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The relationships between cultural intelligence, global mindset and cross-cultural competence

Keywords: cultural intelligence, global mindset, cross-cultural competence, organisational performance, team performance, individual performance

Overview

A new (2020) systematic analysis of over 800 studies has looked at:

1. Cultural intelligence
2. Global mindset
3. Cross-cultural competences

It was found that, whilst there are overlaps between them, these are in fact distinct factors in their own right and each can exist independently of the others. Secondly, the study found that organisations who had leaders and managers with higher levels of one or more of this triad have a significant advantage in offshore ventures and working in multi-country contexts or with a multi-national workforce. The study was also able to show what factors predicted each of these three attributes.

Recent research¹ has begun to show that there are three concepts that largely predict an individual manager's or leader's performance and competence in multi-cultural or cross-geographic situations:

1. Cultural intelligence or CQ
2. Global mindset
3. Cross-cultural competence

Cultural intelligence

Cultural intelligence refers to an individual's ability to operate effectively in multi- and cross-cultural contexts in terms of their thinking, metacognition (ability to think about their thinking), reflective skills, motivation and behaviour.

Cultural intelligence has been found to predict a range of useful organisational outcomes such as:

1. Global leadership, for the ability to lead global organisations
2. Performance in negotiations and negotiation skills, particularly in cross-border context
3. Job performance

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4. Multi-cultural management
5. Global and multi-country organisational performance

As can be imagined, cultural intelligence is becoming somewhat of a hot topic in terms of leadership.

Global mindset

Global mindset refers to “the capacity to function effectively within environments characterised by high cultural and business complexity”ⁱ. It has been found that individuals with a global mindset also tend to have high levels of openness and cosmopolitan thinking and tend to be good at influencing others in complex, ambiguous and rapidly changing contextsⁱⁱⁱ. They also tend to flourish in situations where an exploration and understanding of a range of different and often paradoxical contexts and cultural backgrounds is required.

Cross-cultural competences

Cross-cultural competences refer to “an individual’s effectiveness in drawing upon a set of knowledge, skills, and personal attributes in order to work successfully with people from different national and cultural backgrounds”^{iv}. Cross-cultural competence comprises three dimensions:

1. The individual’s personality traits and attitudes
2. Cognitive capabilities, particularly in terms of their ability to learn and acquire an understanding of different cultures
3. Communication capabilities, particularly in terms of being able to understand and communicate with others at all different levels and across many different cultures and backgrounds

A new study

A new (2020) study looking at the relationships between cultural intelligence and global mindset has been conducted by a team of researchers from the University of Southern Denmark and the University of Agder in Norway. The study, a systematic analysis of the most relevant peer-reviewed studies, examined over 800 papers.

Findings

The study found that a number of main themes that emerged from the research:

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Cultural intelligence

There are a number of predictors of high levels of cultural intelligence, including:

- The individual's personality, particularly in terms of openness to experience,
- Having been exposed to different cultural contexts
- Having lived or stayed abroad for extended periods (more than holidays)
- Emotional intelligence
- Cross-cultural contact
- Cross-cultural interest and study of other cultures
- Speaking more than one language
- Education – high levels of educational attainment is important here
- Cultural beliefs
- Trigger events, or situations in which the individual has been involved
- Having a learning orientation or curiosity
- Having been exposed to forms of cultural intelligence training and learning

Individual outcomes

The study also found that individuals with higher levels of cultural intelligence have been shown to have the following outcomes:

- Faster levels of cross-cultural and new culture adjustment
- Faster integration into new cultures
- Interest in engaging at a cross-cultural level
- Interested in living abroad
- Higher levels of leadership and management effectiveness
- Higher levels of performance, both in terms of job and task performance
- Higher levels of multi-cultural employee performance
- Higher levels of job satisfaction, both for themselves and for employees
- High levels of cultural learning
- Greater job creativity

Team level outcomes

The study also showed that higher levels of cultural intelligence has a positive impact on:

- team performance
- team negotiation capability
- team collaboration and cooperation capabilities
- team knowledge sharing
- team creativity and togetherness

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Organisational level outcomes

The study found that high levels of cultural intelligence also have a significant impact at organisational level, including

- open innovation practices
- innovation and change adoption
- marketing and sales performance

Global mindset

The study found that the predictors of high levels of global mindset include:

- the individual's personality, particularly in terms of openness and openness to experience
- their individual experiences of, and thinking about, global issues
- an interest in complexity
- a proclivity for experiential learning

Global mindset outcomes

In terms of outcomes for people with higher levels of global mindset the study found that there is evidence for:

- More positive perceptions of senior management
- Higher levels of leader-member exchange, or closeness between leaders and employees
- More effective organisational global networks and cooperation/collaboration
- Higher levels of employee commitment
- Greater likelihood that organisations with leaders with a more global mindset will explore opportunities more effectively, particularly at a global level
- High levels of performance of offshore functions
- Significantly faster penetration into international markets

Cross cultural competencies

In terms of cross-cultural competencies, the study found that individuals with higher levels of cross-cultural competencies also:

- Tend to have better levels of situational judgement
- Tend to develop contexts that are both more dynamic and stable than their peers

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- Are significantly faster at integrating with, and adopting, new cultural practices

The outcomes of higher levels of cross-cultural competencies

The study found that the following outcomes tend to stem from leaders and managers higher levels of cross-cultural competencies including:

- Multi-cultural team effectiveness
- Faster adjustment in new teams and contexts
- Higher levels of performance
- A greater interest in developing cross-cultural understanding, collaboration and effectiveness within teams and organisations

Conclusion

The systematic analysis showed that, whilst cultural intelligence and global mindset have overlaps, they are distinct in themselves and have different types of outcomes. Lastly, the study showed that organisations with leaders and senior managers with higher levels of:

1. Cultural intelligence
2. Global mindset
3. Cross-cultural competence

perform significantly better in offshore ventures than those with lower levels of these three capabilities. Together, cultural intelligence, a global mindset and cross-cultural competency makes a very powerful triad for any organisation engaged in work across geographical boundaries or in situations where the workforce comes from a variety of cultures.

References

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Review

1. Research Quality – 4/5 A reasonable systematic review and overview of the concepts. Based on a meta-analysis rather than primary research.
2. Confidence – 4/5 Consistent with the current research thinking and developments.
3. Usefulness – 4/5 For leaders and managers in global and multi-national organisations or organisations with multi-cultural employees, as well as HR and learning and development / coaching professionals.
4. Comments – A useful systematic analysis showing that cultural intelligence, a global mindset and cross-cultural competencies are different attributes with different outcomes, even though there is some overlap. Secondly, and more importantly, this study shows that organisations should be promoting the development of cultural intelligence, global mindset and cross-cultural competencies to perform well in any multi-national context.

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