

THE INTERCULTURAL COMPETENCIES REQUIRED FOR INCLUSIVE AND EFFECTIVE CULTURALLY DIVERSE WORK TEAMS

Shannon Lloyd & Charmine E.J. Härtel

Working Paper 28/03
May 2003

WORKING PAPER SERIES

ISSN 1327-5216

Abstract

Culturally diverse teams provide the opportunity for a greater number of cross-cultural interactions and, are proposed to present a number of benefits for teams including increased innovation, creativity and problem solving capabilities. At the same time, however, they also provide opportunity for greater miscommunication and misunderstanding, which can impede the social and task-related functions of the team. Consequently, cultural diversity itself will not generate benefits in teams, rather it is learning to work with cultural diversity effectively that will allow a team to realise these benefits. We discuss the essential intercultural competencies identified in the literature and provide recommendations that will aid practitioners in implementing these competencies in their teams. We show that, if the potential synergies available from cultural diversity are to be realised, organisational and team members need to be interculturally competent, involving not only an ability to understand differences, but also to continue to communicate effectively and integrate across these differences.

This paper is a work in progress. Material in the paper cannot be used without permission of the author.

THE INTERCULTURAL COMPETENCIES REQUIRED FOR INCLUSIVE AND EFFECTIVE CULTURALLY DIVERSE WORK TEAMS

INTRODUCTION

Cultural diversity can be defined as "the existence of two or more persons from different cultural groups in any single group or organisation" (DeSimone & Harris, 1998). Cultural backgrounds are important considerations in assembling and managing work groups because they affect the way that people interact (Hofstede, 1995) and deal with conflict (Kozan & Ergin, 1998). Both organisations and team members must be able to accommodate individual differences and possess the ability to work as a team to meet organisational targets (Williams & O'Reilly, 1998). In this paper, we show how cultural diversity affects teams and identify the key cross-cultural competencies required to avoid destructive conflict and outcomes and achieve inclusion and team effectiveness.

THE IMPACT OF CULTURE ON TEAMS

Much of the research in the area of diverse teams has found that diversity can be a 'double-edged sword', (Chatman & Flynn, 2001; Jehn, Northcraft, & Neale, 1999; Simsarian Webbera & Donahue, 2001). Culturally diverse teams are proposed to present a number of benefits for teams e.g. increased innovation, creativity and problem solving capabilities (Austin, 1997; Chatman & Flynn, 2001; Maznevski, 1994; Thompson & Gooler, 1996). At the same time, however, they also provide opportunity for greater miscommunication and misunderstanding which can impact the social and task-related functions of the team, resulting in process losses (Chatman & Flynn, 2001; Jehn et al., 1999; Thompson & Gooler, 1996). Consequently, cultural diversity itself will not generate the proposed benefits of cultural heterogeneous teams, rather it is learning to work with cultural diversity effectively that will allow a team to realise these benefits (Härtel & Fujimoto, 2000).

Because individual's dispositions are shaped by their early social and cultural experiences and because conflict is an interpretive behaviour (Ross, 1993), culture shapes people's interpretation of behaviour and their style of interaction with others. Indeed, culture affects the goals people have in interactions, which have implications for the transmission and interpretation of messages (Gudykunst & Kim, 1997). Hence, it is of critical importance that team members understand the essential intercultural competencies that are important to culturally diverse teams.

INTERCULTURAL COMPETENCIES

"If the potential synergies available from cultural diversity are to be realised, organisational and team members need to be interculturally competent. This refers to being able not only to understand their differences, but also to continue to communicate effectively across differences and integrate across these differences" (Iles, 1995). A myriad of cross-cultural competencies have been proposed in the management literature (Leiba-O'Sullivan, 1999) to play a key role in recruitment, selection, training, development, performance management practices and in the overall development of multicultural teams (Iles, 1995). This paper considers those competencies that are most frequently implied in research on multicultural teams and thus can be considered of most importance to culturally diverse teams, namely, dissimilarity openness, emotion management skills, intercultural communication competence, tolerance for ambiguity, cultural understanding, conflict management skills, information management skills and self management skills.

Dissimilarity Openness

In order to appreciate cultural differences, openness to differences between people is required (Jordan & Cartwright, 1998). In their Perceived Dissimilarity Openness Moderator Model, Härtel and Fujimoto (2000) suggest that people differ in their reactions to dissimilarity because of differences in their openness to perceived dissimilarity. A person's level of openness to perceived dissimilarity will dictate whether or not

they incorporate differences into work processes in a positive way (Hartel & Fujimoto, 2000). "Individuals high on the dimension of openness to perceived dissimilarity view difference as positive, and are open to learning from dissimilar others and make an effort to see dissimilar others' point of view. Individuals low on this dimension, on the other hand, view difference as negative, and are closed to seeing the dissimilar others' point of view" (Fujimoto, Hartel, Hartel, & Baker, 2000).

In recent years, a number of studies have emerged that have looked at the impact of individual's dissimilarity openness on teams and organisations. Research shows that individuals', groups' and organisation's openness to diversity will produce positive results for organisations. For example, Ayoko and Härtel (2000) found that openness to differences and other team member's opinions contributed to conflict resolution and group cohesion. Consequently, it could be said that in order for a diverse work team to become integrated and operate successfully, team members must be able to overcome predispositions to be attracted to similar others (Ayoko and Härtel, 2000; Fujimoto et al., 2000; Härtel & Fujimoto, 2000; Härtel, Douthitt, Härtel & Yarbough Douthitt, 1999).

Emotion Management Skills

Social and emotional conflict within teams arises from and perpetuates negative emotions related to dissimilar values, wishes and desires (Ayoko & Hartel, 2000). This conflict is "compounded in the heterogeneous work group because such groups diverge more on individual values and beliefs" (Ayoko & Hartel, 2000). Left unaddressed, emotional conflict can have a significant impact on the efficiency and effectiveness of multicultural teams (Pelled, 1996), whereas, "the successful regulation of emotions allows individuals to refocus their own and others' attention on more important problems" (Ayoko & Hartel, 2000). Good emotion management skills are therefore required, in order to reduce the impact of emotional conflict within multicultural teams.

Jordan, Ashkanasy and Härtel (1997) identified four significant factors to emotional intelligence. These include: dealing with one's own emotions (awareness of own emotions, control of felt emotions, display of own emotions), dealing with the emotions of others (awareness of others' emotions, ability to manage others' emotions, empathy), using emotions in decision-making and using emotions in problem-solving. Individuals with sound emotion management skills deal with stressful situations in a calmer more even fashion, avoiding counterproductive activities (Jordan, Ashkanasy, & Hartel, 2002). This helps understanding and thinking about a situation, thereby facilitating more positive outcomes for the team (Mayer & Salovey, 1994). With effort and suitable training, emotional intelligence can be modified (Jordan, Ashkanasy, & Hartel, 1997; Mayer & Salovey, 1994), a skill we argue is required for effective intercultural communication.

Intercultural Communication Competence

"Culture and communication are very closely connected. Culture, to a great extent, decides with whom we communicate, how we communicate, and what we communicate" (Gersten, 1990, p345). When interacting with people from a different cultural background, we are often confronted with language, rules and norms that are unknown to us, which can lead to confusion and misunderstanding (Ayoko & Hartel, 2000). As a result of the confusion and misunderstandings that occur when culturally dissimilar team members interact, it appears that members of diverse teams communicate more formally and possibly less frequently with one another than members of less diverse teams (Milliken & Martins, 1996). Clearly then, "language and communication, including non-verbal communication, play a key role in learning to work with difference" (Iles, 1995).

For intercultural communication to be effective, individuals need to have an understanding of the cultures involved to effectively encode and decode messages. "The barriers to communication...can best be lowered by knowledge and understanding of cultural factors that are subject to variance, coupled with an honest and sincere desire to communicate successfully across cultural boundaries" (Samovar, Porter, & Jain, 1981). Hence, cultural knowledge may be the basis for developing communication competence (Beamer, 1992).

Tolerance for Ambiguity

As they grow, individuals are socialised into a culture whereby they “learn what is appropriate, effective, appreciated and revered as well as what is not.... as adults, they reach a point of ‘cultural fluency’ whereby they are able to function within those cultural parameters with relative effectiveness” (Brislin & Yoshida, 1994, p.40). Consequently, when people find themselves in a situation where they lack the appropriate information required to act effectively (an ambiguous situation) they may become confused, frustrated and interpersonally hostile (Brislin & Yoshida, 1994; Budner, 1962; Gudykunst & Kim, 1997; Ruben & Kealey, 1979). Therefore, tolerance for ambiguity is a significant cross-cultural competency.

Individuals with tolerance for ambiguity are able to make decisions and deal with an ambiguous situation without the need to obtain more information, seek out objective information about an ambiguous situation and are more open to new information about themselves or others (Gudykunst & Kim, 1997). On the one hand, individuals with a low tolerance for ambiguity tend to base judgements of people on their first impressions of these people, seek out information to support their beliefs and reduce complex issues to more tractable forms so as to deal with a minimum of information (Gudykunst & Kim, 1997; Lewin & Stephens, 1994; McPherson, 1983). Consequently, it is evident that the higher one’s tolerance for ambiguity, the more comfortable they will feel in a situation that they are not familiar with.

Cultural Understanding

Cultural background influences each individual’s view of reality (Maznevski, 1994). There are a vast number of cultural variables on which individuals from different cultural groups differ. As a consequence, it is extremely important for team members to be aware of cultural differences. Cultural understanding incorporates concepts such as sensitivity and empathy for cultural difference and flexibility towards cultural differences. At the centre of each of these concepts is the idea that individuals need to understand that people from cultural backgrounds different to their own will have different ideas to them and that they should not be judged because of these differences. Hence, an ability to understand others’ cultures is a major factor influencing one’s effectiveness communicating with culturally diverse others (Gudykunst & Kim, 1997).

Cultural understanding provides a foundation for trust between team members as it strengthens communication effectiveness between them (Johnson, Cullen & Takenouchi, 1996). As such, a number of studies have shown that awareness of and sensitivity to cultural differences is a key component in the success of people engaging in cross-cultural relations (e.g., Abe & Wiseman, 1983; Hawkes & Kealey, 1981; Lolla & Davis, 1991). Consequently, it can be said that in order for diverse teams to be inclusive and effective, team members need to develop an understanding of the cultural backgrounds of other team members.

Information Processing Skills

Individuals from culturally diverse backgrounds will have different ways of processing the information that they receive as well as different cognitive styles, which, are the ways in which we structure our beliefs and attitudes and respond to incoming information (Gudykunst & Kim, 1997). Hence “the cognitive consequences of diversity refer to the effects diversity might have on the group’s ability to process information, perceive and interpret stimuli, and make decisions” (Milliken & Martins, 1996). Therefore, it is important for team members to have sound information processing skills.

Cognitively complex people form more extensive and differentiated impressions of others, better represent the behavioural variability of others and tend to seek out unique features of their environment more than people who are less cognitively complex (Gudykunst & Kim, 1997). On the other hand, “cognitively simple people tend to seek out information that is consistent with their prior beliefs” (Gudykunst & Kim, 1997, p. 186). Consequently, research has found that more cognitively complex individuals tend to have a greater capacity to develop an understanding of different cultures than those who are less cognitively complex (Yum, 1982).

Conflict Management Skills

Left unmanaged, conflict can have a detrimental effect on teams (Jehn et al., 1999) and the success of a team may largely depend on the way in which they manage disagreements. Several studies have reported the relationship between conflict within a group and both individual and organisational outcomes (Rahim, 1992). However, it should be noted that while conflict is largely perceived to be damaging to teams, it can have some benefits such as leading to greater innovation and equality within the group if managed well (Ayoko & Hartel, 2000; Jehn et al., 1997). Consequently, knowledge of conflict resolution strategies by team members can be critical to the success of culturally heterogeneous teams (Leiba-O'Sullivan, 1999).

Conflict management skills involve an understanding of the conflict cycle, of how to implement the conflict management skills and an understanding of both one's own and other's conflict management styles (Ayoko & Härtel, 2000). It is important to note that research has shown that individuals from different cultural backgrounds differ in their styles of managing conflict (Rahim & Blum, 1994). "Because individual's dispositions are rooted in their early social and cultural experiences and because conflict is an interpretive behaviour, culture shapes people's interpretation of behaviour and their style of interaction with others. Modal practices relating to conflict management, therefore, may vary according to one's cultural background" (Ayoko & Hartel 2000, p. 11). Consequently, it is important for members of culturally diverse teams to understand the conflict management skills that will be useful in different situations.

Self-Management Skills

Culturally diverse individuals who are able to anticipate others' expectations and adjust behaviours accordingly may also be able to enhance others' impressions of them (Flynn, Chatman & Spataro 2001). For this reason, sound self-management skills are likely to improve the interactions of diverse groups. Self-monitoring theory suggests that high self-monitors tend to develop relationships at work with distinctly different people. They are able to do this, as they are likely to be more flexible in their behaviour and adjust to fit the demands of the situation. Conversely, low self-monitors are likely to behave in a way that reflects their underlying attitudes regardless of the situation (Caligiuri & Day, 2000).

Numerous studies have found that high self-monitors tend to be more responsive to the specific situational characteristics (Snyder, 1987). Culturally diverse individuals who are high self-monitors may be more capable of disconfirming stereotypic images others may have of them (Flynn et al., 2001). This is the result of being able to identify and adjust their behaviour to suit the expectations of what fellow team members believe is the appropriate behaviour. Finally, self-monitoring behaviour is important in culturally diverse teams as the ability to monitor behaviour enables the team to better share information and enhances performance.

CONCLUSION

In order for culturally heterogeneous teams to realise the potential synergies available from cultural diversity, they must be able not only to understand their differences, but also be able to communicate and integrate across these differences (Iles, 1995). In this paper, we have argued that members of culturally diverse teams require eight key intercultural competencies: dissimilarity openness, emotion management skills, intercultural communication competence, tolerance for ambiguity, cultural understanding, conflict management skills, information processing skills and self management skills to facilitate inclusion rather than exclusion behaviour. Providing these skills to members of multicultural teams at the outset of group formation and entrance into the team and adopting norms, performance appraisal and training that support such skills should create an environment where all are included and perform to their potential.

REFERENCES

- Abe, H., & Wiseman, R. L. (1983). A cross-cultural confirmation of the dimensions of intercultural effectiveness. *International Journal of Intercultural Relations*, 7, 53-67.
- Austin, J. R. (1997). A cognitive framework for understanding demographic influences in groups. *International Journal of Organizational Analysis*, 5(4), 342-359.
- Ayoko, O. B., & Härtel, C. E. J. (2000). Cultural Differences at Work: How managers Deepen or Lessen the Cross-Racial Divide in their Workgroups. *Queensland Review*, 7(2), 77-87.
- Beamer, L. (1992). Learning Intercultural Communication Competence. *The Journal of Business Communication*, 29(3), 285-304.
- Brislin, R., & Yoshida, T. (1994). *Intercultural communication training: An introduction* (Vol. 2). Thousand Oaks: Sage.
- Budner, S. (1962). Intolerance of ambiguity as a personality variable. *Journal of Personality*, 30, 29-50.
- Byrne, D. E. (1971). *The Attraction Paradigm*. New York: Academic Press.
- Caligiuri, P. M., & Day, D. V. (2000). Effects of self-monitoring on technical, contextual and assignment-specific performance. *Group and Organization Management*, 25(2), 154-174.
- Chatman, J. A., & Flynn, F. J. (2001). The influence of demographic heterogeneity on the emergence and consequences of cooperative norms in work teams. *Academy of Management Journal*, 44(5), 956-974.
- DeSimone, R. L., & Harris, D. M. (1998). *Human Resource Development*. Orlando, FL: The Dryden Press.
- Flynn, F. J., Chatman, J. A., & Spataro, S. E. (2001). Getting to know you: The influence of personality on impressions and performance of demographically different people in organizations. *Administrative Science Quarterly*, 46(3), 414-442.
- Fujimoto, Y., Härtel, C. E. J., Härtel, G. F., & Baker, N. J. (2000). Openness to Dissimilarity Moderates the Consequences of Diversity in Well-established Groups. *Asia Pacific Journal of Human Resources*, 38(3), 46-61.
- Gersten, M. C. (1990). Intercultural competence and expatriates. *International Journal of Human Resource Management*, 1(3), 241-262.
- Gudykunst, W. B., & Kim, Y. Y. (1997). *Communicating with strangers: An approach to intercultural communication*. New York: McGraw-Hill.
- Härtel, C. E. J., Douthitt, S. S., Härtel, G. F., & Yarbough Douthitt, S. (1999). Equally qualified but unequally perceived: Openness to perceived dissimilarity as a predictor of race and sex discrimination in performance judgements. *Human Resource Development Quarterly*, 10(1), 79-89.
- Härtel, C. E. J., & Fujimoto, Y. (2000). Diversity is not a problem to be managed by organisations but openness to perceived dissimilarity is. *Journal of Australian and New Zealand Academy of Management*, 6(1), 14-27.
- Hawkes, F., & Kealey, D. J. (1981). An Empirical study of Canadian technical assistance. *International Journal of Intercultural Relations*, 5, 239-258.
- Hofstede, G. (1995). The business of international business is culture. In T. Jackson (Ed.), *Cross-Cultural Management*. Boston: Butterworth Heinemann.
- Iles, P. (1995). Learning to work with difference. *Personnel Review*, 24(6), 44-60.
- Jehn, K. A., Chadwick, C., & Thatcher, S. M. B. (1997). To agree or not to agree: The effects of value congruence, individual demographic dissimilarity and conflict on workgroup outcomes. *International Journal of Conflict Management*, 8(4), 287-305.
- Jehn, K. A., Northcraft, G. B., & Neale, M. A. (1999). Why differences make a difference: A field study of diversity, conflict and performance in workgroups. *Administrative Science Quarterly*, 44(4), 741-763.
- Jordan, J., & Cartwright, S. (1998). Selecting expatriate managers: key traits and competencies. *Leadership & Organization Development Journal*, 19(2), 89-96.
- Johnson, J. L., Cullen, J. B., Tinsley, S., & Takenouchi, H. (1996). Setting the stage for trust and strategic integration in Japanese-U.S. cooperative alliances. *Journal of International Business Studies*, 27(5), 981-1004.

- Jordan, P. J., Ashkanasy, N. M., & Härtel, C. E. J. (1997). Emotional intelligence in work teams: Construct definition and measurement. Paper presented at the Second biennial industrial and organisational psychology conference: Best paper and abstract proceedings, Melbourne: Australia.
- Jordan, P. J., Ashkanasy, N. M., & Härtel, C. E. J. (2002). Emotional intelligence as a moderator of emotional and behavioural reactions to job security. Academy of Management Review, *27*(3), 361-372.
- Kozan, M. K., & Ergin, C. (1998). Preference for the third party help in conflict management in the United States and Turkey: An experimental study. Journal of Cross-Cultural Psychology, *29*(4), 525-539.
- Leiba-O'Sullivan, S. (1999). The Distinction between Stable and Dynamic Cross-cultural Competencies: Implications for Expatriate Trainability. Journal of International Business Studies, *30*(4), 709-725.
- Lewin, A. Y., & Stephens, C. U. (1994). CEO attitudes as determinants of organizational design: An integrated model. Organization Studies, *15*(2), 183-.
- Lolla, C., & Davis, H. J. (1991). Cultural synergy and the multicultural workforce: Bridging occidental and oriental cultures. Advances in International and Comparative Management, *6*, 103-125.
- Mayer, J., & Salovey, P. (1994). The intelligence of emotional intelligence. Intelligence, *17*(4), 433-442.
- Maznevski, M. L. (1994). Understanding Our Differences: Performance in Decision-Making Groups with Diverse Members. Human Relations, *47*(5), 531-552.
- McPherson, K. (1983). Opinion-related information seeking. Personality and Social Psychology Bulletin, *9*, 116-124.
- Milliken, F. J., & Martins, L. L. (1996). Searching for common threads: Understanding the multiple effects of diversity in organizational groups. The Academy of Management Review, *21*(2), 402-433.
- Pelled, L. H. (1996). Demographic diversity, conflict and work group outcomes: An intervening process theory. Organization Science, *7*(6), 615-631.
- Rahim, M. A. (1992). Managing conflict in organizations. New York: Praeger Publishers.
- Ruben, B. D., & Kealey, D. J. (1979). Behavioural assessment of communication competency and the prediction of cross-cultural adaption. International Journal of Intercultural Relations, *3*, 15-48.
- Samovar, L. A., Porter, R. E., & Jain, N. C. (1981). Understanding intercultural communication. Belmont, CA: Wadsworth Publishing Company.
- Simsarian Webbera, S., & Donahue, L. M. (2001). Impact of highly and less job-related diversity on work group cohesion and performance: a meta-analysis. Journal of Management, *27*(2), 141-162.
- Snyder, M. (1987) Public appearances, private realities: The psychology of self-monitoring. New York, W. H. Freeman
- Thompson, D. E., & Gooler, L. E. (1996). Capitalizing on the Benefits of Diversity through Workteams. In E. Ernst Kossek & S. A. Lobel (Eds.), Managing Diversity: Human Resource Strategies for Transforming the Workplace. Blackwell Business.
- Williams, K. Y., & O'Reilly, C. A. (1998). Forty years of diversity research: A review. In B. M. Staw & L. L. Cummings (Eds.), Research in Organizational Behaviour (Vol. 20, pp. 77-140). Greenwich, CT: JAI Press.
- Yum, J. O. (1982). Communication diversity and information acquisition among Korean immigrants in Hawaii. Human Communication Research, *8*, 154-169.