



Book Leading with Cultural Intelligence

The New Secret to Success

David Livermore
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Recommendation

The boundaries between countries and cultures blur more each day. After all, you can buy a Starbucks latte at the airport in Guam or Shanghai. Advances in communication, the Web and global expansion have made the world even smaller. But don't be fooled, cautions consultant and trainer David Livermore. You can't do business in São Paulo the same way as in Munich, even if you are drinking the same latte. Livermore doesn't teach the customs and habits of various cultures. Instead, he provides a four-step framework for navigating cultural contexts. He identifies the four elements of CQ: "drive, knowledge, strategy and action." Each one calls upon a set of skills you can apply whether you're trying to relate to your teenager's Goth friend, negotiate with a Mexican executive or open a new office in Israel. *BooksInShort* thinks anyone who deals with people from varied cultures – and who doesn't – will find this cross-cultural leadership guide as essential as a passport.

Take-Aways

- "Cultural intelligence" (CQ) is the ability "to function effectively across national, ethnic and organizational cultures."
- In today's global business environment, CQ is a requirement for good leadership.
- Everyone can develop skills in the four components of cultural intelligence.
- The first, "CQ drive," is your motivation to perform well across cultures.
- People can work well in other cultures if they're in familiar business environments.
- The second area, "CQ knowledge," refers to understanding and adapting to similarities and differences.
- Be aware of the distinctions among universal human traits, cultural characteristics and individual idiosyncrasies.
- The third component, "CQ strategy," means planning and using tactics that are culturally intelligent. It links what you know about another culture to how you behave.
- The fourth, "CQ action," means adapting your behavior to different cultural contexts.
- Adapt to your cultural context in an appropriate way. Don't go overboard. People appreciate it when you try, but be alert to nuances that are beyond you.

Summary

Being Smart Across Borders

"Cultural intelligence" (CQ) is the "capability to function effectively across national, ethnic and organizational cultures." In today's global business environment, CQ is necessary for effective leadership. Most leaders interact cross-culturally in numerous ways every day. Some managers travel the world, dealing with unfamiliar foods, customs and business rituals. Others are simply trying to manage the diversity in their own offices. Familiar sights and signs may surround you in any airport where

Starbucks sells vanilla lattes, but don't let that fool you into thinking that you can conduct business the same way everywhere. As similar as people and environments may seem, you must adjust your style, manner and even sense of humor to suit your audience's culture. Culture is, loosely, "any group of people who have a shared way of seeing and making sense of the world."

"Leadership today is a multicultural challenge."

Leaders must cultivate cultural intelligence so they have the ability to:

- **"Understand diverse customers"** – The typical customer no longer exists. As cultures converge, managers must understand the nuances of varied target audiences.
- **"Manage diverse teams"** – Communicating and building trust are essential management skills that a diverse workplace makes even more challenging.
- **"Recruit and develop cross-cultural talent"** – Companies need to find and nurture people with the aptitude and skill to succeed in various cultures.
- **"Adapt leadership style"** – Different cultures admire and respond to different attributes in their leaders. Some prefer a collaborative style; others favor an authoritative approach.
- **"Demonstrate respect"** – Different does not mean wrong. Learning how to understand, embrace and appreciate differences makes you a better person.

An Overview of Cultural Intelligence

Cultural intelligence is not "emotional intelligence" (EQ), the ability to interact with others and understand their inner drives. Instead, CQ helps you operate well with people from different backgrounds and understand their viewpoints, actions, manners and expectations. It gives you proficiencies and appropriate behaviors to use when reaching across any borders. Evolving your attitude is even more important than adapting your behavior. Raising your CQ requires nurturing a sincere appreciation for people who are not like you.

"Life and work in our rapidly globalizing world bring us an unprecedented number of encounters with people, places and issues from around the world."

Everyone can develop better cross-cultural skills in the four areas of the "CQ cycle":

1. "CQ Drive": The Motivating Force Behind CQ

Some people embrace new experiences; others shy away. The first step in the cultural intelligence cycle involves boosting your drive to become cross-culturally proficient. Begin by examining your innate prejudices toward other cultures. Everyone has biases, but with awareness, you won't act on them. Once you admit that some things about functioning in unfamiliar cultures bother you, like eating exotic foods, you can work around them.

"Leading in the 21st-century world means maneuvering the twists and turns of a multidimensional world."

Ask yourself how confident you are working with diverse people in strange places. Many people are comfortable working across cultures if they are in a familiar business environment. A German software engineer would probably be at ease with a software engineer from Bali. Problems may begin in social situations, but they overlap into professional concerns. The convivial connections you make with people from other cultures will influence how you work together.

"Leaders across every profession are being propelled into a culturally rich and diverse challenge."

Foreign foods often stump international travelers. However, food plays a central role in many societies. In India, for instance, a host will spend days preparing a meal for a guest. Rejecting a dish at such a feast would be insulting. Oftentimes, people do more business over a shared meal than in a conference room.

"Today's professional may easily encounter 15 different cultural contexts in a single day."

For these reasons, consider the following approaches to exotic foods:

- Try every dish, even if you have only a taste. Sample small bites.
- Take a leap of faith and sample the dish without asking what it is.
- Add rice or noodles to something you find texturally unappealing.
- Ask your host to show you the proper way to eat an unfamiliar food.
- Be aware of your facial expressions.
- Compliment something about the meal.

2. "CQ Knowledge": Learning About Other Cultures

People assess others in light of their own cultures. Such universal "ethnocentrism" is the number one obstacle impeding cultural knowledge, that is, real familiarity with how cultures differ or align.

"The days of identifying a single target customer are long gone for most organizations."

To build such knowledge, first delve into how your culture affects you and influences everything you do. Understand that various cultural forces influence you, including your national roots, ethnic and religious background, family, organizational affiliations, and numerous subcultures based on other factors, such as gender, age, sexual orientation and even hobbies.

"Cultural intelligence is not a static ability. It continues to morph and develop as we go about our daily work."

Some characteristics are universal among all peoples. Humans share common fears, desires and needs, but culture influences every aspect of peoples' lives, from the

way they handle money to how they raise children. Individuals within each culture vary tremendously, so you also must learn to differentiate between a cultural trait and a personal idiosyncrasy.

“In fact, cultural intelligence cannot exist apart from true love for the world and for people.”

A “cultural system” refers to how various cultures address human needs. The main systems and their cultural polarities are:

- **Economic** – “Capitalist vs. socialist” systems compare market gains based on individual endeavor and those generated by state-controlled group effort.
- **Familial** – “Kinship vs. nuclear family” captures the differences between multigenerational families and smaller two-generation units.
- **Pedagogic** – “Formal vs. informal” education contrasts structured schooling and memorizing on the one hand, against experience and mentor-based learning on the other.
- **Governmental** – “Formal laws vs. informal governance” examines the possible options between tightly codified legal structures and more conditional, less rigid systems.
- **Spiritual** – “Rational vs. mystical” religious systems follow a continuum from beliefs derived from reason to beliefs based on the supernatural.
- **Aesthetic** – “Solid vs. fluid artistic” standards govern whether creative endeavors follow set “boundaries” or evolve flexibly. They shape everything from dancing to design.

3. “CQ Strategy”: Applying Cultural Knowledge in Different Environments

Most diversity-training courses concentrate on learning about other countries’ cultural values, which fall into five main categories, following the structure set out by Geert Hofstede in his book *Cultures and Organizations*:

1. **“Time”** – The clock runs some cultures where promptness is considered a virtue. In such cultures, being late is insulting because it insinuates that you don’t respect the value of the other person’s time. However, in other cultures, the clock is not in charge. Instead, the social situation dictates when events and gatherings begin and end.
2. **“Context”** – Cultures can be “low-context” in that the people in charge do not leave much to chance. Signs indicate where to go and what to do, and leaders don’t make assumptions about what people know intrinsically. In “high-context” cultures, people share a history and higher-ups assume that most people know how to behave.
3. **“Individualism”** – Some countries, such as Australia, emphasize individualism over everything else. In contrast, collective cultures, such as those in China, emphasize the interests of the group rather than the individual.
4. **“Power distance”** – This refers to how much interaction is appropriate between bosses and subordinates. It also refers to how clearly societies define different roles. In a “high-distance” culture, such as in India, subordinates must demonstrate a great degree of respect for their leaders. Alternatively, in Israel, a “low-distance” culture, leaders and subordinates socialize freely and address each other on an equal footing.
5. **“Uncertainty avoidance”** – This describes people’s feelings toward the unknown and unfamiliar. In a culture where people find ambiguity disconcerting, a more authoritative management style works better. People in these cultures prefer clear instructions and specific deadlines. In countries that don’t mind ambiguity, such as Sweden, people are not as concerned with uncertainty, and instructions can be open-ended.

“Seeing the world in light of our own cultural background and experience is inevitable.”

Leadership requires effective communication, which is very difficult if you don’t speak the other person’s language. Ideally, leaders should learn more than one language, but you don’t need to be fluent. Learning key phrases can be helpful. Remember, cross-cultural confusion can emerge even among people who share a language. Being attuned to others is the key.

“CQ Strategy” – Planning and Using Culturally Intelligent Tactics

Being knowledgeable is one thing, but applying your knowledge is something else. That’s where CQ strategy plays a part in linking what you know about another culture to how you behave. The first step in developing your CQ strategy is becoming aware of what goes on around you and how you are reacting to it. When you are in an unfamiliar environment, you can’t operate as usual. You must break from your normal habits and patterns, and use a heightened sense of awareness.

“Culture isn’t something that just happens to us; rather we’re also active creators of it.”

To develop strategies for working in a new context, ask yourself how you could modify your tasks or actions to succeed there. For instance, you might change the way you run meetings to allow extra time for small talk. After you change your behavior within a new cultural context, test whether it works. Make constant adjustments, big and small, as you adapt to your surroundings.

4. “CQ Action”

Connecting with others is more challenging when they are from different cultures, but that is the core of CQ action. For example, cross-cultural negotiations require adapting your approach. In a Latin society, you should get to know your negotiating partner before you get down to business. In such a culture, developing a relationship first is important. In a collectivist culture, the emphasis is on the good of the group, not what’s best for any particular individual.

“If leaders don’t become culturally intelligent, they’ll be managed by the cultures where they work rather than leading by their guiding values and objectives.”

One step on the road to awareness is consciously paying attention to the subjects you introduce in your conversations. A topic that is appropriate in one culture may be off limits in another. For example, Germans often love to discuss politics and religion, while Chinese people may find debate on such subjects intrusive and off-putting. How you request someone’s business will vary among cultures, depending on the society’s power distance. Both complimenting and apologizing require tailored

approaches in different places.

“The richest cross-cultural relationships involve culturally intelligent behavior flowing both ways.”

When speaking to those for whom English is a second language:

- Speak slowly and clearly in short, concise sentences.
- Avoid slang and colloquialisms.
- Repeat your main points several times.
- Use visual aids and written materials to reinforce your message or presentation.

“Culture is everywhere. It’s shaping what you’re thinking and seeing right now.”

Be aware of nonverbal communication, including how close you stand, what gestures you make, whether you touch people while talking and what facial expressions you use. In some cultures, age or gender affect how you make eye contact and dictate when avoiding eye contact shows respect.

Although adapting your behavior in other cultures is important, people don’t expect you to change completely. In fact, some would view such an all-embracing alteration with suspicion. For instance, Japan’s bowing rituals are complex and filled with nuance. You don’t need to learn the intricacies. Your Japanese colleagues will respect you for making an effort. Use your best judgment about modifying your behavior based on your familiarity with the culture.

About the Author

David Livermore, Ph.D., is a global consultant and trainer specializing in cultural intelligence. He is the executive director of the Global Learning Center in Grand Rapids, Michigan.
