



WHEN IN



ROOM

By Bill Ibelle

IN AMERICA, A FIRM HANDSHAKE is a sign of confidence and genuine interest. But in Indonesia, that same firm handshake would be seen as an act of hostility—a shocking display of aggression in a nation where a soft handshake is followed by placing your hand over your heart. In Germany, the proper handshake is a firm squeeze followed by a single emphatic pump, and in Turkey handshakes are softer and often continue well into the conversation.

In the case of a handshake, the adjustment is relatively easy for the international businessperson. But operating effectively in the global marketplace is rarely that simple. It requires a complex set of skills, including the ability to navigate uncertainty, see the world through the eyes of the host culture, and toggle effectively among a range of cultural differences.

What is needed, in a phrase, is cultural agility.

“Like physical agility, which is defined as the ability to change body positions rapidly and accurately without losing your balance, cultural agility is the ability to adapt to different cultures without losing your balance,” says Paula Caligiuri, Distinguished Professor

of International Business and Strategy and a renowned expert on the subject.

Caligiuri has dedicated her career to understanding what helps people succeed in international settings. Her conclusion, based on extensive research, is that cultural agility is rooted in a set of specific competencies—but to flourish, these qualities must be developed by placing people with the right personality traits into cross-cultural learning opportunities.

“You can’t just attend a training program and be done,” she says. “You have to go out in the world and experience cultural challenges, ideally with a mentor. You need to practice and debrief, then practice some more and debrief again. It’s the essence of experiential learning.”

That’s why, soon after arriving at Northeastern in 2013, Caligiuri formed the university’s Cultural Agility Leadership Lab (CALL), which provides businesses with a highly efficient and cost-effective way to provide the real-world experiences needed to develop international business skills.

Founded in cooperation with the National Peace Corps Association, CALL connects companies with nongovernmental organizations (NGOs) in developing nations that need assistance on specific projects. The company then sends a team of employees—supervised by CALL and Returned Peace Corps Volunteers—to work with locals on the projects, which may involve technology, marketing, finance, strategy, or other areas of business.

The CALL program creates a “win-win-win situation,” according to Caligiuri. Employees learn to conduct

business in unfamiliar cultures, the local nonprofits get a team of pro bono consultants, and companies gain knowledge of developing markets.

The assignments typically last one to four weeks and are customized to the needs of each company.

THE STAKES ARE HIGH

Although global markets provide a huge opportunity for economic growth, CEOs worldwide identify cross-cultural leadership as one of the most glaring deficits in their organizations, according to Caligiuri.

“How many times have you heard about an American business going into a country to expand and then having to withdraw?” asks John Staines, a human resources officer with the Connecticut-based insurance giant Cigna. “That happens quite frequently because American companies tend to impose an American work style on workers in other nations.”



MUCH MORE THAN A TRIP

By Magdalena Hernandez

There are so many ways to boost cultural agility and gain the skills to succeed personally and professionally in today’s global environment. Just ask Jessica Scranton, co-founder of Purposeful Nomad, a unique travel company for women that gets travelers out of their comfort zone and deeply immersed in the communities they visit.

Scranton, AS’04, and her friend and fellow globetrotter Caitlin Murray, AS’05, started a business to help female travelers have meaningful cultural experiences during trips abroad. Their itineraries ensure people learn in international settings and immerse themselves in transformative experiences. The result? Travelers will start seeing the world through another culture’s eyes.

Her own travel inspired Scranton to bring this type of authentic experience to others. Ten years ago, Scranton was traveling through Asia, when friends who were Tibetan exiles suggested she visit their home village in the Amdo region of Tibet.

“For five days, I was part of the village, helping out on the wheat farm and eating my meals with the villagers,” she says.

Purposeful Nomad’s maiden voyage took place in June, giving participants an insider’s view of the culture, cuisine, and biodiversity of Ecuador. Travelers also stayed in homes to experience life in the countryside.

In 2017, destinations include the Dominican Republic and Italy, and the duo plans to add Tanzania and Zanzibar the following year. Scranton and Murray select countries where they have connections to help them establish contacts with service organizations and local businesses.

“We want to make tourism a positive force in the world,” Scranton says. Murray concurs. “We’re not doing easy routes. It’s so much more complicated, and it’s so worth it.”

The key to cultural agility lies in “perspective taking,” the ability to see the world through the eyes of another culture.

—Paula Caligiuri, Distinguished Professor of International Business and Strategy

Staines is determined to avoid a similar fate for Cigna, which has expanded into 30 countries over the past decade.

“Even though most of our future growth will be international, the majority of our talent is still domestic,” says Staines. “That’s a problem.”

Staines set out to address this need by improving the cross-cultural skills of the company’s promising young leaders. As a man born in Peru to an English father and a Peruvian mother—and whose wife hails from Singapore—Staines knows that the best way to improve these skills is through direct experience. But as in all organizations, he also knew that opportunities to provide experience through traditional international assignments are limited and expensive.

“It costs \$1.5 million to send one person to Hong Kong for a year,” says Staines. “If you have to do that 100 times, it adds up quickly.”

So for Staines, the efficiency and economy of Caligiuri’s CALL program was an ideal solution.

“CALL was a perfect fit for us—an opportunity to give back to the inter-

national community while developing our own leaders for conducting international business,” he says.

In 2015, CALL took a group of eight Cigna employees to Indonesia, where they worked with two NGOs on anti-poverty, health, and education initiatives. This summer CALL is taking another group of 12 Cigna employees on a similar mission to Thailand.

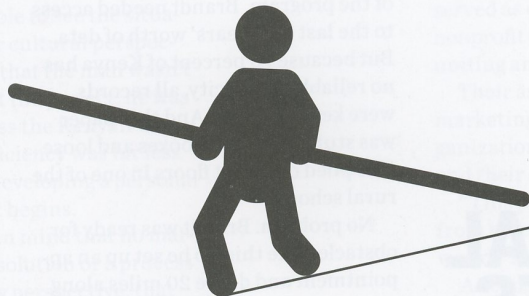
“They came back as changed people,” says Staines of the Indonesian group. “They were better listeners and better at looking at situations from an entirely different perspective. They were completely energized and engaged.”

THE MYTH OF THE GOLDEN RULE

One of the common misconceptions about international business is that all you have to do is follow the golden rule—do unto others as you would have them do unto you—and everything will work out just fine.

This is a dangerously naive assumption, according to Caligiuri, because these “romantic sojourners” continue to function as tourists, viewing each situation through the lens of their own culture.

The key to true cultural agility, she says, lies in the skill she calls



perspective taking: the ability to see the world through the eyes of another culture and to see yourself as others see you. This outward orientation is essential, whether your goal is to open global markets or to motivate a multicultural team in your home country.

In many ways, it's the antithesis of the golden rule because it acknowledges that cultural differences run far deeper than we initially imagine.

Brainstorming is a classic example, according to Caligiuri. If Cigna had arrived in Indonesia intent on following the Golden Rule, brainstorming might have been the company's primary tool for enlisting local participation. After all, in America it's seen as an expression of inclusion and a way to promote innovation. So brainstorming would be the ultimate sign of respect, right?

There's one problem, according to Caligiuri. And it's a big one.

"Indonesians aren't comfortable with brainstorming," she says. "First, it's a hierarchical society, so few people are likely to speak up. Second, brainstorming is seen as unprofessional. A process we see as productive and exciting is seen as immature and unprofessional in that culture."

This is why advanced training and the in-country coaching of the Peace Corps volunteers were essential to the Cigna employees.

"Paula stressed over and over that we have to listen extensively and build trust first," says Gary Wallace,

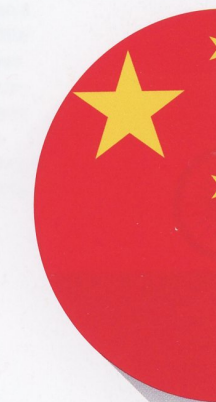
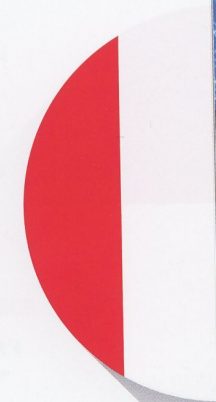
director of IT strategy for Cigna and one of the eight volunteers in Indonesia. "It was hard sometimes just to listen and not to suggest what seemed like obvious solutions. Our tradition in Western culture is to gather information, form an opinion quickly, and make a decision. But we spent the first two days just listening and socializing because we knew that they wouldn't do any business until we established a personal connection and trust."

KNOW THYSELF

Cultural agility also requires people to be comfortable with uncertainty and aware of their own reactions when the values of the host culture runs counter to their own.

Martin Brandt spent six months in Kenya in 2014 evaluating whether a school program for nutrition and hygiene raised classroom performance. It's important to note that Brandt is not an educator; he's a research scientist who specializes in early drug development for the pharmaceutical giant GlaxoSmithKline. But GSK knows that the best way for its employees to develop global skills is for them to experience cultural disorientation firsthand.

So the company sent Brandt to Kenya for six months to work on a



8 FUNDAMENTAL CULTURAL DIFFERENCES

There are hundreds if not thousands of cultural differences that can lead to corrosive misunderstandings. To help global businesspeople assess their new environment, Caligiuri has distilled these differences into a handful of broad categories.

1 Hierarchical vs. Egalitarian

Who is encouraged to participate, how much professional debate is expected, and is creativity viewed as healthy or insubordinate?

2 Formal vs. Informal

How formal is the protocol for verbal and written communication across tiers in the hierarchy?

3 Group vs. Individual

Which is given greater weight in the cultural identity? Is the historic myth one of the rugged individual, as in the U.S., or the primacy of the group, as in Japan?

4 Interpersonal vs. Transactional

During business interactions, how much emphasis is placed on building relationships as opposed to getting things done efficiently? How important is it to build a personal bond and trust before discussing business?

5 Direct vs. Indirect

Are people expected to say what they mean directly and briefly, or are they expected to pick up on a variety of nonverbal cues—tone, body language, connotation—to discern the true meaning of an interaction?

6 Controlled time vs. Fluid time

How important are punctuality and deadlines? Is more emphasis placed on being efficient and productive or on building relationships?

7 External control vs. Internal control

Are people seen as being in control of their fate or being controlled by their fate? Societies in which people are seen as having less control over outcomes tend to be more resistant to change, experimentation, and innovation.

8 Status motivation vs. Balance motivation

Is greater emphasis placed on maintaining a balanced life, or on achieving status and success?



International business professor Paula Caligiuri is a renowned expert on cultural agility.

5 CULTURAL NUANCES

There's no rulebook for operating effectively in an unfamiliar culture. Here are just a few of the business etiquette nuances you may encounter.

1 When meeting a business contact in Russia, don't try to establish rapport with a smile or a joke—it's not that kind of place.

2 In Japan, it's common to close your eyes during a business presentation to indicate you are concentrating. But don't compliment an individual in public, which would cause deep embarrassment in a society where the individual is always secondary to the group.

variety of health-related projects. The challenge was immediately apparent. To validate the effectiveness of the program, Brandt needed access to the last four years' worth of data. But because 70 percent of Kenya has no reliable electricity, all records were kept on paper. And that paper was stuffed into shoeboxes and loose files piled on closet floors in one of the rural schools.

No problem. Brandt was ready for obstacles like this, so he set up an appointment and drove 20 miles along rutted roads to meet with the man in charge of the program.

"All I was looking for was access to the material," he says. "To me, it was a simple request."

Brandt arrived on time—a sign of respect and efficiency in America—but the school leader didn't arrive until an hour later.

OK, different concept of time. Brandt could handle that.

"I told him what I wanted, and he said, 'Let's talk.' I was there to get data, but he wanted to talk about things that had nothing to do with business," Brandt recalls. "After we chatted for quite a while, I asked him about the files, and he said, 'Can you come back next week?'"

"When I left, I had to ask myself, 'What just happened?'"

Brandt responded by developing a PowerPoint presentation that would show how the data could be used to win the funding for similar programs in other schools. When he returned to the village the next week, the presentation went well. The school leader was attentive and seemed interested, but "he asked me to come back a third time to get the records," says Brandt.

Brandt had two options. He could get exasperated and say to himself, "This is nuts." Or he could adapt.

3 A firm handshake and strong eye contact are essential in Mexico. But in China, where deference is key, it's customary to present your business card with both hands and lower your eyes as a sign of respect.



Because he recognized his exasperation as an American aversion to inefficiency, he was able to control it. Because he was able to see the situation from another cultural perspective, he could see that the man wasn't trying to obstruct the project; he was just doing business the Kenyan way. In his culture, efficiency was far less important than developing a personal bond before work begins.

"I had to keep in mind that no matter how simple a solution or a process might be from my perspective, that was not how they did things in their culture," says Brandt. "Eventually, business will come up, but it may not be right away. It may not even be that day."

Brandt eventually obtained and analyzed the data. He also improved funding for programs dealing with AIDS and a serious chigger infestation.

When he returned to his job as a research scientist, he had a deeper understanding of how to operate in a cross-cultural setting and greater confidence in his problem-solving skills. But he also said the skills he learned are transferable to the challenges of working within the complex culture of a massive corporation.

NOT JUST FOR THE DEVELOPING WORLD

The need for cultural agility is not confined to Westerners interacting with the developing world. It is just as important for Western nations dealing with one another or for an American company with a multicultural workforce.

Consider the experience of two of Caligiuri's students, Philipp Fahlbusch, from Germany, and Apurva

Kadam, from India. As part of a class assignment designed to provide cross-cultural experience, the pair served as consultants for a Boston nonprofit organization dedicated to uniting antipoverty groups.

Their assignment was to develop a marketing strategy that member organizations could use to raise money, and their supervisor was American.

"This project involved three people from three different corners of the world," says Kadam.

As conscientious students, they threw themselves into their work, determined to come up with a sound proposal. But a few weeks later, they were shocked by an email saying the supervisor was extremely unhappy with their work and wanted to drop out of the project.

It was a classic case of cultural misunderstanding.

"In India and Germany, if you're given a job to do, you don't get back to them until you're finished," says Kadam. "In both of our countries, continual communication without concrete results would be viewed to be a sign of incompetence."

What they didn't realize was that the American supervisor was used to frequent status reports, and, as a result, she interpreted their lack of communication as indifference.

"We thought we were doing a great job by being independent," says Fahlbusch. "We wanted to wait until we had something more elaborate to present, but she wanted us to update her every week."

With Caligiuri's help, communication improved. The project was back on track, and the two students received a powerful lesson in the importance of perspective taking.

"We put ourselves in her shoes and saw that this nonprofit was her baby," says Kadam. "We valued her demand for constant communication and rose above our cultural norms to create an ethic that worked for all of us." ■

4 The verbal enthusiasm that makes you so popular in New York would be seen as bombastic and rude in Thailand. However, that same style would work well in Brazil, where interrupting a person frequently during a conversation is seen as a sign of engagement.

5 In Brazil, it's good manners to open a gift immediately, while in most Asian and Middle Eastern cultures, it's considered impolite to open a gift in front of the person who gave it. In China refusing a gift as many as three times before accepting it conveys humility and respect.

