Chapter 13

Developing Cross-Cultural Competence Through Cultural Intelligence: Lessons for Business Educators

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ABSTRACT

Since the end of the cold war in the late 1980s, world economies have been showing a growing tendency to become globally interdependent. Subsumed under the term globalization, this phenomenon resulted in a lot of cross-cultural alliances in terms of turnkey projects, licensing agreements, and foreign capital investments. But ultimately, success depended on cross-culturally competent behavior, or as Plato puts it, behavior stemming from desire, knowledge, and emotion, the one needed to read across wires and walls of different cultures. So, the present chapter is a psychological aspersion targeted at analyzing and educing measures to develop cross-cultural competence, a crucial criterion in business education. On that account, the role of cultural intelligence as a moderator of emic and etic psycho-cultural influences in business settings has been explored. The entire narration rests on transcending influences of CQ as a moderator in psycho-cultural business contexts.

INTRODUCTION

Culture is more felt than observed. As Deborah Cater puts, “one has to taste a culture to understand it” (Deborah, 2017). Inclusively, culture can be understood as a summative influence of beliefs, values and attitudes acquired by a group of people in the due course of time. Culture can also be understood as a transmitter of learning or carrier of knowledge structures.

With the rise of the emerging economies, understanding culture has become a matter of greater concern. Cross cultural business exchanges have brought together economies that have greater apparent differences. The ground realities appear to have undergone a change and even the most polar trends like...
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investment direction have reversed—emerging economies are now investing in advanced economies (The Institute of International Finance, 2016). World is more of a global village now and maximizing the chances of success is subject to better comprehension of cultures. The resultant is an increasing need to understand host cultures from various business perspectives. More importantly, the major challenge for business researchers lies with developing a clearer understanding about the term culture itself. Actually, cultures seem to hold deeper meaning than the casual beliefs held about them. Pike (1967) was the first researcher who differentiated research methods related to a deeper, culture specific approach (emic) from universal or casual approach (etic) to understand cultures.

Emic research perspective focuses on first hand interpretation of norms, values, motives, and customs by the members of the culture themselves. Emic perspective is understood as a native’s point of view (Malinowski, 1922) and applicable to a particular society (Berry, 1990). Usually reflected in psychological studies of folk beliefs (Wundt, 1888), emic accounts for perception, cognition and behaviour that emanates from an actors’ self-understanding relative to his/her culture. For example, emic studies have shown that justice perception differs widely between Japanese and American workplaces. While employees in American workplaces advocated constructs like “ageism” and non-discrimination, Japanese reported qualitatively far different constructs such as “amae” and “gimu” when probed for justice perceptions (Kashima & Callan, 1998). Therefore, emic perspective tends to assume that culture is an interconnected whole and one culture should be examined at a time to evaluate how insiders or participants interpret a phenomenon.

On the other hand, etic perspective can be understood as an approach that links culture to universal factors, external to cultural insiders (Harris, 1979). These factors can be the prevailing economic and ecological conditions. This perspective is linked to psychological tradition of behaviorism (Skinner, 1938). As behaviorist advocate viewing behaviour as dependent on fixed antecedents and consequences, therefore researchers using etic perspective in cross cultural business settings view behaviour as a function of fixed cultural antecedents. Hofstede’s (1980), for example, compared 40 countries on value orientation and linked the resultant cultural positions to antecedents in economic conditions and consequences in social behaviour. In fact most of the etic studies hold cross-cultural comparisons as opposed to emic which does not allow such comparisons (Davidson et al. (1976).

Since, both the perspectives have attracted significant attention from researchers, therefore establishing supremacy of any one approach is disputable. Hence, the debate over emic–etic dichotomy is assumed as a hindrance to the development of international business research (Sinkovics et al., 2008). While discussions to overcome this tension are quite evident (e.g., Peterson & Pike, 2002; Peterson & Quintanilla, 2003), but these discussions did not find application in the practice of cross-cultural research (Sinkovics et al., 2008).

This chapter attempts to explain how Cultural Intelligence can be beneficial for business researchers/practitioners in understanding emic-etic dichotomy. Cultural Intelligence (CQ) is the capability to function effectively in cross-cultural contexts (Earley & Ang, 2003). Rooted in the multiloci view of intelligence, the conceptualization of CQ comprises these factors: (1) meta-cognitive CQ (the mental capability to acquire and understand cultural knowledge) (2) cognitive CQ (knowledge about cultures; their similarities and differences) (3) motivational CQ (interest and confidence in functioning effectively in cross-cultural contexts) and (4) behavioral CQ (the capability to flex behaviors in cross-cultural interactions).

Proposing a solution to controversies over emic-etic dichotomy, this chapter demonstrates effectiveness of Cultural Intelligence as a tool to understand cultural influences in terms of situational contexts, thus avoiding rigid interpretations. The reason behind reserving confidence in Cultural Intelligence comes