

# CULTURAL DEXTERITY: THE GLOBAL TALENT SOLUTION

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Cultural Dexterity represents an advanced approach to cultural competence required in today's diverse global business settings. Rather than a static learning specific to only one national, ethnic, generational, or other group, Cultural Dexterity combines cultural knowledge, emotional intelligence, and interpersonal skills that can be adapted to achieve improved business results in any cross-cultural situation. Developing such abilities throughout organizations, but particularly among leaders, is crucial to companies that must retain top talent around the globe, optimize team performance, and grasp the subtleties of new market segments.

The workplace today is global, mobile, virtual, and far more dynamic than in the past. A company that not long ago might have had a homogenous business environment can easily find itself in a diverse ecosystem: suppliers in every world region, newly segmented customer markets, multiple acquired organizations, multigenerational teams. As a result, nearly everyone in business must be adept at working with individuals from many cultural backgrounds.

Particularly as Western multinationals seek to win in emerging markets and emerging market multinationals embark on global expansion, they need leaders who have the competencies to understand, influence, and motivate across a variety of cultures—be they national, regional, ethnic, generational, religious, or organizational.

Yet traditional methods for building cultural competence, with their fixed set of normative profiles and country-by-country do-and-don't lists, have proven inadequate to address the complexity of constituents today. Assimilating one culture at a time, or approaching people as one dimensional, simply is not an option.

What leaders need is *Cultural Dexterity*, a new type of proficiency and mind-set about diversity.

## The components of Cultural Dexterity

Cultural Dexterity is a set of skills and a methodology that equip leaders to achieve effective collaboration, alignment, and communication across multiple dimensions of cultural diversity. One's Cultural Dexterity is developed by integrating three key skills:

**Cultural Intelligence.** Foundational knowledge of culture and how it influences attitudes and behaviors at work, its numerous behavioral dimensions, and how gaps create misunderstandings that hinder or derail job performance.

**Emotional Intelligence.** Self-awareness, self-control, motivation, empathy, and interpersonal skills. In the context of Cultural Dexterity, Emotional Intelligence encompasses recognizing one's own cultural preferences, being motivated to learn about others' cultures, adapting one's interpersonal style as needed, and exercising self-control in situations. All those elements are needed to build trust and strong relationships with those of different cultures.

**Business Intelligence.** Appreciation of how culture affects the “unwritten rules” about how work is accomplished—whether it involves operations, interacting with customers or vendors, selecting and managing talent, developing leaders, or functioning as a team. Business Intelligence demands applying Cultural and Emotional Intelligence to rethink and revise work approaches to achieve positive business results with consumers, customers, employees, and other stakeholders.

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Cultural Dexterity is the effective integration of these components. It is not a matter of memorization or

even mastery, but a process of discovery, adaptation, and creation of techniques that an individual can employ across any cultural context and business challenge.

This is markedly different from traditional cultural training, which has its origins in the work of cultural researchers such as Geert Hofstede and later Fons Trompenaars and others beginning in about 1980. They started by building frameworks for understanding dimensions that differentiate cultures. Although the models and terminology vary, these systems are all based on the same premise: culture can be observed through specific behaviors (which are symbolic of more deeply held values). A group's cultural preferences are established by where they fall on a continuum. The most common dimensions among the leading culture models and tools

today are: egalitarian vs. hierarchical power structure, task vs. relationship priority, direct/low context communication vs. indirect/high context communication, individual vs. group priority, and taking vs. avoiding risk.

Often, these behavioral patterns are translated into country-specific lists of must-dos and taboos based on norms and customs. Although these may be useful as a starting point for an executive headed overseas for work, far more employees in multinational organizations today interact with people from a multitude of cultures, often simultaneously and on a daily basis. Mastering protocols for every conceivable culture not only isn't practical, it doesn't address the fast-evolving needs of businesses today. Although most individuals reflect some of the cultural norms of their home country, the advent of global communications, increased international mobility, greater access to higher education, and the rise of multinational employers means that more and more professionals hardly fit in the set of normative profiles at all. Indeed, they see these profiles as overgeneralizations, even naïve.

That was certainly the case at one Europe-based multinational that was a client of Global Novations, a Korn/Ferry company. This firm, recognizing its need for a superior pool of local talent in China, recruited Chinese nationals graduating from American universities. After a two-year assignment in the United States, they were to be given positions in China. The company quickly discerned that cultural differences between the U.S. managers and Chinese recruits were impeding progress, but a traditional course in “working with Chinese” didn't adequately improve the dynamic with the American-educated recruits.

When a Global Novations consultant discussed the normative cultural profile that had been used in the traditional “working with Chinese” session, the Chinese recruits were confused; that profile didn't describe them much at all. In fact, they were more like their American colleagues in some ways. Training in Cultural Dexterity helped them gain deeper awareness about their own cultural preferences, and understand that culture is far more complex than just country of origin. Their generation, education, region (and even city) of origin, and time at U.S. universities all shaped them distinctly.

This composition was important not only for the managers to understand but for the Chinese recruits as well. It meant they were also different from many of the customers and coworkers they would soon encounter when they returned to China to start work. In fact, in some emerging markets—

### Using CulturalDexterity™ to develop competencies

Because it is relevant for bridging more than nation-state cultures, CulturalDexterity™ training potentially strengthens performance in several of the Korn/Ferry and Lominger competencies, some of which are more evident than others.

**Learning Agility**—Cultural Dexterity would appear to be related to People Agility, the facet of Learning Agility that measures abilities in working with a wide variety of people. In particular, Cultural Dexterity's emphasis on openness to learning about different cultures and making necessary adjustments in behavior to enhance interactions is reflected in People Agility dimensions such as Open Minded and Situational Flexibility.

**Leadership Architect**—Improved Cultural Dexterity would likely improve a leader's abilities in many competencies. Most evident are those that fall under Personal and Interpersonal Skills, such as Managing Diversity, Building Effective Teams, Approachability, and Understanding Others. At the same time, being more culturally adept could also improve competencies such as Operational, Organizational, or Strategic skills, including Directing Others, Developing Direct Reports, Comfort Around Higher Management, and Innovation Management. It also holds benefits for communication skills, and certainly for hiring, evaluating and deploying people accurately.

**Global Focus Areas**—Perhaps less familiar, but also relevant are the similarities between Cultural Dexterity and the Global Focus Areas included in the Leadership Architect. Focus Areas such as Global Business Knowledge, Cross-Cultural Sensitivity, and Cross-Cultural Resourcefulness capture behaviors similar to Cultural Dexterity.

China and India being two prime examples—the experience of the generations is so divergent that the cultural norms of the younger and older populations are quite disparate.

The instruction in Cultural Dexterity helped the participants to better understand the complexity of culture, build awareness about their own and the others' cultural preferences, identify the particular issues that were creating tension, and determine what specifically each group could do to strengthen its work with the other. The Chinese recruits also reviewed the potential gaps they might face with various stakeholders when they returned to work in China, and developed action steps to help them be more successful there.

## Fluidity of culture

Organizational culture also plays a powerful role in the norms that drive employee behavior, sometimes even trumping the local country preferences. Recent Korn/Ferry Institute research (“China’s Expat Mash-Up,” September 2012), for example, documented that when Western expatriate executives worked for state-owned enterprises in China, their leadership style shifted significantly to be more like local Asian managers. Their communication style in particular became more formal and instructive, emphasizing clarity, expertise, and logic. That was not the case, however, if they worked in China for a multinational corporation.

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Static historic profiles simply can’t keep up with the complexity, multiplicity, or speed of culture today. In another example, a manager encountered this issue on his first trip to his company’s

operation in India. He’d taken a course and carefully reviewed the India cultural profile—but the senior managers there seemed unimpressed, and maybe even offended. He wasn’t sure why, but they didn’t develop the kind of rapport required to collaborate effectively.

What went wrong? After exposure to the more dynamic Cultural Dexterity concept, he was able to recognize that the managers in the operation were a complex blend of cultures influenced by different generational values, advanced education, and the multinational’s strong corporate culture. To the managers in India, his approach seemed based on narrow stereotypes.



The underlying principle of Cultural Dexterity is that the dynamics of intercultural interaction are always fluid. Although including lessons on cultural dimensions (such as beliefs about power structure, priorities, communication style, and risk), GlobalNovations' CulturalDexterity™ training stresses how to apply Emotional Intelligence—methods of discovery, and adaptation—during all encounters. Business Intelligence is central to the framework: Cultural and Emotional Intelligence are embedded in the way work gets done in order to improve business results. (See sidebar, “Applying the CulturalDexterity™ solution.”)

## Change in mindset and behavior

The paradox is that experienced executives who have been particularly successful in one setting—such as the country of headquarters—appear most likely to believe that they are already culturally adept. They often find it difficult to accept that their policies or approaches are not universal, nor even optimal in other environments. Even if they hit a concrete roadblock, seasoned executives may find it uncomfortable to adjust because to date, their techniques have served them so well. The most important change such leaders can make is in mindset, from telling mode (“I’m in charge; I have the answers; I’m here to inform”) to discovery mode (“I need to find out how we can best accomplish this goal in this context”).

With this change in mindset and attitude, leaders with Cultural Dexterity can navigate broadly across any kind of cultural difference—national, regional, ethnic, generational, religious, or organizational. And rather than becoming obsolete when a leader, for instance, is transferred from China to Poland, Cultural Dexterity is actually improved every time the methodology is used, regardless of geography.

## The business case for Cultural Dexterity

The business rationale for increasing Cultural Dexterity extends far beyond enhanced one-on-one relationships. Organizations are compelled to develop these skills and this methodology across all levels and functions because they contribute to strategic business priorities: market growth, innovation, talent, and performance optimization.

**Market growth.** As companies search for growth in new domestic and international markets, they are encountering myriad consumers with different product needs, preferences, and expectations. At the same time,

all the core components of selling—how we meet, build trust, establish credibility, and negotiate—are strongly influenced by culture. To successfully penetrate markets, organizations must develop their talent to adapt to varying preferences.

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**Innovation.** Meeting these multi-cultural and global needs demands innovation in product design, market infrastructure, processes,

and value chains. To succeed, organizations need employees with different cultural perspectives, and agile leaders who can cultivate and utilize these disparate points of view to develop new solutions.

**Talent.** Talent is a company's greatest asset and in order to thrive, organizations must compete for the best people who can meet customer and growth needs in existing and emerging markets. With increased globalization and demographic shifts, the labor pools from which they source talent are more diverse, which in turn expands the range of employee needs, preferences,

## Applying the CulturalDexterity™ solution

CulturalDexterity™ training most often begins with instructor-led classroom sessions, but the competency is built over time through real-world application. It can be strengthened through individual or team coaching. The skills can also be introduced via webinar, and supplemented with multiple learning assets including podcasts, scribe videos, discussion guides, and tips booklets.

Among the many ways clients have used CulturalDexterity training and solutions:

Improved global team performance. CulturalDexterity solutions were used to increase cultural awareness, knowledge, and skills so employees worked more effectively with colleagues from or in other countries. This also helped with selecting talent, providing feedback, supporting development, and leading teams, particularly multinational virtual ones.

Retained high-value talent in Asia. CulturalDexterity solutions were used as part of a robust onboarding program that successfully lowered the turnover rate in China. The training included learning the organizational cultural norms and expectations (self-development, individual thinking, and creative problem solving). In another company, CulturalDexterity was used as part of a leadership development initiative to identify cultural shifts deemed necessary to fulfill the research and development needs in the region (such as productive debate, creative problem solving, and strategic thinking).

Eased integration after a merger or acquisition. As part of a business transformation initiative, CulturalDexterity solutions were used to explore differences between the organizations. Leaders were then able to build a deliberate, strong “third way culture” that incorporated the strengths of both rather than letting one dominate or crafting a weak compromise.

Refined management of generations of workers. CulturalDexterity solutions were used to help identify and bridge gaps between leaders and younger employees whose careers were impeded because they were perceived as not understanding the “unwritten rules of success” in dress, team communication, meetings, and interaction with their managers.

Reduced subconscious bias in succession planning. CulturalDexterity solutions were used to boost representation of culturally diverse talent by identifying when and how subconscious preferences for certain cultural norms and styles influenced perceptions of readiness and leadership potential.

and expectations about ways of working and about the employer-employee relationship. Attracting, recruiting, and retaining talent therefore requires ingenuity, flexibility, and cultural skill to understand these varied populations.

**Performance optimization.** To engage and motivate employees to contribute higher rates of discretionary effort, leaders need to understand and adapt to diverse cultural influences. They need to accurately gauge the capabilities, potential, and needs of their individual employees in order to recognize and remove hidden barriers that hinder contribution. Culturally diverse teams can outperform homogenous ones only if the differences among their members are valued and managed constructively. Team leaders and members need to learn to acknowledge their differences and leverage them to achieve increased results.

With greater globalization and continued domestic demographic shifts, organizations face ever-growing cultural diversity in both the marketplace and workforce. To meet customer needs, attract and keep the best talent, and optimize performance and innovation, organizations need to equip employees at all levels with the Cultural Dexterity to understand, influence, and motivate stakeholders to reach business goals across multiple cultural contexts.





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### About The Korn/Ferry Institute

The Korn/Ferry Institute generates forward-thinking research and viewpoints that illuminate how talent advances business strategy. Since its founding in 2008, the institute has published scores of articles, studies and books that explore global best practices in organizational leadership and human capital development.

### About Korn/Ferry International

Korn/Ferry International is a premier global provider of talent management solutions, with a presence throughout the Americas, Asia Pacific, Europe, the Middle East and Africa. The firm delivers services and solutions that help clients cultivate greatness through the attraction, engagement, development and retention of their talent.

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