

Cultural intelligence and global leadership: Time to let go of being on time?

Randall S Peterson argues that rapid innovation in places like Kenya and Peru prove we need to let go of old and unhelpful habits in today's multicultural, global business context

If you've spent any amount of time in somewhere like Kenya, whether for business, research or pleasure, you may have come to the same conclusion as me: punctuality is a relatively low priority for many Africans.

And it can be frustrating to those of us conditioned by western norms and mores. Where we assume that being on time is a key driver of success, many of my African colleagues will readily share a joke about African time, insisting that punctuality is a relative concept. Leave your expectations about timekeeping on the luggage belt at arrivals of any African airport, I've been told.

Yet Africa is one of the fastest developing continents in terms of innovation. Look at fintech. There are more and better banking apps coming out of Africa than anywhere else in the world. African entrepreneurs have taken a problem (that there are few traditional banks in Africa) and found a solution (that everyone owns a mobile phone.) Such is the buzz about banking in Africa that the McKinsey Global Banking report dubbed the continent a "hotbed of innovation" in 2018, describing the banking sector as a "locus of new business models emerging in response to challenges including low levels of banking penetration, heavy use of cash, sparse credit bureau coverage, and limited branch and ATM networks."

My takeaway from this? Don't assume that being bang on time every time is the answer to everything. The African fintech boom is just one example of how plenty of good things can come from not being in a hurry.

It's also an example of how wrong we are to assume that there is a single blueprint for success – and of the power of global diversity, in doing things differently, to generate new approaches, new operational models, new strategies, answers and solutions – often times in the most unlikely places.

Knowing this and embedding that knowledge in your own leadership approach is key to being an effective leader in today's multicultural, global business context.

Take Roberto Goizueta, the legendary CEO and Chairman of Coca Cola from 1980 until his death in 1997. Known by every one of his employees, from the janitor to the C-suite, simply as "Roberto," Goizueta was himself something of an anomaly for his times: a Cuban chemical engineer at the head of what was perhaps the

most American of all US companies. Yet, with Goizueta at the helm, Coke awoke from a long-standing slump in performance and went on to become the best known trade-marked brand in the world, outperforming the S&P 500 by 80% in less than a decade.

One of the things that distinguished Goizueta's tenure was his ability to take risks; to spot opportunities and leave no stone unturned in his drive to take his organisation international. Underpinning this was great instinct for how he collected information on which to base decisions. From his bi-monthly habit of eating with different workers in the employee canteen to a system of gathering facts first-hand from friends and associates in different countries all over the world, Goizueta was adept, said former executive assistant Clyde Tuggle, at "educating himself about the world in which we operated and how that affected business."

In 2010, following the failed COP15 climate change conference in Copenhagen, Christiana Figueres inherited something of a poisoned chalice when she was appointed Executive Secretary of the United Nations Framework Convention on Climate Change.

During her tenure, Figueres insisted on reframing climate change to address the specific issues and challenges of each nation, actively engaging with multiple international stakeholders – governments,

academics, insurance companies, young people, women's and faith groups, and more – to build global consensus around finding a solution. Within five years, Figueres had successfully delivered six consecutive global negotiation sessions, culminating in the signing of the historic Paris Climate Agreement in 2015.

So what do Roberto Goizueta and Christiana Figueres have in common, besides finding a roadmap to success perhaps unimaginable to others? They are both examples of leaders with

what academics call cultural intelligence.

Coined by Christopher Earley and Soon Ang back in 2003, the term "cultural intelligence" describes the ability not only to understand other people, but to understand people who don't meet your cultural norms, and then act on that knowledge in a mutually beneficial fashion.

It is an invaluable asset and a core constituent of effective global leadership. To assess your own degree of cultural intelligence, you need to look at the following four dimensions.

'Cultural intelligence is not something that is fixed, nor is it absolute. It can be improved'



ILLUSTRATION: THE PROJECT TWINS

1 Do you care?

Ask yourself how interesting or relevant it is to you to operate in a culturally diverse environment. Does it drive your curiosity or seem appealing to you in any way? This is fairly basic. If you have no interest in cultural diversity, the chances are your cultural intelligence quotient will not be high.

2 Do you know?

How much do you actually know about different cultural norms or mores? When you travel to Kenya, say, do you have some idea or expectation about how differently business will be done from the way it is done in the UK, the US, Asia or Europe? While it's not necessary to be an expert, it is critical to build sensitivity to inter-cultural differences and their impact on day-to-day operations.

3 Can you plan?

Are you capable of building a strategy that will help you adapt to local culture? Say you have a meeting with a business partner in Saudi Arabia. Have you prepared adequately to accommodate different expectations or to conform to different practices?

4 Can you execute?

After planning, can you actually deliver cultural sensitivity behaviourally? In my 30s I spent significant time in Latin American cultures. One of the things I learned as a US national was that personal space has entirely different importance in the likes of Peru. US

colleagues, anxious about their physical space, could end up being quite literally chased around a room by their Peruvian counterparts. It took me time to learn to just stand there when a colleague was occupying what I considered to be personal space. It can be just as hard to build awareness of physical as intellectual dimensions in cultural sensitivity.

The good news is that cultural intelligence is not fixed; nor is it absolute. It is something that can be improved.

Over the course of the research I have done with Chris Earley we've published a number of papers, among them *Cultural Intelligence and the Multinational Team Experience* and *The Elusive Cultural Chameleon*. We have found that effective global leaders with well-developed cultural intelligence are those that actively work on these four competencies. They are the leaders who question their own assumptions and ask whether their own cultural lens is helpful or not. They're also the leaders with the

humility to know that they are imperfect, that they don't have all the answers and that they are capable of getting it wrong – and striving to improve.

In today's globalised economy, whether you are in politics, a multinational, a non-profit or starting your own enterprise, a key to your success as a leader hinges on your ability to open up to difference: different norms, different priorities, different beliefs; or, simply put, different ways of doing things. Even if that sometimes means just letting go of being on time. □



Randall S Peterson is Professor of Organisational Behaviour at London Business School