



The Four Competences

The competences that are key to successfully interacting with people from other cultures build on the skills we use when we interact with people from our own culture, in our careers and personal relationships. But these *intercultural* competences are more than general interpersonal skills: they demand of us that we constantly anticipate how cultural differences may be affecting our interaction, and that while we look for similarities between us and the other in order to build common ground, we must neither ignore our cultural differences nor forget that the people involved come from different groups and cultures.

Each of these competences faces two ways, like the head of Janus, the Roman god of transitions, whose statues guarded the entryway of homes, one face looking alertly outwards, the other watching inwards to the courtyard and the living rooms.

The four Intercultural Readiness Check (IRC) competences, Intercultural Sensitivity, Intercultural Communication, Building Commitment and Managing Uncertainty, work in tandem, each with these inward-looking and outward-facing facets. Table 3.1 shows what these are, and how they work.

The four competences and their facets are about reflecting how we differ from others, and also about continually testing our current assumptions



Table 3.1 The four IRC competences and their facets

INTERCULTURAL SENSITIVITY	
The degree to which we are actively interested in other people's cultural backgrounds, their needs and perspectives.	
Facet 1: Cultural Awareness The ability to see our own interpretations, norms and values as culture-specific, and to consider different cultural perspectives as equally valid.	Facet 2: Attention to Signals The extent to which we seek information about others' thoughts and feelings by paying attention to verbal and nonverbal signals when interacting with them.
INTERCULTURAL COMMUNICATION	
The degree to which we actively monitor how we communicate with people from other cultures.	
Facet 1: Active Listening The degree to which we are mindful when communicating with others, and pays due attention to their expectations and needs.	Facet 2: Adapting Communicative Style The degree to which we adjust how we communicate in order to fine-tune a message in line with cultural requirements.
BUILDING COMMITMENT	
The degree to which we actively try to influence our social environment, based on a concern for relationships and integrating people and concerns.	
Facet 1: Building Relationships The degree to which we invest in developing relationships and diverse networks of contacts.	Facet 2: Reconciling Stakeholder Needs The degree to which we seek to understand the interests of different stakeholders, and can create solutions to meet these needs.
MANAGING UNCERTAINTY	
The degree to which we see the uncertainty and complexity of culturally diverse environments as an opportunity for personal development.	
Facet 1: Openness to Cultural Diversity The degree to which we are willing to deal with the added complexity of culturally diverse environments.	Facet 2: Exploring New Approaches The degree to which we are stimulated by diversity as a source of learning and innovation, and risks trying out new ideas.

and checking what other strategies might work in the current situation. Through their two-sided nature, each competence allows us to interpret the data coming in to us from others, whose background may be different from ours, whose culture may be foreign to us, whose signals may be

unfamiliar or misleading to us. And each also allows us to reconfigure our own signals as they go outwards to others, so that we suit our signals and actions to the other party's cultural filters, expectations and needs.

People who lack these competences may find themselves mysteriously blocked in their career advancement as their company expands abroad. They may be unable to attain key positions after their company merges with a competitor. As entrepreneurs, they may fail to grow their business in foreign markets.

But people who have developed these competences connect to foreign business partners and learn about their unique business interests. They ignite culturally diverse teams to perform beyond expectations. They contribute to their organization's efforts to benefit from diversity.

Each of the four competences and their facets affects our intercultural interactions in different ways, and, through continually strengthening them, we become more effective in our dealings with people from other cultures.

Intercultural Sensitivity

Intercultural Sensitivity is a measure of how actively we are interested in the needs and perspectives of people from other cultural backgrounds. People who are interculturally sensitive thoroughly analyse how expectations and needs may differ, and this analysis in turn leads them to constantly attend to verbal and nonverbal signals.

It is a key ability when we are checking whether we know enough about a given situation. For instance, a student who has joined a class in a new country may find that her fellow students start the project work quite differently from the way she expected – energetically creating presentation slides with ideas about possible solutions rather than first calmly establishing an agenda of who needs to achieve what at which point in time. If she is interculturally sensitive, she will allow herself to try out this unfamiliar approach and compare it to the one she knows

well. If she is closed off, she will think '*Project work without an agenda? All mad!*' and insist on doing things the way she has learned to do them back home.

The first facet of Intercultural Sensitivity, **Cultural Awareness**, indicates the extent to which people reflect on their own culture and consider other cultural perspectives as equally valid. People who score high on this facet continually generate multiple interpretations of an event, and use these interpretations to reflect back on their own way of doing things.

Being able to use different cultural perspectives for making sense of someone's behaviour is the essence of cultural awareness. Doing so also helps us to see our own behaviour through the lens of someone from a different culture. Take the case of a young Chinese psychologist, who gave an excellent presentation at Stanford University. At the end, he thanked his professors for their help – these professors being the two grand ladies of the field. He laid it on thick by western standards, though from a Chinese point of view he was merely acknowledging how deeply he was indebted to them as supervisors of his PhD research.

Looking at this story, and reading his behaviour from the two alternative cultural perspectives, enables us to realize how our own actions – perfectly readable to those who share our cultural background – may be perceived quite differently by others. To the westerners listening, he appeared to be fawning on his professors; to those of his fellow-students from China, he was modestly giving credit and gratitude where it was due. Which leads to the question: when showing appreciation to a Chinese business partner in the usual understated western way, might we come across as uncaring and rude?

The second facet, **Attention to Signals**, indicates to what extent people seek information about others' thoughts and feelings. By paying close attention to verbal and nonverbal signals, people who score high on this facet constantly check whether their interpretation of an event is correct. An interculturally sensitive negotiator can pick up signals that others fail to notice, and so realize factors that are not apparent to those lacking intercultural sensitivity, as illustrated by the case in Box 3.1.

BOX 3.1 ATTENTION TO SIGNALS IN CROSS-CULTURAL NEGOTIATIONS

An example of a negotiation that had gone very wrong, but was rescued by a negotiator sensitive to unfamiliar cultural signals, was one in which a UK purchasing team was buying T-shirts from a supplier in Pakistan. The suppliers were eager for business, and the UK purchasers were tough enough to push the Pakistanis for the best price possible. What the purchasing team did not realize was that the money they were offering was below the price at which the supplier could afford to produce the T-shirts.

When it came to delivery time, the samples of T-shirts arrived in the wrong colour. There was a lot of discussion, with the buyers saying 'Sorry guys, we agreed on this,' and the suppliers 'Our machines are not able to produce this colour.' The British were frankly stymied. They could not understand why colour was suddenly part of the equation.

Then a new member of the buying team joined the UK side. This was a man who was very attuned to cultural signals. During his very first conference call, he noticed what the others had been missing all along – the signals of distress in the suppliers' voices. He realized immediately that the problem had nothing to do with colour. The price the Pakistani suppliers had been forced to concede was simply beyond their capacity, and they were now trying to sell the company T-shirts in the wrong colour, in the hope of getting an order for something else, something they could afford to supply.

He nudged his colleagues to end the call, and once the suppliers were off the line, he explained the situation. When the UK team called back, they readily renegotiated the price. Now, of course, the suppliers said the T-shirts could be produced in any colour – because they could afford to produce them.

When people score high on both **Cultural Awareness** and **Attention to Signals**, they are able to make these two facets of Intercultural Sensitivity work in tandem. High scorers continually generate more than

one interpretation, and check which interpretation seems most plausible given the signals they receive. They can create a much more accurate idea of what drives others' behaviour than people scoring low on these facets.

Why is Intercultural Sensitivity Important for Intercultural Effectiveness?

Studies by psychologists and business specialists overwhelmingly show the importance of intercultural sensitivity for those working with people from different cultures.

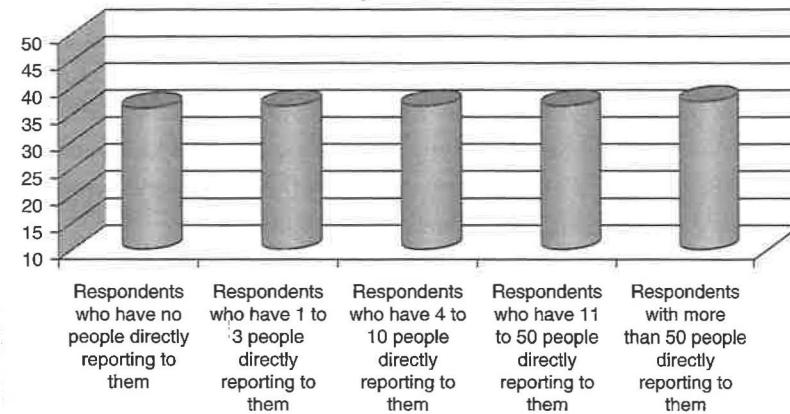
In his 1989 publication, 'A Study of Cross-Cultural Effectiveness: Theoretical Issues, Practical Applications', Daniel J. Kealey examined 12 challenges expatriates have to deal with, for example, adjusting to the new environment and transferring technical skills. Kealey found only a single cluster of competences that consistently correlated with effectiveness in all 12 areas, a cluster comprising empathy, respect and tolerance – skills and attitudes that are core elements of intercultural sensitivity.¹ More recently, psychologists Regina Hechanova, Terry A. Beehr and Neil D. Christiansen showed, in their 2003 publication 'Antecedents and Consequences of Employees' Adjustment to Overseas Assignment: A Meta-Analytic Review', that expatriates who could accurately understand the feelings of others found it easier to adjust to their new environment than those who could not empathize well with others.² In their 2005 meta-analysis of 30 studies, 'Predicting Expatriate Job Performance for Selection Purposes: A Quantitative Review on Personality Factors Predicting Expatriate Job Performance', psychologists Stefan T. Mol, Marise Ph. Born, M.E. Willemse and Henk T. van der Molen identified intercultural sensitivity as one of the strongest predictors of expatriate job performance.³ Many other studies have demonstrated how vital intercultural sensitivity is for intercultural effectiveness.⁴ It is not surprising then that psychologists David C. Thomas and Stacey R. Fitzsimmons concluded in their 2008 literature synopsis, 'Cross-Cultural Skills and Abilities', that '*empathy or intercultural sensitivity (in its various manifestations) seems to be one of the most robust predictors of effective intercultural interaction*'.⁵

Given the overwhelming evidence that intercultural sensitivity contributes to intercultural effectiveness, it is astonishing that our research shows that scores on this competence do not currently correlate with managerial position. If companies systematically assessed intercultural sensitivity when deciding whom to promote to managerial positions, we would expect to find people in higher management positions to have higher average scores on our IRC measurement of Intercultural Sensitivity than people in positions with lower managerial responsibility. But, as shown in Table 3.2, average scores on Intercultural Sensitivity are roughly the same across all levels within an organization.

Given the critical role of intercultural sensitivity for intercultural effectiveness, we recommend that all companies working internationally, and all with a cultural mix among their workforce, assess staff to see how they score on this competence, and, in particular, assess those staff members who are aiming for international roles.

Table 3.2 shows the average results (with a minimum of 10 and a maximum of 50 points) for Intercultural Sensitivity for five different groups of respondents, for a total of 27,181 respondents. Worryingly the management levels show virtually no difference in competence.⁶

Table 3.2 Intercultural Sensitivity and management position



Intercultural Communication

Intercultural Communication is about establishing meaningful dialogue, where both parties' needs and perspectives are equally valid, and both are responsible for preventing and repairing misunderstandings.⁷ It requires listening closely to what the other party is trying to say, expecting throughout that our perspectives may differ. It also requires adapting how we try to get our message across. The two are connected: if we focus only on adapting, but not on the perspective of our listener, we fail to notice that what is so evident to us may not be clear to the other. Intercultural Communication is the key to building common ground.

Developing this competence is a challenge. This is illustrated by the story of a colleague of ours, Viviane, a US trainer working for a large multinational corporation. Viviane was invited to give a training session in Shanghai to a group of Chinese colleagues. She knew a lot about Chinese culture and customs, and was keenly aware that Chinese people are extremely sensitive about loss of face.

Viviane was determined to adapt her style to avoid causing loss of face. But Viviane was haunted by a nightmarish thought – that her colleagues would invite her to a restaurant where she would be served dog. She loved dogs, and had two dogs of her own – the thought of eating dog was unbearable. Viviane tried to indicate her concern indirectly when introducing herself at the beginning of the training. She talked about herself as a person, and about her family, and she showed a picture of her dogs, telling her audience how much she loved them. She must have gone on with her subtle plight for just a bit too long. Suddenly, one of her participants raised his hand and said, 'Don't worry, Viviane, we won't serve you dog. It is summer now, and dog is a winter meal!'

Monitoring how we communicate is like having a camera on our shoulder that gives us online feedback on how we come across when we speak, how the other may have understood what we tried to say, and how else we may need to formulate our message.

In the two facets of Intercultural Communication, we distinguish between a more receptive and a more active component – **Active Listening** and **Adapting Communicative Style**.

Active Listening indicates how much attention we pay to the other's expectations and needs. Take a look at this exchange during a business trip in Thailand:

Passenger to taxi driver: 'How far is it to the airport?'

Taxi driver to passenger: 'Do you need to wash your hands?'

To make sense of the exchange, you have to engage in active listening. The passenger in the exchange was baffled by the driver's seeming non sequitur – but for the tactful Bangkok driver, it seemed obvious that the passenger was too embarrassed to say directly that he needed the toilet.

People who are skilled in active listening take more time for communicating than people who are not so skilled, and routinely consider multiple interpretations of what the other makes of the exchange. To communicate at all, we must be able to listen actively to some degree. But high scorers do this more often, and more consistently, than people who score low on this facet.

The second facet, **Adapting Communicative Style**, captures how well we fine-tune our communicative behaviour in line with cultural requirements. Take a look at Box 3.2 for a case in point.

BOX 3.2 ANGER MANAGEMENT ACROSS CULTURES

An impressive example of adapting communicative style comes from an intercultural conference we attended in Konstanz. As we came downstairs into the lobby of our hotel we heard a British guest in a wrinkled shirt complaining loudly. The legendary

British stiff upper lip was notably absent – he was complaining furiously to the receptionist that, contrary to promises, there was no iron in his hotel room and actually nowhere in the entire hotel. How was he to enjoy his conference dinner, sitting next to colleagues in a shirt like his? He seemed out of his mind with anger.

We were fascinated – during the opening gathering the night before, we had heard Peter Franklin, Professor of Intercultural Communication at a university in the town, mention how British people had to become more direct if they wanted to be heard when making complaints in Germany.⁸

When the man in the wrinkled shirt sat down next to us at the dinner table, we asked him about the encounter – and when he just smiled, we continued, ‘With all these cultural differences on how we show emotions, how angry were you on a scale of 1 to 10?’

He shrugged and replied, ‘I’d give it a “1”. I am an actor, I know how to do this.’

Why are Both Facets of Intercultural Communication Relevant?

Global organizations today increasingly seek to hire local recruits rather than sending home-country managers on costly expatriate missions. Job interviews in which applicant and interviewer come from different cultures (see Box 3.3) are typical examples of situations where cultural differences can obstruct mutual understanding, and where active listening and adapting our communicative style are vitally important.

BOX 3.3 ADAPTING OUR COMMUNICATIVE STYLES IN JOB INTERVIEWS

To prevent misunderstandings in international job interviews, recruiters, applicants and the management of the hiring firm need to understand their different assumptions about how people present themselves in such an interview.

A European multinational wished to hire a senior executive for its Indian organization, and engaged an executive recruitment firm to find suitable Indian candidates. Following initial interviews with the finalist candidates in India, the two best candidates were brought to Europe for interviews with top management. One candidate remained, but the management team hesitated – they doubted whether this man would be assertive enough to meet the demands of this top managerial position.

The candidate displayed verbal and nonverbal behaviours that caused the European management to have some doubts, and so he was perceived to be submissive rather than assertive and confident. When debriefing the interview with the recruiter, the management’s bias became clear. The candidate had been showing respect in ways that were entirely appropriate for an interview by higher management in an Indian context. This was a clear case of cross-cultural misunderstanding. But the story had a happy ending: the recruiters explained the cultural dissonance to the multinational’s executives, and the candidate got the job, and performed superbly in it.

Self-Presentation Style Depends on Context

In their research on impression management in job interviews, psychologist Marianne Schmid Mast and her team from the University of Neuchâtel found that Swiss job applicants may have a hard time convincing recruiters from Canada of their suitability for the job. The Swiss culture values modesty and team orientation. Canadian recruiters, in contrast, come from a culture that emphasizes more individualistic values; for example, being unique and outstanding, and making yourself heard.⁹

In their 2011 study, ‘Self-Promoting and Modest Job Applicants in Different Cultures’, Schmid Mast and her team had an actor impersonate a modest candidate for some interviews, and a self-promoting candidate for others: and, as expected, they found that Canadian recruiters were much

more interested in hiring the actor when he portrayed a self-promoting candidate than when he played a modest one. To Canadian recruiters, the self-promoting style signalled competence, while modesty was interpreted as lack of competence, and it was this inferred competence that influenced their interest in hiring the candidate.¹⁰

In cross-cultural job interviews, both interviewer and applicant benefit from active listening in assessing whether their expectations about self-promotion are aligned. Applicants can manage the impression they want to make through adapting their communicative style to the culture-specific expectations of recruiters and interviewers.

If you wonder whether you tend to undersell yourself, take a look at Table 3.3 with our advice based on the work by Schmid Mast and her colleagues to see how you could adapt your style to leave an indelible impression on your audience.

Numerous studies have analysed how cultural values influence how we communicate. Across studies, two key factors have been identified as critical for how directly we make our point:

- The extent to which we focus on being clear and effective, focusing on the task at hand¹¹
- The extent to which we focus on differences in power and status, and on the people involved.¹²

We may have learned to be direct because our culture taught us to be clear and effective; but we may also be direct because our culture emphasizes power differences, and we happen to occupy the power seat. Cognitive psychologists Ute Fischer and Judith Orasanu's highly instructive article, 'Error-Challenging Strategies: Their Role in Preventing and Correcting Errors', captures six ways in which we can give instructions, which range from a very direct to a very indirect way of telling another person what to do.¹³ Table 3.4 illustrates these six ways of giving instructions – from very direct to very indirect.

Table 3.3 Modest style as opposed to self-promoting style in interviews¹⁴

	Modest style	Self-promoting style
Verbal indicators	Do you tend to present yourself as undemanding, as someone who does not consider themselves a person who outperforms other potential applicants?	Show that you are confident, sure of your personal values and ready to convince the recruiter that you are the best match for the job profile.
	Do you explain your failures by lack of talent and effort, but your successes by luck and ease of task?	Explain your failures by ill fortune and undesirable circumstances, and your successes by your superior talent and intelligence.
	When asked why you once quit a job after a short while, do not say: 'Well, how should I put it, we decided that I did not completely match the job profile?' ¹⁵	Say: 'I had the impression the job profile did not meet my expectations and ambitions.' ¹⁶
	Do you use disclaimers (for example, 'I don't know'), hedges (for instance, 'Isn't it?'), filler words like 'umm'?	Don't. Speak fluently instead. You will also save time.
	Do you hesitate when answering?	Answer questions swiftly and fluently.
Nonverbal indicators	Do you lean tensely forward in your chair?	Assume a relaxed posture.
	Do you nod a lot, and fidget on your chair?	Nod less, stop fidgeting.
	Do you avoid eye contact?	Meet the interviewer's gaze.

Table 3.4 Six ways of giving instructions*

Instruction	(Please) Call the client and make an appointment.
Obligation	We need to call the client and make an appointment soon.
Suggestions	Let's go call the client and make an appointment.
Queries	How about getting in touch with the client?
Preferences	I think it would be wise to get in touch with the client.
Hints	We haven't been in touch with the client for some time now. (Also known as 'the baby is crying' strategy.)

*Based on Fischer and Orasanu, 'Error-Challenging Strategies: Their Role in Preventing and Correcting Errors'. Adapted with permission by the authors.

Listening actively is critical for mutual understanding when our cultural backgrounds differ with respect to task orientation, or with respect to how we deal with status differences. A manager's indirect instruction (for example, 'We haven't been in touch with the client for a while.') may be taken as an interesting comment by a task-oriented assistant (who might think 'Yes, that's true.') or as embarrassingly meek by subordinates accustomed to unambiguous orders ('Why is my boss talking to himself all the time?'). A direct order would be more effective in these situations, for example, 'Please phone the client and find out if she needs us to send more products.'

Research into cockpit communication has theorized that when captain and co-pilot were not aligned in status, or when cockpit crew and tower crew were not aligned, planes have crashed.¹⁷ The work of Ute Fischer and Judith Orasanu on cockpit communication shows how communicative training can help cockpit crew to communicate more effectively, especially in emergency situations.¹⁸ Their work is an excellent example of how intercultural communication professionals can support their clients in understanding the sources of their cross-cultural misunderstandings.

Active listening and adapting our communication style are essential if we wish to communicate effectively across cultures. Earlier work on cultural differences in communication may have overrated some of the nonverbal differences, for example, the time we take before we respond to a speaker.¹⁹ Recent studies by a research group at the Max Planck Institute for Psycholinguistics in Nijmegen suggest that *all* cultures base their timing on the rule of *no gap, no overlap* when taking turns in speaking (and that not even the famously taciturn Scandinavians wait longer than 200 milliseconds before responding).²⁰

Other nonverbal differences may have been misinterpreted, for example, how we use eye contact in informal settings to regulate whose turn it is to speak. A study published in 2009 by linguists Federico Rossano, Penelope Brown and Stephen C. Levinson, 'Gaze, Questioning, and Culture', suggests that in informal settings speakers' eye contact does not vary as much across cultures as has long been assumed. Speakers of languages as

different as Italian, Mayan Tzeltal (Mexico) and Yélî Ndye (Russel Island, Papua New Guinea) – places that are 14,000 kilometres apart from each other – can all make hearers respond faster by looking at them when they are done speaking. Eye contact by hearers, in contrast, does differ: for Mayan Tzeltal, for example, hearers tend not to look at the speaker, while for Yélî Ndye and Italian, hearers look freely at the speaker to signal that they are ready to speak now.²¹ Empirical research on cultural differences in nonverbal communication may still hold its surprises for theorists of intercultural communication.

But the research on job interviews, the examples in Tables 3.3 and 3.4 and Fischer and Orasanu's analyses of cockpit communication leave no doubt that we must be able to adapt our style both in terms of what we say and how we say it, if we want to be effective communicators in today's culturally-mixed world of work.

Building Commitment

Building Commitment is about engaging people in a constructive and creative problem-solving process, based on an understanding of the other's different needs. Through relationships with a range of people who differ from us, we can solve problems better and faster than people who have a narrower, less diverse range of contacts. To do so, however, we have to violate Law Number 1 in psychology, 'similarity attracts', because to do so we need to draw energy from people who are not like us.

An Australian mining company invested into Building Commitment when they invited leaders of the Aboriginal community to a week-long, cross-cultural training programme. Instead of only listening to presentations on Aboriginal culture and beliefs, participants could now learn from Noel Pearson, Aboriginal Australian lawyer and land rights activist, about what the company's mining activities meant to the Aboriginal community; and they could talk and discuss this with the Aboriginal representatives for several days during the programme and over dinner afterwards. This intense exchange with members of the Aboriginal community gave the

mining company's staff a much deeper understanding of, and respect for, the community's needs and concerns about the land than would have been possible through a more traditional cross-cultural training programme.

The intercultural competence Building Commitment captures the degree to which people actively try to influence their social environment, based on a concern for relationships and integrating different people and perspectives.

Its first facet, **Building Relationships**, is how much we invest in relationships and in developing diverse networks of contacts. Even introverts can find this fun.

Building relationships isn't always done in an obvious way. For instance, a senior manager for a financial services firm in Hong Kong found it difficult to get the right contacts with key decision-makers – until he convinced his company to buy him a Ferrari. This enabled him to join the Ferrari Owners' Club of Hong Kong, a powerful network of business people and entrepreneurs. His contact list grew at accelerated speed – and he was happy driving a Ferrari.

By becoming a member of different groups, we become familiar with using different codes, practising different roles and taking on different identities. Groups regulate membership through implicit and explicit codes, like wearing the right sneakers to show you are in the know, or wearing shirts with cufflinks rather than buttons to signal your status.

Knowing the code is essential for a group of expatriates in Amsterdam who meet on Saturday afternoons in a tiny wine shop hidden in the basement of a narrow house in the Grachten quarter, just off Rijksmuseum. Each expatriate brings a bottle of wine wrapped in aluminium foil to hide the label. The challenge is to bring wine that will surprise the others – just bringing very expensive wine would testify to an embarrassing lack of finesse and show that you didn't know the code implicitly agreed by this group.

The more we choose to be only with one type of people, the more we are determined only by their cultural code. We may become suspicious of

people with different beliefs and even avoid contact with them – much like cousins of ours who were warned by their Catholic grandmother not to play with Protestant children.

When we build diverse networks, we start to understand the meaning of different cultural codes, and become comfortable in making the connections between them – discovering, for example, similarities between the code of avoiding boasting among Dutch people, and the code of modesty women often use when responding to each other's compliments.²² We also become more aware of the effect that different collective customs have on ourselves, more self-confident in choosing between them, and in accepting or ignoring the code.

The second facet of Building Commitment, **Reconciling Stakeholder Needs**, keeps us focused on what we can achieve together while at the same time strengthening our relationships through constructive problem-solving.²³ A high-tech company we've worked with used this approach for product innovation. The company hired many creative people who would constantly approach their management with ideas for new products. The executives had to decide which of these ideas should be accepted, but often had to take care of daily business and had no time to carefully evaluate these ideas. The company did not want staff to argue forever about whether a rejected idea should in fact be accepted, but they could not risk losing brilliant ideas either.

To solve the dilemma, they installed the Box of Rejected Ideas: all staff members could submit their rejected ideas to the box, and at intervals the management team would open the box and give the rejected ideas a second chance. This worked so well that many of the company's key innovations came out of this miracle box.

Building Commitment is Vital for Global Leaders

For effective global leadership, Building Commitment is the most important of all the intercultural competences. This competence is far more strongly developed by senior managers in organizations than by people

Table 3.5 Building Commitment – a competence developed by executives

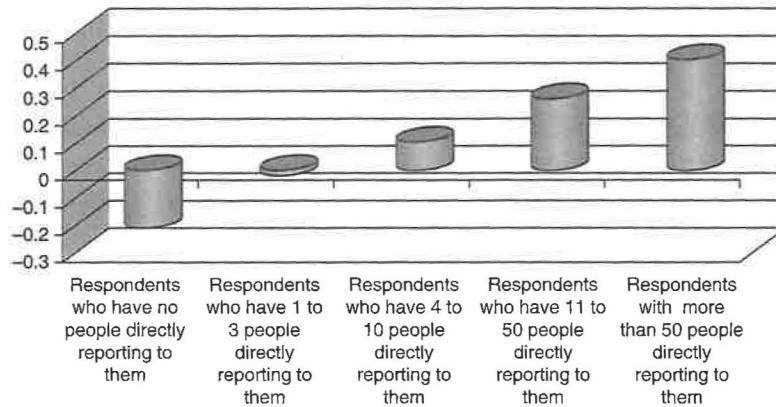


Table 3.5 shows the findings for Building Commitment for five different groups of respondents. The results, showing standardized scores (see Box 3.4), are based on answers from 27,181 respondents from five different management levels, with higher scores reflecting higher levels of competence.

without managerial responsibility (see Table 3.5); our IRC data reveal a significant correlation between Building Commitment and management level.²⁴

BOX 3.4 STANDARDIZED VERSUS AVERAGE SCORES

Table 3.5 uses standardized (standard) scores rather than average scores to show the different competence levels between the five groups. Standard scores capture more information than average scores, because they take into account how **typical** a single respondent's result is given the results of **all** respondents. Ultimately, the goal is to test how consistently a given group shows the measured behaviour. This is achieved through statistical techniques that first capture how all individual results are distributed along the answering scale and then calculate how typical each individual result is compared to all results.

In effect, each of the 27,181 individual results is first weighed in terms of how extraordinary, how rare or how common it is, given all results, and only then are these weighted individual results added up to calculate the five different group scores. The resulting standard scores for the five groups therefore reflect more precisely the differences between the five groups than the groups' average scores. One outcome of all these calculations is that the standardized group scores now range from minus 1 to plus 1, with the average result now being expressed as zero. Positive scores show that a group's results are above the average of all 27,181 respondents, while negative scores show that the group scores fall below that average.

Scoring high on **Building Commitment** means that people score high on both its facets, **Building Relationships** and **Reconciling Stakeholder Needs**. This score reflects a global leadership mindset. Effective global leaders acknowledge and appreciate the complexity and ambiguity of the context within which they operate, and continually strive to respond constructively to this complexity, knowing that they cannot rely on the same solution for a long time. They do not seek the comfort and safety of a homogeneous network, nor do they pick and choose different cultural collectives, moving in and out of them like frequent flyers through airport lounges.

Instead, to establish and maintain their networks, and to reap the benefits of their diversity, effective global leaders approach value differences and conflicts flexibly. They are driven to create reconciled, integrated solutions when faced with seemingly opposing cultural orientations. Leaders are successful in building large networks when they understand the needs and interests of different members of the network, and are able to create flexible solutions to meet those needs. This takes a strong awareness of value differences, and it is here that the two facets work most clearly together.

People who are less successful in building diverse networks very often see tensions in their network in terms of good or bad, professional or

unprofessional, trustworthy versus untrustworthy. They see one set of values as desirable and everything that looks like contradicting these values as undesirable. One set of ideas is seen as creating value, whereas other ideas are seen as destroying value. Their solution to conflict is 'my way or the highway' – much like a company owner who does not allow staff to work from home because he or she fears they won't actually work unless they are in the office.

Effective global leaders go beyond this notion. They understand how different ideas can create value for different members of the network – they see their ultimate challenge in integrating the value orientations of the different stakeholders in their multiple diverse networks. In Box 3.5, we discuss Building Commitment in the context of current leadership theories.

BOX 3.5 BUILDING COMMITMENT AND LEADERSHIP THEORY

The competence Building Commitment can best be understood as the extension of effective leadership into a global context. Current leadership theories have moved away from a perspective within which leaders have specific 'leadership qualities', which allow them to function from a well-defined leadership position in a clear and predictable hierarchical system.²⁵

Instead, current work on leadership (for example, Bernard M. Bass and Bruce J. Avolio's work on transformational leadership, and the Complexity Leadership Theory developed by Mary Uhl-Bien, Russell A. Marion and Bill McElveen²⁶) strives to capture the complex context within which leadership is needed, and to describe leadership in terms of changing roles, relationships and processes that need to be managed for achieving organizational goals.

This view of leadership has to some extent discarded the notion that a given person is and will always be the leader, due to inherent and unique leadership qualities. Instead, researchers now focus on how leadership takes shape within a network of human interaction.²⁷

One approach to leadership, called the Leader-Member Exchange (LMX) approach, for example, analyses the two-way relationship between leaders and those in their team. LMX theories focus on how leaders develop an exchange relationship with each team member, and on how the quality of the relationship in turn influences behaviour, effort and loyalty towards the leader.²⁸

'Leader-follower' relationships often create an in-group of team members, who are close to the leader and trusted by him or her, and an out-group, who are kept at arm's length in terms of influencing, decision-making and access to resources. Leaders tend to include people in their in-group who are similar to them – that is, those of the same gender, from the same cultural, professional or ethnic background.

The key challenge for global leadership is to overcome this bias towards similarity. We have found that the ability to build commitment develops at all levels of management through substantial experience abroad, allied with friendship across cultures, and that as Building Commitment develops, people increasingly commit to diversity and overcome the similarity bias.

Among the relationship-focused leadership approaches, social network theories of leadership highlight the broadest array of relationships to be considered for effective leadership. In their 2006 article, 'The Ties that Lead: A Social Network Approach to Leadership', management expert, Prasad Balkundi, and organizational behaviour specialist, Martin Kilduff, set out to close 'the gap at the heart of our understanding of leadership'. Balkundi and Kilduff emphasize that in order to be effective, leaders need to accurately perceive the networks that surround them, and know how to influence others through understanding the social dynamic within these networks.²⁹

If social networks are as decisive for today's leadership as Balkundi and Kilduff and others argue, then interculturally savvy people will have a head start in effective leadership. People

who are interculturally competent avoid the downsides of a strong and cohesive ego network – the network immediately surrounding the leader.³⁰ Cohesion in this inner circle, powered by perceived similarity and the pressure to conform, strengthens the clique but clogs the channels through which new and fresh information flows.

People who can build commitment are particularly resistant to preferring those who are like them over those who are different, and so are particularly skilled in keeping open the channels that connect them to a wide range of opinions, supporting new and creative approaches.

Managing Uncertainty

Managing Uncertainty is a game-changer. Do we seek to be with different people, get to know different groups, explore different ways of doing things because it invigorates us? Or does this leach energy from us, because dealing with people who think and act differently makes us feel uncertain, stressed, suspicious, alone and at a loss? Managing Uncertainty is about learning how cultural differences can energize us, so that we are ready to continue developing our intercultural competences.

An example indicating the need to develop this competence is that of a software developer who was used to following precisely the instructions of her boss, and so felt most comfortable when she could be absolutely sure about what was expected of her in any given work situation. When she relocated to the country in which her company's head office was based, she worked with colleagues who valued personal initiative and knowing when to make an exception to the rules set by their managers. But each exception meant uncertainty for her, risking imperfection and disobeying her boss. She needed a lot of time to let go of her need to follow the rules exactly, and to trust herself that she would learn when to make the right exception.

This competence identifies the degree to which we see the uncertainty and complexity of culturally diverse environments as an opportunity for learning and personal development. People who manage uncertainty well enjoy the uncertainty that comes with a culturally diverse context, seeing it as a constant source for learning and development.

Managing Uncertainty differs from the other IRC competences in that it does not offer a well-defined starting point from which we can expand our skill range slowly and steadily. For the first three competences of the Intercultural Readiness approach, learning entails taking stock of what we do well already and building on this. Developing our Intercultural Sensitivity, for example, starts with reflecting on our own cultural approach. Improving our Intercultural Communication skills means looking at our dominant communicative style and practising styles that are less typical in our culture but more dominant in other cultures. Improving our skill in Building Commitment starts with understanding our own values, then exploring the other party's values with the goal of creating solutions that integrate both value orientations.

Unlike these intercultural competences, Managing Uncertainty requires us to take a leap of faith into the unknown. Cross-cultural encounters may be disorienting at times – comparable to the sensation of a European tourist in Australia who tries to find her way back to the hotel after a copious dinner in the Barossa Valley, only to realize that there is no North Star shining home. We need to manage ourselves when experiencing the uncertainty of cross-cultural encounters, staying curious and willing to learn – even if we have lost sight of our cultural coordinates.

The first facet of Managing Uncertainty, **Openness to Cultural Diversity**, reflects how much we are willing to deal with the added complexity of a culturally different or more diverse environment. Imagine you just arrived in Tokyo for the very first time. You are hungry and want to buy a sandwich in a supermarket near your hotel. The shelves hold hundreds of neat, transparent boxes with colourful pretty content – but is it edible? Is it fish or vegetable, sweet or sour, with or without additives, should we eat it hot or cold, for breakfast, lunch or dinner, and what about

our allergies? The labels are not helpful either – they only show black and white drawings. Do you take the box with the prettiest colours or do you opt for room service back in your hotel?

Or imagine a professor from Japan who is used to students showing respect for her achievements by not confronting her or asking difficult questions during class. Teaching at a university in the US may be quite a challenge at first, since now students may openly disagree with what she has to say – not a sign of disrespect from them, but a sign that they are sparked into investigation and intellectual interest by her scholarship. Cultural differences can challenge us in many ways, but the key to openness to cultural diversity is to stay curious about why other people behave differently from what we expected.

The second facet of Managing Uncertainty, **Exploring New Approaches**, captures the degree to which we risk trying out new ideas, and welcome cultural differences as a natural and ever-present source of ideas for learning how we could do things differently.

An example of exploring new approaches to doing business comes from a Dutch colleague of ours who moved to Moscow just after the end of the Soviet Union. He was a consultant for one of the big four accounting firms, and he had come to town to do business. Initially he planned his client visits the Dutch way, that is, by agreeing on a date and a time for a first meeting. But this was a tour of frustration – he would arrive on time only to wait for hours or be told that his host was out of the office.

Being a man who is enlivened by difference and risk, he then changed approach. He made a list of potential clients by district and started to drop in without an appointment, asking whether this was a good time to introduce himself and his company's services. If the first potential customer did not have time, he would go to the next, two blocks away, and so on. By arranging his client visits in this new way, he no longer felt frustrated about wasting his time and rushing from one failed appointment to the next, but instead kept relaxed throughout the day and succeeded in having numerous meetings and building up his business.

Another opportunity for exploring new approaches presents itself to many business people who move across the German–Dutch border. Again and again, we have seen that for German business people, this means moving from a rather perfectionist culture, in which they are criticized for the tiniest mistake, to a culture in which people reward quick and improvised solutions because they feel the environment is changing too fast for perfection anyway. How safe will a German engineer feel in following the Dutch approach, and starting to suggest potentially imperfect ideas, at the risk of being remembered as the guy who blundered? And vice versa – how motivated will a Dutch engineer be to learn the code of the more perfectionist culture, accepting the sticklers' obsessive attention to detail and learning to take joy in uncompromisingly creating the ultimate product?

Why is Managing Uncertainty Relevant?

Our culture has taught us how to coordinate our actions with those of others. Letting go of these coordinates, which orient us in what to do when, and what to expect from others, is a call for change – change that may be frightening because we cannot yet feel where it will take us. We may feel as if we are crossing a half-frozen lake in hazy light by jumping from one ice floe to the next, never knowing for sure whether the next floe will hold us, topple over as we touch it or crack smack in the middle.

Uncertainty and how we deal with it has been a topic for many years amongst psychologists. As early as 1971, the developmental psychologist Jerome Kagan argued that all of us have a built-in desire to reduce uncertainty.³¹ When we cannot predict what is going to happen, we feel uncertain and want to do something about it. It is like a reflex – in the middle of the deep dark night, we immediately want a flashlight. When we are confronted with two or more conflicting but equally plausible ideas (for instance, 'always tell the truth' and 'show respect to your boss'), or when there is a mismatch between what we thought would happen and what we actually experience (we tell a joke and nobody laughs), we feel uncertain, which motivates us to reduce the uncertainty and get back

to where we felt secure. Uncertainty may make us curious, stressed or panicky – but we cannot ignore it.

Our research shows that people who score high on Managing Uncertainty feel more comfortable when interacting with someone from a different cultural background, and are more satisfied with the amount of contact they have with people from a different culture than people who score low on this competence. People who score high on Managing Uncertainty also have more friends from other cultures than people who score low. They are more interested in working abroad and in having work that involves regular cross-cultural interactions, and they are also more confident that they can perform in these work settings than people who score low on Managing Uncertainty.

Some of us have a head start in Managing Uncertainty. The psychologist Richard M. Sorrentino and his colleagues distinguish between people who are uncertainty-oriented and those who are certainty-oriented (see, for instance, their 2008 publication, 'Uncertainty Regulation: The Master Motive'). Uncertainty-oriented people feel at home in uncertain situations: they see such situations as a welcome challenge to clarify what is going on, to dig deeper and analyse discrepancies between what they thought and what they experience. Uncertainty-oriented people have a strong need to know and understand, and uncertain situations fuel this need.³²

This suggests that when people whom Sorrentino and his team define as uncertainty-oriented move abroad, they are likely to feel comfortable and at ease: there is constant food for thought and action! As a result, they will be curious about the new cultural context and eager to learn more about it, and this will enhance their overall ability to be effective in an intercultural interaction.

Certainty-oriented people, in contrast, may find it hard to accept the uncertainty of cross-cultural interactions because they are constantly out of balance in terms of what they prefer and what they experience. As a result, they may avoid such situations, ignore some of the complications or seek quick fixes to restore certainty. For instance, they will look for what

others do, what the experts say or what seems to be commonly accepted wisdom. They not only want a flashlight, but also a map for returning home. In cross-cultural situations, certainty-oriented people may have to work harder to balance their need for certainty with their curiosity about other cultures and their willingness to explore new approaches.

Research by psychologist Lily A. Arasaratnam shows that people's attitude toward uncertainty influences the degree to which they seek intercultural learning opportunities. Arasaratnam argues that some people get a kick out of cross-cultural situations exactly because there is no script for these situations. She suggests that when it comes to intercultural interaction, a personality feature that is often evaluated negatively, namely sensation-seeking, may actually have a lot to offer.³³

Sensation-seeking is a constant search for novelty and excitement. In today's globalizing world, this may be a great start for becoming interculturally competent. Sensation-seekers seek contact with people from other cultures because these interactions are less certain and predictable than those with people from their own culture – and so offer just the bit of thrill that keeps sensation-seekers awake. If sensation-seekers then use empathy and active listening to truly understand the other person, they have a head start in intercultural competence development compared to those of us who prefer to play it safe.

Exercises

- 1a) **Intercultural Sensitivity, Cultural Awareness:** Go to the cinema and watch a film from another culture, in a different language than your own, ideally with a friend or colleague from another culture. Watch and compare your reactions, and how each of you is attempting to make sense of what the characters are doing. Where do your interpretations differ? The different interpretations may give you clues as to how these characters work within their culture. Which themes and motives can you identify that reflect the current situation of the country, or rather appeal to what people from all cultures have tried to come to grips with?

1b) Intercultural Sensitivity, Attention to Signals: Listen to two conversations between strangers (or a friend) and note ten body language signals they give, telling you more than the actual conversation. (For instance, ‘Do you think the bus will be here soon?’ – do they look at their watch or take out their mobile phone, and does the question arouse anxiety or is it just a casual conversation starter.) Write a short report on what signals you picked up.

2a) Intercultural Communication, Active Listening: There’s a joke told by foreigners who move to Ireland and discover the Irish gift for subtext: ‘If you say “Good morning” to an Irish person, he may think “Now, what did he mean by that?”’ Try to take the same approach to all the conversations you have today – think about the subtext, the subtle inner meanings of everything that is said.

2b) Intercultural Communication, Adapting Communicative Style: Find someone who is from quite a different culture from you – your friend’s 17-year-old gamer son; your grandmother’s strait-laced bridge partner – and have a conversation with them, taking their cues and adapting your style to suit their way of communicating. Write down what changes you have made in your style of communication – did you lounge and use slang with the gamer, sit up straight and speak precisely with the bridge partner?

3a) Building Commitment, Building Relationships: Look at your most personal relationships, and think about what you do to build mutual commitment. How could you do more – by spending more time together, for instance, or by leaving each other more personal space; by becoming interested in their interests; by surprising them? Mindmap it. Draw a picture of your thoughts.

3b) Building Commitment, Reconciling Stakeholder Needs: Write a short outline of a current dispute you know about. Write the name of each person or group involved at the top of a piece of paper, and list their needs and demands. Describe how you could use commonalities between these people or groups to build bridges and solve their conflicting demands.

4a) Managing Uncertainty, Openness to Cultural Diversity: Test yourself. Find a cinema showing foreign films without subtitles.

Watch three films, trying to follow what is happening between the characters. See whether you enjoy this and find it challenging, or regard it as a crazy waste of time.

4b) Managing Uncertainty, Exploring New Approaches: Go outside and step on the first bus that comes past. Ride it to the terminal and walk for a kilometer or so. Now try to find another bus to get back to your office by asking people in the neighbourhood. Keep track of how the interactions make you feel – are you impatient, do you feel that this is stupid – or are you getting a bang out of the strangeness, and finding that it sparks your creativity?