

Cultural Intelligence

- A concept for bridging and benefiting from cultural differences

By Elisabeth Plum ©
(Translated and commented by Dympna Cunnane)

What have international relations, mergers and cross-discipline innovation got in common? They share a dependence on the ability to create mutual understanding and synergy between people from different cultural backgrounds. In this paper I want to introduce the concept of ***Cultural Intelligence***, which aims to provide new insight into the social skills and mental frameworks which enable us to bridge cultural differences. One of the core points in the concept of ***Cultural Intelligence*** is that the cultural dynamics of a situation are the same in relation to professional, organisational, national or racial differences.

I believe that cultural difference has a greater impact on business effectiveness than we think. Our cultural backgrounds influence the way we think and act and the way we interpret each other's contributions. Our success or failure in communication depends on this competence and ultimately skill in this area affects the company's bottom line.

Cultural Intelligence - A Definition

I define cultural intelligence as the ability to make oneself understood and the ability to create a fruitful collaboration in situations where cultural differences play a role. It involves the ability to act in an appropriate way in multicultural situations coupled with the ability to have an open mind which admits new information and is curious about difference. We need to both know who we are and be curious about 'the other' so that differences can be elaborated rather than smoothed down. ***Cultural Intelligence*** consists of three dimensions that correspond to the classical division between emotion, understanding and action.

Emotional

This dimension relates to the emotional or feeling component of the situation and the motivation to generate solutions. This dimension is the 'touch paper' in the intercultural encounter - the thing that changes fuel into fire and contains both the creative potential and the 'danger'; the positive driving forces and the stumbling blocks that can destroy or enliven the contact.

Feelings are related to beliefs, to our notion of what is the right way to behave. It is a subjective attitude which is based on internal values, such as fairness or respect. We make judgments about others, whether we trust them or not, whether we can 'allow them in'. This is a powerful aspect and refers to attitudes towards difference, involving the capacity or courage to allow oneself to be changed during the intercultural situation. It has a receptive quality which might be judged 'weak' in some cultures. It also requires the ability to cope with one's own and other people's emotional reactions when awkwardness and cultural misunderstandings occur.

This dimension includes the motivation we have to achieve a fruitful inter-cultural encounter. Our motivation comes from both external drivers, goals and objectives such as the need to develop a strategy for innovation and internal drivers such as curiosity or an attraction to things or people who are different, perhaps even to the exotic. These drivers determine how much of an investment we are prepared to put into any situation. This dimension is called **intercultural engagement**.

Cognitive

The cognitive component is the objective or rational component. It is based on reason and the capacity to develop mental structures which enable us to understand the encounter, to think about what is going on and to make judgments based on conceptual frameworks and language. It consists of understanding oneself as a cultural being as well as understanding people with a different cultural background.

This dimension requires knowledge about what culture is as well as knowledge about the characteristics of our own and others' cultures. It also consists of cognitive flexibility and the ability to transfer experience from one kind of cultural encounter to another. This dimension is called the **cultural understanding**.

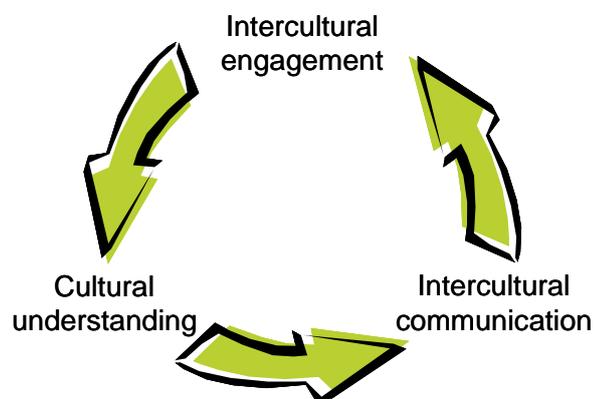
Action

This component is about what happens during an encounter, what we decide to do based on our judgments about the situation coming from the emotional and rational data we have collected. The action dimension is the activity and communication during the cultural encounter, what each participant actually *does* in this encounter. It consists of various types of interpersonal communication, for example, listening, questioning, summarizing, agreeing or disagreeing etc. as well as skills which we have learned to manage relationships in general involving body language, etiquette, rituals, rules and techniques.

The action dimension brings the other two dimensions of cultural intelligence into play thereby creating the content of the communication. The content of the encounter could be described as the problem to be solved or the decisions to be made. This dimension is called the **intercultural communication**.

These three dimensions are all equally important and form the structure which helps us to gain a deeper understanding of the intercultural encounter and give us some options for improving the outcome. This definition emphasizes the idea that successful cultural encounters are not just a question of possessing knowledge about a specific “foreign” culture. Understanding the 'other' culture, paying attention to our own cultural norms and developing techniques and skills to bridge difference are important parts of Cultural Intelligence. Cultural intelligence involves a combination of the three dimensions; none of them can stand alone. All of the dimensions apply to all the participants, not just to the 'other'.

The three dimensions in Cultural Intelligence can be illustrated like this:



The three dimensions influence each other so that, for instance, courage to allow oneself to be changed in a cultural encounter will enhance our listening capacity and increase our understanding of the other. Knowledge about some differences between yours and the other person’s culture can, for instance, enable you to plan an event so that you have the best chance of enabling the communication to run smoothly. It is helpful to have curiosity and knowledge about the customs and norms of other cultures and the meanings associated with simple actions so that we can understand re-actions and can influence the action by preventing misunderstandings as far as possible. This involves being aware of our own rules and prohibitions so that they can be evaluated and examined in terms of appropriateness in different situations. Otherwise we make snap judgments based on criteria that are not shared.

Cultural Intelligence in a Scandinavian Context

This version of cultural intelligence is a further development of a US concept which comes from ideas such as Daniel Goleman's Emotional Intelligence and Howard Gardner's thoughts on multiple intelligences.

The concept elaborated here has been developed in a Scandinavian context. The model comes from theories which define organizations as complex adaptive systems which rely on a constant flow of information in all directions. It is not a hierarchical model where the top of the pyramid has the knowledge and the information to make decisions on

behalf of others. In this model the organization is expected to learn in order to adapt and equality is assumed even though there are power differences between people depending on their role. To do this we have to treat others with respect and an open mind even though they do not think or react like 'us'.

The following is three short examples of situations where *Cultural Intelligence* is vital:

Cross-national work

When an organization needs to collaborate with partners in other countries it is vital to prevent misunderstandings and conflicts. A culturally intelligent manager will ensure that the key people are given the opportunity to study not only the strategic background for the cross-national work, but also their own motivations and attitudes to cultural differences.

National self-perception must be examined as well as the cultural background of the international partners. The key people need to know how to create the setting to establish good communication based on mutual understanding. This involves many different kinds of intelligence, including cultural intelligence to enable them to develop common ground and a common 'language' in an international group.

Mergers

Mergers are an example of how the emphasis changes between the prevention of conflicts and the creation of synergy. The culturally intelligent leader will facilitate the merger process by planning the mechanisms and strategies to develop a common culture for the new enterprise. This will put into words the good aspects that are being transferred from the old enterprises, as well as the social rules for the new enterprise. A company culture cannot be decided in any one part of an organization. Culture, as we have seen, comes out of shared history and a shared approach, shared beliefs based on solving problems together, rather than some dictates from the leadership, however well intentioned.

Culturally intelligent leadership is perfectly aware that it takes time for a new culture to manifest itself and that the development of new norms of behaviour should not be left to itself. Leaders will make sure to evaluate the culture, to support its productive features, to model the values and reward behaviours that foster collaboration between different constituencies. Leaders must be open to debate and difference. We believe that using the three dimensions of *Cultural Intelligence* will broaden the debate and enable differences to be negotiated continuously, whether the emphasis is on prevention of conflict or the creation of synergy.

Project groups

Cross-discipline and cross-organizational groups are increasingly used to foster innovation, and consequently it is important to obtain synergy in the encounter between contrasting differences. It is equally important that cultural misunderstanding does not lead to unproductive conflict in the group. The culturally intelligent project manager will, for instance, ascertain that such project groups start out with a focus on the cultural differences and similarities and they will be

able, using *Cultural Intelligence* methods and ideas, to improve their level of functioning from the beginning of the project. The participants will be able to discuss how their collaboration can be managed based on their knowledge of strengths and weakness and how they might contribute with their individual competences during the various phases of the projected work.

It is a well known fact that different professions use different terminology, but it is even more important to discuss the reasons behind the participants' different priorities, methods, viewpoints and favorite ideas. Only with an understanding of this background will it become possible to embark upon productive knowledge sharing and to create those unorthodox approaches that may lead to innovation. Culture is not 'done' in the beginning of the project. The development of cultural intelligence within a group requires the group to learn by reflection on what is working and what is causing problems so that they can adapt and improve. The issues of differences have to be kept alive through conversations during the whole project process in order for the group to get the best from the individuals and the group.

It is important to learn from experience, to develop *Cultural Intelligence* in thinking and acting so that intercultural teams have the best chance possible to succeed in building relationships that create new paths and new solutions. The cultural intelligent leader knows that the HOW is just as important as the WHAT, this is where *Cultural Intelligence* comes to the fore and delivers results.

A Broader Definition of Cultural Difference

We believe it is helpful to think about cultural differences in as broad a context as possible in order to move away from a tendency to define cultural differences in too concrete and fixed a way. As well as national culture and organisation culture there are differences between different disciplines within an organisation, for example between the accounting department, marketing department and production. These differences operate in a complex system where the differences in outlook and priorities meet and sometimes clash or synchronise. For us *Cultural Intelligence* is about understanding what happens internally and externally when we meet people who have different ways of thinking and acting. *Cultural Intelligence* gives us a framework and language to understand and capitalise on the differences rather than tolerate or ignore the (potentially creative) friction caused by difference.

An example of where cultural difference comes into play is when companies decide to merge. Such mergers frequently fail, at least in part, because the cultural aspects, organisational and national, of the merger are either ignored or underestimated. For example when a Swedish production company decides to merge with a French company and an American company, they discover that they have different priorities and different timescales. The American manufacturer thinks in terms of yearly or quarterly results while the Swedish manufacturer thinks in terms of technological innovations over a 20-year period. The French partner thinks that design is the most important factor and timescales are not a priority although they have to operate within a timescale. Here we can also notice different ideas on what matters most strategically and differences in national culture and business culture. These differences could be a source of mutual

advantage if they are surfaced, acknowledged and used to gain market advantage through a technologically advanced, design driven product that can be brought to market in as short a time frame as possible. In this particular case the differences prevented an integration of core-activities between the three companies.

In most of the research into why mergers failed to deliver the successes that were promised it has been discovered that outright failures or disappointing results were a result of the lack of attention given to differences in organisation culture in the early stages, from planning to implementation. As business gets more global and partnerships become the way to get advantage then the potential to succeed or fail depends on the ability of organisations and leaders to understand and become competent in cross-cultural communication. The following are some examples of the drivers for cross cultural knowledge or *Cultural Intelligence*:

- **Innovation** - cross-professional teams are called together to come up with new solutions to well-known problems and are expected to break new ground with innovative ideas.
- **Global Focus** - Cross-national and global collaborations are sought to combine different expertise, experience and to deliver access to new national and regional markets.
- **Strategic Alliances** - many important issues today call for crossing the boundaries between different disciplines and different sectors. There is a growing need for strategic alliances between private companies, public sector organisations, academics and NGOs.

The precondition for crossing these borders is the ability to establish productive relationships between people who think and act in differently. In some situations the cultural differences play a vital role in the communication and in other situations the differences are not important. The problem is that it is not easy to predict how relationships will develop and how misunderstandings occur. Our actions and re-actions are often irrational. The cultural aspect of relationship building comes from pre-conceptions and assumptions which we barely notice but which affect our spontaneous communication. We need to be able to step back from the action to reflect on our assumptions and mental models in order to be able to listen and respond to difference so that something new can emerge in the space between different viewpoints and objectives. To do this people in organisations need to develop the skills and attitudes of **Cultural Intelligence**.

Paradoxically culture is both neglected and exaggerated. Culture is tied up with our identity and is fundamentally about belonging to a group. Culture can be defined as a set of shared practices that a group develops over time, involving specific ways of talking and acting. One has several cultural backgrounds – a nation, a profession, an organization, a role(s). Different contexts evoke responses which arise out of the mental maps we have from our different cultural backgrounds.

We take our own culture for granted as the natural and right way to behave or think, and consequently we fail to discover the existence of cultural differences. Culture is the water in which we swim and just like fish we don't know what water is, we take it for granted. We often do not acknowledge how much our thoughts and behavior are influenced by our various cultural backgrounds. It is only when we are confronted with something different that we are able to see culture in operation. An example : In a cross professional group where, say, social workers, psychologists, police officers and teachers meet to solve a problem they discover that "urgency" means something quite different and that they have different priorities which have to be discussed and bridged.

In an international group it is a case of cultural blindness to interpret the lowered eyes or direct gaze of a colleague as a sign of lack of confidence or aggression, without considering that eye-to-eye contact means different things in different cultures. At other times cultural differences are exaggerated and are used as a way of avoiding other types of conflict, perhaps interpersonal or inter-group. We often hear the phrase "It's a cultural issue" when in fact it may be something about power or lack of clarity about role. This is a way of not taking responsibility, an easy way out. Talking about culture is difficult unless we are willing to look at the different cultural backgrounds we all carry with us. **Cultural Intelligence** gives us a vocabulary and a grammar for understanding this aspect of everyone.

Different views create energy

A big charge of energy is created when people with different backgrounds come together, however, this can be both positive and negative. To get the most out of difference and the excitement it causes we need to be able to confront the differences and use them to positive effect. We find unexpected responses emerging when we are questioned from a person who has a different perspective. Even disagreements can be very illuminating and bring about new knowledge but only if the communication is not destroyed by the fear of difference and our stereotyped ideas about 'the other'. The tension or friction created when differences emerge can result in creativity and innovation and in fact it is only when different things come together that new life is possible.

This article is based on the Danish book: *Kulturel Intelligens*, by Elisabeth Plum in collaboration with Benedikte Achen, Inger Dræby and Iben Jensen. Børsens Forlag, Copenhagen 2007.