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Introduction: A Global Community

When I left Minnesota in the 1990s to attend college on the east coast, I was excited because I knew that I would experience a multitude of cultures that did not exist or were barely visible in Minnesota. In an urban setting like Minneapolis and St. Paul, it was not uncommon to enter a Target store or visit a museum or a local library and see that Minnesota was primarily inhabited by people of northern European origin. In the past 20 years, Minnesota, much like the rest of the United States, has reflected a global community. Refugees and immigrants are coming from all over the world—West and East Africa, Southeast Asia, Russia and Bosnia, Central and South America, and the Middle East—and contributing to the economic system.

I noticed this change when I returned to Minnesota after my studies. I remember dropping my siblings off at their high school and saw for the first time a group of high school girls wearing the *hijab*, a head covering and the *jilbab*, the dress coat. I could not take my eyes off them. I had read books and magazine articles and seen pictures of women with the hijab on the evening news. I was used to seeing these images, yet I was completely transfixed with the actual experience of seeing the pictures come to life only 100 feet away from me. I wondered, what was their story? How did they come to the United States? Did they like wearing the hijab? Was it a choice?

Soon after this experience I became more aware of the East African population in the Twin Cities. I noticed them when I was standing in line at the grocery store, the library, and the bank. I began to hear stories on the evening news about the resettlement challenges they faced as new immigrants, which reminded me of my own. Eventually, I worked alongside them and learned about their cultural history and life in the U.S. Through these intercultural experiences, I learned in my early 20s that although culture can shape people to have different beliefs and values, different language and customs, the globalization of societies was quickly forcing us to work and live together in ways we had not done before. It is making us more aware of who we are, our differences, and how we relate to others.

In *The World is Flat*, Thomas Friedman¹ describes forces that are flattening the world and creating a convergence of many systems into one. These forces include the spread of information technology, online collaborative communities, and offshoring and outsourcing, among others. These factors are changing our social environment and redefining the ways in which we interact with one another. We do not need to fly across the globe to experience national cultural shifts—they come to us, no matter where we live. This is a familiar picture across the United States, but it is not

unique to U.S. citizens. Even in countries like India and China, which are experiencing phenomenal economic growth, globalization has altered their lifestyles. As an example, my colleague in China gets up either very early or stays up very late into the night for her business meetings with clients in the United States. Owning a business and working globally has limited her social life to business events and networking. She hardly has time for her family and she feels guilty that she is not the traditional Chinese daughter and mother.

My colleague, like many others around the world doing business globally, is learning to cope with cultural shifts. A few years ago I attended a leadership conference where I met Betsy, who had lived and worked in the Midwest for all her life. At that time she worked for a U.S. company and was part of a management team supervising a customer service division in Bangalore. As we talked about the challenges of working in a multicultural, global team, Betsy shared with me that her employees in India were fascinated with Americans, especially that they wanted to learn how to speak more “American”. I asked her what she meant about “speaking more American” and she replied,

“They want to know American slang and how we pronounce words. They are motivated to want to learn to speak better English without an accent.”

“Why is it important for them to speak without an accent?” I asked.

“It helps the customers.” She said. Betsy explained further, “Customers in the U.S. feel better if they speak to someone who doesn’t have an accent. They feel like they’re speaking to someone right here in the U.S. instead of thousands of miles away in a different part of the world.”

Her comment made me ask, “Do you think that they could do their job well even with an accent?” Betsy’s response was, “Of course! It’s just that it’s easier if the customer can understand. It’s also true for our team members here in the U.S. They get frustrated when they don’t understand their Indian coworker. For some people the accent really is a distraction. They just give up.”

Then I said to her, “If you have a problem understanding them, don’t you think that your Indian work force in India also has problems understanding the way you talk? It seems to me that your staff in India is really motivated to adapt, and I wonder if you think your team here in the U.S. can be just as adaptable?”

Betsy pondered that for a moment, and then said, “Sure. It’s easy to say that we can be adaptable but actually doing it is very hard.”

I replied, “I think it’s hard for everyone.”

I walked away from that conversation thinking that global changes will only increase, especially in countries like China and India, and that Betsy and her team would be better equipped for the future if they could learn to be more adaptable. James Canton, a social scientist and global futurist, predicts that global changes will create an “innovation economy.” He wrote, “Already, every economy—local, regional, national, or global—is deeply affected by innovation. Those effects will multiply a thousand fold over the next fifty years.”² This innovation economy includes the following characteristics and trends:

- Development of new manufacturing processes to enable faster, on-demand production
- New communication systems that connect people to information in real time
- Creation of information services that are translatable into software, games, and programs that provide greater customer value to consumers and businesses
- Development of materials that are smarter, safer, and cleaner to make into products
- A focus on developing renewable, clean, and affordable fuels
- Discovery of new methods to increase ability of individuals and companies to be more mobile and reach more customers³

These changes demand that organizations create new skill sets and knowledge; it requires leaders and organizations to create work environments that support the new innovation economy. The trends in the innovation economy, like any system, have an effect on global demographic changes. The following are factors that will shape the work force:

- Hispanics and women will dominate the U.S. work force.
- Women will comprise a high percentage of new workers and leaders.
- Increased immigration will be necessary to enable available talent to keep up with the demands of business and society.
- The future work force will not be defined by geography; rather, it will be defined by talent.
- The aging population in America and Europe will have dramatic effects on society and the economy.
- Innovation will be a key driver of work force skills, requiring an overhaul of the education system.⁴

The next list consists of statistics that point to additional changes in the global economy; these are expediting the need for intercultural understanding and awareness:

- The United States exported US\$1.57 trillion in goods and services in 2009.⁵
- Hispanics or Latinos, blacks or African Americans, and Asians continue to increase their share of the labor force⁶ and are projected to be faster than their white counterparts.
- Between 1992 and 2012, the increase in the labor force for African American women will be 39.6%, for Asian Americans, 75.7%, and for Latina Americans, 109.8%.⁷
- Factors impacting the composition and growth of the labor force over the next 50 years will include the baby-boomer generation, the stabilization of the women's labor force, and increasing racial and ethnic diversity in the work force.⁸
- Increased immigration rates will further diversify the U.S. population and labor force.⁹
- The 2010 U.S. Census estimates that the "nation's minority population is steadily rising and now makes up 35 percent of the United States, advancing an unmistakable trend that could make minorities the new American majority by mid-century."¹⁰

All of this information, along with international migration, the restructuring of jobs and organizations, and international market expansion means that "as economic borders come down, cultural barriers go up presenting new challenges and opportunities in business; when cultures come into contact, they may converge on some aspects, but their idiosyncrasies will likely amplify."¹¹ Take for example the following:

Joan is the president of a Chamber of Commerce located in the Midwest. As part of their on-going work, they need to partner with local businesses to discuss a multi-million dollar commercial revitalization project proposed by the city. Many of the local business owners in the district are Hispanic, and their business would be severely affected by the changes. Joan's association has partnered in the past with some of the businesses for association events, but not a lot of collaboration has occurred between the Chamber and the Hispanic business owners. It's essential that the Chamber meet and discuss potential barriers to the project with the Hispanic community.

Joan identifies specific Hispanic business owners to partner with in hopes that they would help bring in other members of their community. Early in the partnership

Joan encounters problems. It takes her several times to secure a meeting with four business owners in the district. When the first meeting is scheduled, two of the three were late and one never showed up.

Because the meeting started late, Joan quickly facilitates introductions, and then moves on to discussing the proposed changes from the city and the impact it could have on business owners. She moves quickly through the agenda items, helping the group to stay on task and focused on the purpose of the meeting. In the end, the group decides to meet again to discuss the proposal. When it comes time again for their second meeting, no one shows up.

For Joan, time is running out. The city wants to hear how the Chamber will help the Hispanic business owners with the new proposal. After several attempts to connect with the business owners, Joan finds out from other sources that the business owners do not trust the Chamber. The owners do not feel the Chamber knows what is important to the Hispanic community. Joan is surprised. The purpose for the first meeting was to establish trust and to build a relationship with the community, which she thought they did. Joan doesn't understand how a meeting could set off a chain of reactions like this.

Both Joan and the Hispanic business owners come to a meeting to discuss a commercial revitalization project. Although having a meeting to discuss business is standard in both cultures, how a meeting is conducted, what is discussed, and who talks first at a meeting are all idiosyncrasies of culture. Because Joan is not aware of the cultural idiosyncrasies, it is hard for her to understand and correct the situation. Even if she did not know the specific cultural facts of how to conduct and interact in meetings with Hispanic business owners, she could still adapt to the situation by being present in the moment and noticing the verbal and nonverbal cues of her colleagues. All this points to the need for leaders to be culturally intelligent when working with one another, whether it is on a local, regional, national, or international level.

Leaders cannot afford to make mistakes in business due to cultural differences. Joan's mistake was being unaware of the cultural differences between herself and her Hispanic colleagues. This lack of awareness and understanding led her to behave in a way that was culturally inappropriate, leading to consequences that would impact her organization. Even with Betsy and her multicultural team, cultural barriers such as language can play a large role in the success or failure of her global team. The recognition of cultural challenges is essential even when a group appears to be homogenous. Paying attention to the idiosyncrasies will likely enable a leader to make different choices that contribute to the effectiveness of a team and organization. Not considering cultural differences can lead to the loss of

sales and contracts, damaged reputations, and broken partnerships, as in the example of Joan and the Chamber of Commerce. These are just some of the consequences of intercultural misunderstandings.

Working in a global community means that leaders must learn to overcome cultural differences in the following ways:

- 1. Understand cultural differences and their manifestations.**
Throughout the course of my work in diversity and leadership, I meet leaders who encounter challenges, big and small, related to cultural differences. The ones I found to effectively lead through the differences were those who took the initiative to understand differences and how they played out among individuals, team members, and organizations. For example, John, the chief of police for a city in Alabama, told me that one thing he helps his employees to understand is the pervasiveness of culture. He constantly reminds them that a person's individual culture can impact the entire culture of a team and organization. He said, "What happens to a person one day can change that person's perspective and belief. If this person comes into this organization and interacts with their peers and this person is in a leadership position, you better believe that the rest of his peers will begin to believe what he believes. That's my challenge. Every day I tell my directors they need to lead through the challenges."
- 2. Be able to transfer cultural knowledge from one culture to another.** I found that culturally intelligent leaders are those that take the time to know about a culture. They look for opportunities to learn about the cultural facts, the music, the history, the language, and the behaviors of people within the culture. They tell others about what they have learned, thus helping them to remember the information and verbalize their experiences. Most importantly, they use the information gained to help them understand themselves and their own cultural upbringing. By doing this, they are able to adapt from one culture to another.
- 3. Recognize their biases, assumptions, and cultural frameworks.**
When leaders are able to identify and recognize their cultural biases and assumptions, it helps them to let go of preconceived ideas. The ability to do this helps leaders to identify the elements of their thinking that get in the way of culturally intelligent behaviors. I learned that culturally intelligent leaders take the time to reflect on their biases and assumptions; they use mistakes and failures as opportunities to improve. I once consulted with a senior director who told me that the more she practiced thinking about her thinking, the

more it enabled her to learn about herself and her reactions to situations.

4. **Be motivated and committed to working through cultural conflicts.** Intercultural conflicts are extremely challenging but not impossible to work through. The times I found success in conflict resolution among team members or a manager and employee were when both parties were willing and motivated to discuss the conflict, even when it seemed that the process was at a standstill. As an example, I worked with a director and her employee to help them understand each other's working style to enable them to work better together. At the end of an emotionally charged session the director committed herself to continuing the dialogue. Additionally, she committed resources to help both of them learn more about each other. The director's expression of her commitment modeled the way for the employee to do the same.
5. **Be willing to adapt and learn to live and work with different cultures.** I am always amazed at the ability of human and organizational systems to be adaptive and resilient. A leader's positive attitude toward change and flexibility propels him or her further along the cultural intelligence continuum than a negative one. For example, when I worked with Susan and Megan, both directors looking for my help to implement diversity workshops, I noticed that Susan always had a positive approach to thinking about culture, and it showed up in the words she used. She would say, "I'm optimistic" or "It will be a challenge but I know that we can make this work." Whereas Megan *seemed* optimistic about the work, but you could hear seeds of doubt in her words. She would say, "It's a challenge and I am not sure how we can make it work." At one point Susan was quite frustrated and told Megan that if they did not try to make a change, they would remain in the situation with the same problems. What turned Megan around was her willingness to move toward adaptation; her attitude changed and as a result, both directors became models of working with change.

In an innovation economy, leaders will need to be culturally intelligent. The demographic changes of societies, including the make-up of the work force, require leaders to gain new skills and knowledge that help them to maintain an ideology of change and adaptation. To be competent in global cultures is no longer the norm; it is a requirement for leaders to cultivate their competence into cultural intelligence. It is more than competence, which is having the abilities to function or develop in specific ways. It is about knowing how to use the abilities and making sense of them in cultural situations. CI can be used to help leaders work through intercultural dilemmas and create understanding and awareness across and between cultures. In the new innovation economy, leaders must be familiar with the basic principles of intercultural interaction and communication, and they must be able to teach and

pass on this knowledge to those they lead. In this way, leaders embrace and perform cultural intelligence in their daily lives.

Chapter Summary

- Globalization is flattening the world and has created changes to our social and political environments.
- Lifestyle changes are happening all around the world.
- Technological changes are creating an “innovation economy” that will require new skill sets and knowledge, and new organizational structures.
- Demographic changes in the work force are affecting intercultural work. The most important changes include an aging baby boomer generation, increasing immigration, a growing Hispanic population in the United States, and more women participating in the work force.
- Cultural challenges and value conflicts will naturally occur as economic boundaries disappear.
- Culturally intelligent leaders are needed to resolve intercultural issues and find solutions for working with one another.

Endnotes

1. Friedman (2007).
2. Canton (2007), p. 50.
3. Canton (2007), p. 60.
4. Canton (2007), p. 90.
5. U.S. Census (2009).
6. Lein (2004), p. 28.
7. Catalyst (2004).
8. Toossi (2006).
9. Toossi (2006).
10. Washington Times, (2010):
11. House & Javidan (2002), p. 1.