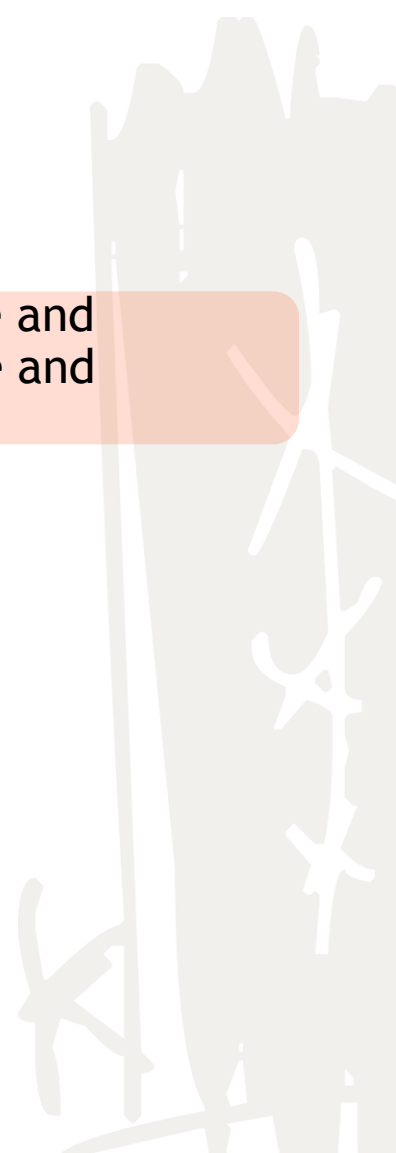
Self-Direction

Independent thought and action - choosing, creating, exploring

SCHWARTZ VALUES SURVEY

Universalism

Understanding, appreciation, tolerance and protection for the welfare of all people and nature



KEY POINTS FOR US AS BUSINESS PSYCHOLOGISTS



Key
point
1

Avoid the Ecological Fallacy

- Hofstede for country-level issues
- Schwartz for individual level issues

SUMMARY OF RESULTS

Benevolence, Conformity, Security,
Tradition

More positive ratings of supervisor's
work style

Less conflict with supervisor and
colleagues

More organisation loyalty

Longer tenure

Employed in lower job groups

Hedonism, Achievement, Power,
Self-direction, Stimulation

More critical ratings of supervisor's
work style

Higher levels of conflict with their
colleagues, but not supervisor

Higher levels of organisation-fit

Higher turnover

A greater number of career advancement
opportunities & higher job groups

KEY MESSAGES

Employees who reflected the cultural values of their supervisor and top management are promoted into more senior positions



Are these findings a
function of cultural
values or organisational
bias?



KEY POINTS FOR US AS BUSINESS PSYCHOLOGISTS



- Check - do our competencies / assessment / development programmes discriminate in favour of those with similar cultural values?
- Avoiding bias against cultural values is just as important as bias against traditional diverse groups

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Accurate selection of effective expatriates

Because all business is psychology.

SELECTING EXPATS

- Supporting international recruitment for 8 years
- Global research
- Based on panel review of successful candidates



CULTURAL INTELLIGENCE AMONGST CANDIDATES

4 factors that differentiate high from low potential candidates:



Assumptions ←  **Exploration**

- Relies on stereotypes to describe cultural differences
 - Makes assumptions about what it will be like to work in different countries
 - Struggles to identify examples of when they have experienced or witnessed cultural differences
- Takes time to understand local customs and norms
 - Seeks advice from local employees regarding impact of personal style

Own perspective



Other's perspective

- Expects others to understand their perspective
- Becomes frustrated with the approach taken by others without exploring their perspective

- Asks questions to understand why other party is taking particular approach
- Identifies why people are approaching things in a particular fashion
- Mediates in cross-cultural clashes between others

Inflexible



Flexible

- Expects others to do things their way (especially if more senior)
- Selfish flexibility - only willing to flex style in order to get own way, rather than to achieve best possible outcome
- Limited experience / understanding of need to flex personal style

- Able to cite numerous examples of when they have flexed their personal style to adapt to another's culture
- Demonstrates learning from previous mistakes when failed to flex their style
- Cultural flexibility in both similar and dissimilar cultures

Homogenous socialising

- Reluctance to immerse oneself in culture which they perceive as being significantly different from their own
- Socialises with people from own cultural background



Diverse socialising

- Treats working in different cultures as a personal development opportunity
- Demonstrates an active interest in other cultures, rather than simply a country they work in
- Engages in new activities in different cultures

KEY POINTS FOR US AS BUSINESS PSYCHOLOGISTS



- Measures of these 4 factors will help to select effective expats - not just technical expertise!

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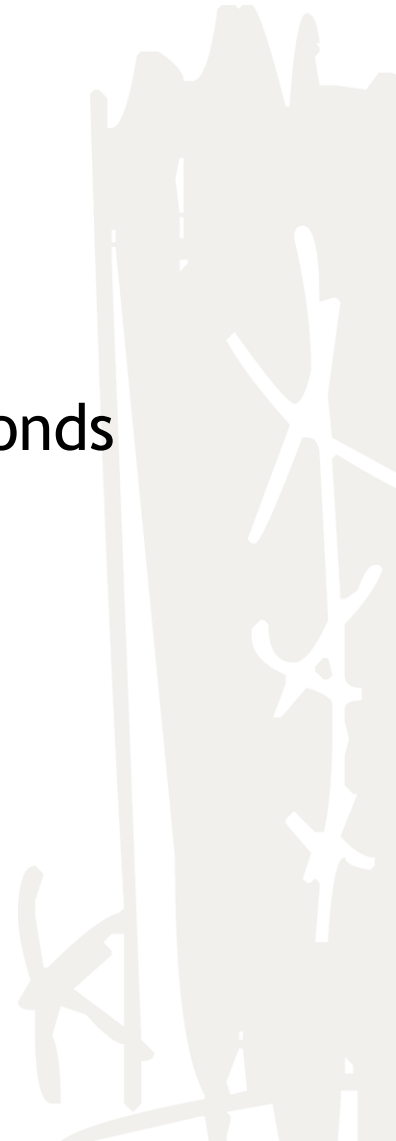


Communicating effectively in international teams

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COMMUNICATING EFFECTIVELY WITH INTERNATIONAL TEAMS

- CMC - x4 the amount of time to communicate same message
- CMC - more likely to rely on stereotypes
- Video-communication creates stronger relational bonds
- People seeing their own image are distracted and inhibited



CULTURAL IMPLICATIONS FOR REMOTE COMMUNICATION

- Cultural impact on perceptions of the ‘right’ amount of communication
- CMC international teams build swift trust...
- ...but the trust is fragile
- Trust development is slower in telephone calls / low quality video conferencing



KEY POINTS FOR US AS BUSINESS PSYCHOLOGISTS



- Ensure effective trust development when working internationally
- Tailor your communication style depending on the medium and cultural context



KEY POINT SUMMARY

1. Avoid the Ecological Fallacy
 - Hofstede for country-level issues
 - Schwartz for individual level issues
2. Do our competencies / assessment / development programmes discriminate in favour of those with similar values
3. Avoiding bias against cultural values just as important as bias against traditional diverse groups
4. Measures of CI will help to select effective expats - more than just technical expertise!
5. Ensure effective trust development when working internationally
6. Tailor your communication style depending on the medium and cultural context



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