

Gaining a Critical Edge in Mastering Globalization

The GROVEWELL-CFGU Partnership

For most large organizations today, globalization is a fact of life. Global operations must be mastered and global market share captured. To accomplish that, good working partnerships must be maintained with people who are as different as they are distant. How can leaders, pressed on all sides, find the resources to enable their organizations to meet the resulting challenges?

The surprising answer is that dedicated resources for building partnerships with customers, suppliers, employees, and other stakeholders abroad have long been at hand. Seasoned experts with practical business experience are readily available from two areas of specialization. One is very well known: diversity and inclusion. The other is not: intercultural consulting.

For many years in the United States and much more recently in Europe, companies and organizations have been putting into practice the ideals of diversity and inclusion. At first the principal motive for this change was that it was the right thing to do. As inclusion became the norm a second motive emerged: inclusion is good for the bottom line.

Editor's note: Issues & Observations is a venue for CCL staff members and associates to express their personal views about leadership. To receive a white paper with a full discussion of the topics addressed in this article, visit www.grovetwell.com/globalmastery.

A major complexity of globalization is that the people one deals with abroad are diverse—more diverse than those one encounters at home. Nevertheless, the lessons learned in pursuing diversity and inclusion at

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home are, to some extent, applicable worldwide.

But to apply those lessons effectively, the second business-oriented area of expertise—intercultural consulting—needs to become involved. Its contribution is a body of knowledge and practice amassed worldwide. Together, intercultural consulting and diversity and inclusion offer business leaders a critical edge in mastering globalization.

VALUING DIFFERENCE

Practitioners of diversity and inclusion, who until recently have worked

almost exclusively in the United States, have been involved in research, consulting, education and training, public advocacy, workplace and community engagement, legal work and legislative lobbying, and above all organizational transformation. Their success is plain to see: today few U.S. organizations offer employees and customers a homogeneous environment.

Instead, conscious efforts are made to value human differences in gender, race and ethnicity, age, and other traits. The resulting expansion of employees' backgrounds and perspectives invigorates a company's efforts to think outside the box and to appeal to the sensitivities of multiple domestic markets. All this effort and experience can be reapplied to globalization.

Indeed, diversity practitioners are turning their attention to globalization. A term heard more and more often since 2000 is *global diversity*; at a minimum it geographically extends the long-established meaning of diversity (and of inclusion).

But that isn't enough. Leaders must begin to understand global diversity in light of a set of facts more complicated—and more promising in terms of global revenue—than most businesspeople expect.

One complication is that relative to our domestic experience, globalization brings us face to face with more human variation and more types of human variation. Has diversity and inclusion work so far prepared us for

this? Yes and no: yes because we do have some idea of the challenges ahead, and no because we're now going to take the diversity concept beyond its original cultural base. Our new mission is to build and maintain working partnerships with counterparts abroad. So the *global* in *global diversity* can no longer be limited to meaning *geographically more inclusive*. It must also mean *culturally aware* and, beyond that, *culturally calibrated* in terms of the values and expectations of local businesspeople.

The term *genuinely global* is useful. A manager, team, or unit that is genuinely global is vigilant for variations in human values and practices between one geographical locality and another, and asks, *To prosper here, what should we be doing differently?*

To find the answer, organizations and individuals can tap interculturalists' five decades of experience.

CLASHING VALUES

The intercultural field is a branch of the behavioral sciences, with both academic and consulting wings. The research-based academic wing generates hundreds of publications each year in the form of doctoral dissertations, books, and journal articles. Benefiting from this output is the consulting wing, which delivers to global organizations strategic consulting, executive coaching, global leadership development, and expatriate performance enhancement.

Intercultural consulting is not as widely known among business leaders as diversity and inclusion development is. The intercultural field arose during the 1950s out of two themes. A public theme emerged from the lingering black cloud of World War II and the Holocaust and the resulting determination to overcome hate and violence. This theme is well represented in Gordon Allport's widely praised 1954 book, *The Nature of Prejudice*.

A professional theme sprang from fascination with studies of group-level behavior. Many were introduced to this theme in 1959 via *The Silent Language*, by Edward T. Hall, an anthropologist who then was the training director at the U.S. Foreign Service Institute.

Shortly thereafter the U.S. Peace Corps was founded. During the early 1960s its volunteers first entered villages in distant nations. There, most encountered resistance from the people they had come to help. Many returned home prematurely. The volunteers and their supervisors asked,

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Could these failures have been prevented?

Social scientists who studied the Peace Corps' first outing revealed the root of the problem: the differing core values of human groups. For example, the researchers found that the value of progress, which deeply animated the volunteers, seemed not to be recognized by many on the receiving end. The volunteers had assumed that poor villagers would intuitively grasp the worth of, say, an irrigation system. But the researchers found that U.S.-style progress was not universally admired.

The villagers' smiling noncooperation confounded and defeated many of the early Peace Corps volunteers but helped found the intercultural field. Since then, interculturalists have helped others to understand the complex interplay of values, mind-sets, and behaviors that occurs when

members of human groups interact and to learn how to build enduring relationships across boundaries so that shared objectives can be attained.

Interculturalists assist teams and individuals in learning and applying competencies that can be tailored for specific cross-cultural interactions, such as those between American and Chinese teams. Learners become more aware of subtle differences in values and practices and better able to be productive and interpersonally effective when they work within the other culture or when they stay home and work with counterparts from the other culture. Interculturalists also address other types of group-level differences—organizational, professional, and industrial.

What does intercultural work look like? The researchers study group-level (that is, shared) values, habits of thought, and patterns of behavior—known collectively as *culture*. They provide a welcome counterweight to the Western tendency to seek explanations in individual uniqueness. Their research is practice oriented—it develops methods and tools that enable people to succeed when collaborating with others with whom they lack deep familiarity. The consultants apply the results of this research together with other types of expertise to address performance challenges in the global arena. Intercultural consultants help managers seize global opportunities and attain strategic objectives.

Even those who know of this field aren't always aware of the richness and potential positive impact of intercultural research and services. Consider the Global Leadership and Organizational Behavior Effectiveness (GLOBE) project. Led by the Wharton School of the University of Pennsylvania, this project probed the behaviors of business leaders in sixty-two societies to discover what enabled these leaders to be perceived as highly effective. GLOBE's findings can help a corpo-

ration in making its leadership development efforts genuinely global. (A comprehensive overview of GLOBE's findings can be found at www.grovetwell.com/GLOBE.)

Globalization is a multifaceted, complex process. One of its critical challenges—the building of good working partnerships with others abroad—can be mastered with the combined support of diversity practitioners and interculturalists. Is there a basis for synergy between these two professions? Let's explore their differences and similarities.

DIVERGING PATHS

There are three key differences between diversity practitioners and intercultural consultants.

An obvious difference is that diversity practitioners have focused primarily on diversity within the United States and U.S. organizations. (Recently, European organizations as well have begun addressing diversity.) But for fifty years the work of interculturalists has spanned the globe.

A second difference is that diversity practitioners are heirs to a tradition of in-the-streets activism. They're associated with a tumultuous and celebrated period in recent U.S. history, the stuff of headlines, books, films, songs, petitions, poems, and prayers. Interculturalists continue a research tradition. The Peace Corps' predicament during the 1960s didn't send angry masses into the streets; it sent anthropologists and sociologists into the field and to their desks to figure out what had gone wrong. They and those who followed them have generated insights and applications for improved performance across cultures. Interculturalists are active but they're not activists.

A third difference contrasts political and neutral approaches. The work of diversity practitioners has a political aim. They try to narrow the gap separating core values about respect

for others from daily actions in U.S. citizens' lives. They promote a set of behaviors and underlying values as right and good for everyone. Interculturalists also deal with behaviors and underlying values but from a neutral stance. The term for this neutrality is *cultural relativism*, the view that the desirability of any behavior is best determined in relation to the core values of the culture in which it originated. Interculturalists focus on behavior modification for the benefit of an organization or individual, helping businesspeople improve their global competencies.

For an example of cultural relativism, recall the predicament of those early Peace Corps volunteers. Their core value of progress motivated them to suggest a new behavior, building an irrigation system. But for many villagers that behavior clashed with one or more of their society's core values. For instance, some villagers foresaw that irrigation for all could undermine their long-standing structure of hierarchical relationships.

COMMON GROUND

Their differences notwithstanding, these two professions do have something in common. Significantly, both are concerned with values. We have been portraying diversity practitioners as promoting alignment of U.S. citizens' behaviors with a certain set of values, and interculturalists as value aware but neutral as they enable businesspeople to fine-tune their behaviors for success abroad. A closer look reveals more complexity.

Diversity practitioners employ two perspectives on values: values as imperative and values as relative. The imperative values are a trio of bedrock U.S. values that impel the activism of diversity practitioners and anchor the behaviors with which these practitioners hope to align all citizens. This value trio comprises

Egalitarianism. People should compete on a level playing field as they strive to get ahead; fairness and equal opportunity should prevail in the workplace.

Achievement. People should obtain opportunities and rewards because of their attainments, not because of ascribed traits such as skin color, gender, or age.

Individualism. People should be self-sufficient and self-expressive; supervisors should give every employee the opportunity to apply his or her unique talents.

Diversity practitioners believe that by promoting egalitarianism, achievement, and individualism, they are doing what is right and good. They view this trio of values as a motivating imperative.

A second strong motivator for diversity practitioners has been the gathering chorus of research findings revealing that human diversity—that is, human heterogeneity in working groups—leads to greater innovation, improved problem solving, better customer relations, superior decision making, and other bottom-line benefits for globalizing businesses.

Whether for moral propriety or improved profits or both, diversity practitioners have tended to promote the values of diversity and inclusion as an imperative. Less obvious is the fact that these practitioners work equally with relative values. Diversity practitioners have been leaders in recognizing the worth in every human being and creating workplaces in which everyone feels respected and can contribute his or her perspectives and talents. To accomplish this the practitioners urge people to be accepting of the traditions, mind-sets, and values of fellow employees of every description. In short, they adopt the stance of cultural relativism.

Interculturalists and diversity practitioners therefore share a key approach: cultural relativism. Both groups have worked long and hard to bring about

Reading Up on Interculturalism

Many readily available books provide a good introduction to the intercultural field. Among them are

Building Cross-Cultural Competence: How to Create Wealth from Conflicting Values, by Charles Hampden-Turner and Fons Trompenaars (Yale University Press, 2000). Addressed to business leaders, this volume discusses cross-cultural dilemmas and uses cartoons and diagrams with great effectiveness.

EuroDiversity: A Business Guide to Managing Difference, by George Simons (Butterworth-Heinemann, 2002). An interculturalist explains why imported diversity models usually fail in Europe and identifies the diversity issues that genuinely concern Europeans.

Global Diversity: Winning Customers and Engaging Employees Within World Markets, by Ernest Gundling and Anita Zanchettin (Brealey, 2006). The authors use an intercultural approach to

explore diversity issues in China, Egypt, India, Japan, Mexico, Russia, the United Kingdom, and the United States.

Managing Across Cultures: A Learning Framework, by Meena Wilson, Michael H. Hoppe, and Leonard R. Sayles (Center for Creative Leadership, 1996). Applying a management perspective, the authors discuss the impact of seven revealing and useful dimensions of cross-cultural difference.

open-mindedness toward, inclusion of, and respectful interactions among people of every description. Both sets of professionals have consistently denied that anyone, anywhere, can justifiably claim, *My values and ways of life are the only ones that are right for all others*. Both groups avow that such a claim is neither ethically defensible nor commercially advantageous.

Cultural relativism is deeply grounded in both professions, a fact that eclipses their superficial differences in style. In our view these professions' previously parallel but rarely intersecting activities can be transformed into synergies and thus into practical advantages for globalizing enterprises.

CHANCES FOR PROGRESS

In addition to their unmet need for guidance and support as they craft collaborative partnerships with counterparts from abroad, many business leaders will need help to

- Generate not only greater market share but also local admiration and loyalty in distant regions.
- Develop globally focused metrics into a cohesive and ultimately systemic model of performance management.

- Facilitate high performance of those indispensable virtual teams (which tend to have poor track records).

- Align and coordinate the worldwide infrastructure that gets day-to-day work done.
- Build a heterogeneous group of globally minded leaders within a worldwide learning culture.

There's much that can be done. Help for business leaders who are determined to get it done is waiting to be harnessed. The key is for organizations to involve both interculturalists and diversity practitioners.

For organizations with diversity professionals on their staff, we suggest asking these professionals to begin by learning more about the intercultural field. This field has a burgeoning literature (see "Reading Up on Interculturalism" above), most of which is written with practical business needs in mind.

Next, invite interculturalists to meet with the diversity staff. Most interculturalists know about and support diversity and inclusion but do not know how diversity practitioners work in organizations.

Once mutual familiarity has been attained, ask the combined group to explore how your organization could

achieve global growth more effectively and how geographical globalization could be increasingly transformed into genuine globalization. In this way the fifty-year-old field of interculturalism can be applied to leverage the in-house experience of your diversity staff to help you master globalization. ✍

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