Developing cross-cultural capability in undergraduate business education: implications for the student experience

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Keywords

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Abstract

Draws on relevant academic literature to explore the nature of cross-cultural capability and goes on to consider its implications for the student experience in British undergraduate business education. Some of the key issues concerning the design of mechanisms and strategies for integrating cross-cultural capability within the curriculum are highlighted and discussed with a view to informing what needs to be done to prepare undergraduates for the international business world of tomorrow

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Introduction

With the increasing globalisation of business activity, it is incumbent on those engaged in course design and delivery in the field of undergraduate business education to internationalise their curriculum so that students are adequately prepared for the challenges they will face in their future careers. The growth of the multinational enterprise; the expansion of world trade associated with the increasing liberalisation of the global economy; and new forms of international business activity, such as the use of strategic alliances and counter trade (the latter often involving employees working as part of a government administration), have meant that it is not simply the export department which is affected by the exigencies of international business. Moreover, the importance of international business activity for small to medium-sized enterprises is also increasing, placing additional demands on employees who may not have previously anticipated an international aspect to their work content. Thus, a major challenge for educators in the business studies area is the development of an appropriate pedagogy to prepare students for the dynamics of their future vocational world in which the demands of international business are likely to dominate their experience.

Central to this notion of preparation for the world of international business is the facilitation of capability and effectiveness within the context of international operations and environment, and specifically the ability to function in a cross-cultural or multicultural context. As Dufour has commented: “In Europe, management is increasingly becoming a cultural activity rather than a technical one” (Dufour, 1995). Such a concern brings into focus the nature of cross-cultural capability, its definition, dimensions and attributes, and raises questions concerning the most effective and appropriate way of developing such capability.

The nature of cross-cultural capability

The past two decades have witnessed a burgeoning of the literature on international business in general and cross-cultural capability in particular. With respect to
cross-cultural capability, a variety of perspectives have emerged. These can be conveniently labelled as:

- cross-cultural sensitivity;
- cross-cultural business skills; and
- international management competence.

**Cross-cultural sensitivity**

At the heart of cross-cultural sensitivity is the belief that to be successful on the international stage managers must develop an appreciation of, and be responsive to, cultural differences. In other words, patterns of behaviour which reflect the values and norms of their national cultures or head office organisational practice are no longer sufficient or appropriate in today’s global economy. Managing within the context of cultural differences has implications for the approach to motivating and leading human resources, industrial relations practices, communication, decision making and many other organisational necessities. Within the international business literature various authors have suggested schema for conceptualising these differences, thereby laying the foundations for an increased awareness of how cultural diversity can impact on business.

Guy and Mattock (1991), for example, base their schema on what they consider to be the three main determinants of culture:

1. topography;
2. religion; and
3. history.

Topography is seen as an important influence on national identity, since territoriality may lead to feelings of insecurity, a need for orderliness or the avoidance of uncertainty. Where a particular religion dominates a country, this will have a concrete and easily identifiable impact on the culture and practices of that country, such as Muslim banking laws and rules relating the charging of interest. History also provides an indelible imprint on the evolving culture of a country. An example would be the American obsession with the individual, which is clearly related to the historical formation and development of the country.

A similar but more extensive schema is offered by Bonvillian and Nowlin (1994).

In particular they identify a number of behavioural manifestations of cultural differences such as:

- communications;
- aesthetics;
- time orientation; and
- personal achievement.

These notions were systematically researched by Hofstede (1991) and are explored in his book *Cultures and Organisations*, in which he posits four attitudinal dimensions of cultural differences based on:

1. power distance;
2. uncertainty avoidance;
3. individualism; and
4. masculinity.

Hampden-Turner and Trompneans (1993) attempt to link the value systems of particular countries with wealth creation and the economic success of organisations. They focus on how societal values condition economic choices, and at the organisational level identify the factors that influence decisions and judgements, which are important in creating systems and work processes that lead to wealth creation. To this end they identify seven valuing processes, each represented as a tension, with success depending on the culturally conditioned balance and accommodation reached within each tension. These tensions include:

- universalism v. particularism;
- analysing v. integrating; and
- individualism v. communitarianism.

The emphasis on universalism in the USA is linked with the development of standardised mass products, an undoubted strength in certain contexts. However, in complex niche markets based on knowledge intensive processes, it is perceived as problematical and a serious weakness, with particularism being a more appropriate value. For Hampden-Turner and Trompneans, cultural awareness is not simply a prerequisite for responding to the problems posed by cultural differences in international business, but can be used at an organisational level to create competitive advantage, a notion echoed by Hoecklin (1994).

The schema of varying degrees of complexity reviewed in this section are indicative of the frameworks that provide
those engaged in undergraduate business education with a means of helping students appreciate more fully the nature of cultural diversity in a relatively objective and non-judgmental manner. In the words of the vice-chancellor of the Open University: “Other cultures and ethical frameworks must be seen as legitimate and not merely different” (Daniel, 1999). However, the cross-cultural sensitivity which may be engendered from exposure to various kinds of schema is only a necessary, not a sufficient, condition for effective participation in international business activity. At the very least, cross-cultural sensitivity must be complemented with a suitably refined portfolio of cross-cultural business skills.

Cross-cultural business skills

In the UK, an enormous amount of effort has been invested since the 1960s in seeking to delineate skills of relevance for the business studies curriculum. Much of this has been undertaken in conjunction with employer groups and has reached a highly advanced stage of codification with the work of the National Council for Vocational Qualifications. Arguably, however, from the perspective of undergraduate business education the most influential formulation has been the seven so-called common skills identified by the Business and Technician Education Council. These are:

1. Managing and developing self.
2. Working with and relating to others.
3. Communicating.
5. Applying numeracy.
6. Applying technology.
7. Applying design and creativity.

Although such descriptors would no doubt make sense to organisations in countries other than the UK, a crucial issue concerns what they would understand by them and the nature of their foundations and underpinnings. In reality, business skills are often culturally-specific. Thus, an important task is that of distinguishing between those skills which are:

- generic;
- those which are specific to a particular culture; and
- those that are influenced by cultural specificities.

It is significant, however, that having undertaken a detailed survey of US texts for use on skills based courses, Bigelow reached the poignant conclusion that: “None of the skills texts currently available in the US make any qualifications about the cultural extent within which the skills they consider apply” (1994, p. 1). He reviewed 33 studies which identified managerial skills appropriate to an international setting and synthesised them to produce a classification based on three categories of skill:

1. International;
2. International and domestic; and
3. Domestic.

He listed the following ten skills under the first heading:

1. Cultural and organisational understanding.
2. Adaptability.
3. Establishing relations.
4. System and multiple perspective thinking.
5. Attitudes/perceptions.
7. Language.
8. Culturally influenced decision making.

Bigelow (1994) also drew attention to the emphasis placed in the international skills literature on entry skills, defined as those used to assess and comprehend a particular organisational context and develop effective working relationships, and, to a lesser extent, personal characteristics.

Lane and Distefano (1992), having reviewed a wide range of literature dealing with global strategy, global marketing, global operations management, and global human resource management, identified a profile of executive global executives which included:

- An ability to develop and use global business skills.
- Ability to manage change and transition.
- Ability to manage cultural diversity.
- Ability to design and function in flexible organisation structures.
- Ability to work with others and in teams.
- Ability to communicate.
- Ability to learn and transfer knowledge in an organisation.
Adler and Bartholomew (1992) make a distinction between transnationally competent managers and traditional international managers, and under the heading of transnational skills they list:

- Global perspective.
- Local responsiveness.
- Synergistic learning.
- Transition and adaptation.
- Cross-cultural interaction.
- Collaboration.
- Foreign experience.

While the development of cross-cultural business skills may well need to be honed in a corporate context, the importance of laying foundations at undergraduate level cannot be overstated. Here, there is increasing potential for exposing students to some, at least, of the skill requirements for engaging in cross-cultural business activity. Through such mechanisms as the Socrates exchange programme, students have opportunities for interacting with those from different cultures in a learning environment and engaging in multicultural group projects. In this way, they can begin the process of fine tuning their interpersonal, communication and intellectual skills to accommodate cultural differences.

**International management competence**

Increasingly, within the academic literature on international management, a distinction can be drawn between works on cross-cultural business skills and those on international management competence. The former comprise projects of the kind mentioned in the preceding section that involve the delineation of skills and attributes capable of being learnt and developed in a direct manner, and where learning can be measured in terms of changes in the behaviour of the learner.

The latter consist of those studies which seek to capture the quintessential nature of international management as an active and existential category or phenomenon, that is as a specific, separate and distinct state of being.

An early illustration of this thinking is provided by Ratu (1983). He attempted to profile and compare managers who were both more and less able to “think” internationally.

On the basis of his analysis, Hodgetts and Luthan (1994) developed Table I. This approach has provided valuable insights into the psychology and “being” of effective international managers. It is an interesting and significant contrast to those which recognise and advocate a list of hard-edged skills as the basis for operating in an international environment.

Such ideas have been explored, more recently, by Barham and Heimer (1995). They make a distinction between “being competencies”, which relate to the ‘underlying characteristics’ that facilitate the demonstration of skilled behaviours”, and so-called “doing competencies”, which equate to the cross-cultural business skills discussed in the previous section (1995, p. 894). For them, the underlying characteristics and associated skills are:

- championing international strategy;
- operating as cross-border coach and co-ordinator;
- acting as intercultural mediator and change agent; and
- managing personal effectiveness for international business.

Likewise, Barham and Wills (1994) believe that cross-cultural business skills have to be supplemented and underpinned by an essential core which is relatively unchangeable and crucial for the development trajectories of international managers. They suggest that this deep-rooted competence, although holistic in nature, is composed of three interlinking parts, each of which is revealed by the existence of recognisable and distinct traits. First, cognitive complexity, observed through cultural empathy, the power of active listening and a sense of humility. Second, emotional energy, evidenced through emotional self awareness, emotional resilience and risk acceptance. Third, psychological maturity, manifested through a curiosity to learn, an orientation to time and a sophisticated approach to personal morality.

These complex and somewhat esoteric ideas provide educational practitioners, particularly at undergraduate level, with a considerable challenge. On the one hand, the essential core identified by Barham and Wills (1994) is seen as relatively unchangeable; on the other, it is a relevant task of educators in this particular field to make a contribution to the development of a such a “core”. Indeed, it is essential, on any
Table 1 A comparison of managers who are more and less able to think internationally

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>More able managers</th>
<th>Less able managers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Personal objectives</td>
<td>Be able to adapt to individual people</td>
<td>Be able to adapt to society</td>
</tr>
<tr>
<td>Perceived requirements for</td>
<td>No special skills are needed; effective adaptation</td>
<td>Special skills are needed, such as patience, empathy,</td>
</tr>
<tr>
<td>successful interaction with</td>
<td>of situation</td>
<td>honesty, broadmindedness, flexibility</td>
</tr>
<tr>
<td>others</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Questions to ask in adapting</td>
<td>What is happening? Search for descriptions,</td>
<td>Why is this happening? Search for explanations and</td>
</tr>
<tr>
<td>to new culture</td>
<td>interpretations and meanings</td>
<td>reasons</td>
</tr>
<tr>
<td>Relevant data in making</td>
<td>Feelings and impressions are most important</td>
<td>Factors and information are most important</td>
</tr>
<tr>
<td>decisions</td>
<td></td>
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</tbody>
</table>


Business studies programme which purports to be vocational, to give some attention to the “being competencies” mentioned earlier. Ideally, this should be done in the context of preparing students for work experience placements and permanent employment. Failure to do so will often result in sub-optimal performances by students during the recruitment and selection process and in the workplace.

Implications for the undergraduate student experience

In considering more fully the implications of the foregoing analysis of the nature of cross-cultural capability for the undergraduate student experience, various pedagogic issues must be addressed. These arise from the traditional ethnocentricity of the curriculum and associated pedagogy; the need to find a coherent order for tackling each strand of cross-cultural capability; and the choice of appropriate teaching methods.

Ethnocentricity

In pursuing the goal of cross-cultural sensitivity, a crucial challenge for the undergraduate business studies curriculum designers is to secure a shift from an ethnocentric approach to one of ethnodiversity. In this respect, there are parallels with schools curriculum planning and the move towards multicultural approaches to education in recent years. Ethnocentricity is pervasive within undergraduate business education as the following examples illustrate. Syllabuses are often based on the assumption that economies operate according to market principles. This poses problems of analysis, policy prescription and business practice where market systems do not operate or where market forces are weak, such as the countries of the former Soviet Union. Yet the issues to which these situations give rise are often marginalised or ignored in undergraduate business programmes.

Furthermore, business organisations are viewed principally either as wealth creating vehicles for stockholders or as amalgamations of stakeholding interests, whereas in many countries it is more accurate to see them as agencies or departments of government, essentially controlled by political forces. Again, such considerations are often conspicuous by their absence in undergraduate business education in the UK.

However, tackling the problem of ethnocentricity is more complicated than simply recognising that countries differ in their economic arrangements. Cultural bias and assumptions have their roots, and are implicit, within the building blocks of subjects and disciplines and their underpinning philosophical approaches. This is particularly the case where theory is involved, which is usually perceived as being universalist in nature, value free and culturally neutral. In reality, theory often masks cultural assumptions and predispositions. For example, the theory of firm behaviour in Western cultures perceives firms as guided by objectives that are maximising in nature, the most important of which are profit maximisation and sales maximisation. However, this approach would not allow a lucid interpretation of the goals and objectives of large Japanese companies, nor would it do justice to family owned and managed firms in India. The value judgements implicit in the Western analysis of the behaviour of the firm demonstrate clear shortcomings when extended to firms operating in different cultural environments. Another example is
the approach taken to human resource management (HRM) in Western cultures, with its theorised unitary vision of shared interests between companies and employees. Although this perspective would certainly strike a chord in East Asian cultures, the emphasis on the individual rather than the collective, a defining feature of much of contemporary Western HRM in this context, would not be so easily translatable.

Further examples can be drawn from the field of investment practice. Western perspectives emphasise the need to quantify revenues in relation to costs as way of determining optimal investment approaches. In Islamic banking such considerations would not always be relevant, while the Japanese *keiretsu* have also based lending and investment decisions on other considerations. The Western approach to investment theory, by ignoring wider issues in the lending/investment process, invalidates these and in so doing characterises them as being of secondary importance.

In seeking to overcome the traditional ethnocentricity within the business studies curriculum and thereby secure a greater degree of ethnodiversity, there is a need both for content which originates from, and manifests, differing cultural values and assumptions, and for activities which raise awareness of the philosophical underpinning of particular theoretical paradigms. By this means, students can begin to develop their cross-cultural sensitivity.

So, for example, it would be necessary to introduce material which demonstrates why marketing approaches work in some cultural contexts but not others; why some technocratic solutions are culturally unacceptable; and why the accepted role of the state is viewed differently in different countries. At a more sophisticated level, students need to be exposed to, and explore, the philosophical underpinnings of key theories and concepts in undergraduate business education. This involves helping them recognise and appreciate the variety of perspectives, underpinned by cultural differences, and review these in a non-judgemental and non-prescriptive manner. Such an approach allows students to expect and anticipate differences in business practices rather than be shocked and perplexed by these, and respond to them through an evaluation of the relevant dynamics rather than through the recall of business ideas and techniques replete with a specific cultural agenda. But it also makes demands of the curriculum in terms of stated aims and objectives, and in particular requires that all curricula should stipulate the need for a scrutiny of implicit assumptions and values and that students should be guided and taught in this practice. This approach invalidates the view of students as empty vessels who are gradually filled with knowledge and ideas, and frames them as epistemic subjects attempting to construct an understanding of their world.

**Ordering and structure**

A strategic approach to the facilitation of cross-cultural capability within the context of the undergraduate business studies curriculum demands well justified choices in relation to the ordering and sequencing of, on the one hand, cultural awareness and, on the other, the development of cross-cultural business skills. In terms of chronology, it could be argued that cultural awareness should be addressed before focusing on doing (i.e. skill development). However, a majority of educators would probably accept that skill development is most effectively pursued when contextualised within relevant tasks and subject matter. This has led to the development of skills in undergraduate business education from the inception of the curriculum. Consequently, it would be difficult to adopt an approach based on the facilitation of cultural awareness prior to skill development. Thus, the most appropriate approach is to develop cultural awareness and cross-cultural business skills simultaneously. One way forward in this respect is provided by Clackworthy’s notion of a cultural learning curve (Berger, 1996), which plots the developmental and attitudinal dimensions of cultural learning (see Figure 1).

These stages of cultural learning could be mapped on to stages in skills development, as illustrated in Table II.

The challenge is to synthesise the trajectories of cultural awareness and skill development within a coherent programme, in a relational, referential and evolving manner, and thereby make genuine progress towards the enhancement of the cross-cultural capability of students. In adopting such an approach, skill development would be infused with ethnodiverse perspectives as the
facilitation process proceeded for the duration of a programme. However, in an era of unitisation and modularisation this presents programme designers with a considerable difficulties. Cross-cultural capability is a programme-wide objective that is best served by a programme-wide strategy, which can be practically and visibly embedded in a relevant manner within individual units. As such, it needs to be mapped as a cross-curriculum theme with clearly identifiable inputs and outputs as a programme progresses. It is therefore incumbent on those committed to the development of cross-cultural capability to ensure that case for integration in programme design does not go by default.

This leaves the vexed issue of how to address the “being” dimension of cross-cultural capability. In terms of the ordering and sequencing outlined above, the essential core of cross-cultural capability is an outcome of the facilitation process synthesising cultural awareness and skill development. However, such a position contradicts perspectives which suggest that “being” comes before “doing”. Clearly, within a traditional undergraduate programme, even where careful attention has been given to the phasing of inputs to foster the development of cross-cultural capability, it is unrealistic to expect that very much time could be allocated to this aspect prior to the development of cross-cultural business skills.

Moreover, as argued with respect to skill development, contextualisation is essential. Thus, arguably the best strategy for dealing with the “being” dimension is to introduce students to the basic concepts as part of a diagnostic exercise during induction, thereby providing them with some insights into not only the essence of “being competencies”, but also the nature and scale of the challenge they face if their ultimate goal is to become a highly competent international manager. This could then be followed up, as mentioned earlier, in the context of preparing students for placement and permanent employment. It could also feature in the design of portfolios for the development of personal effectiveness.

**Teaching methods**

In the search for teaching methodologies relevant to the development of cross-cultural capabilities, much can be learnt from the training literature. Landis and Brilisin (1983) identify a number of fundamental cross cultural training methodologies, viz information or fact oriented training; attribution training, which focuses on explanations of behaviour from the perspective of the native; cultural awareness training; cognitive behaviour modification; experiential learning; and interaction training. Stewart Black and Mendenhall (1991) develop this discussion by suggesting the methods that are most appropriate in given situations, and when learning is most effective. They position training methods in relation to training rigour (degree of cognitive involvement of learner) and modelling process (either symbolic or participative).

These ideas can be adapted to suggest relevant teaching approaches with respect to the development of cross-cultural capability in undergraduate business education, in the context of the previous discussion of ordering and sequencing (see Table III).

This framework attempts to bring together the three dimensions of cross-cultural

<table>
<thead>
<tr>
<th>Stages of cultural awareness</th>
<th>Stages of skill development</th>
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<tbody>
<tr>
<td>Ignorance/local expert</td>
<td>Entry level skills</td>
</tr>
<tr>
<td>Realisation/tourist</td>
<td>Recognition of strengths and weaknesses and skills gaps</td>
</tr>
<tr>
<td>Understanding/curious sojourner</td>
<td>Comprehension of nature and dimensions of skills development</td>
</tr>
<tr>
<td>Synthesis/bicultural expert</td>
<td>Achievement of skills-based capabilities</td>
</tr>
<tr>
<td>Selection/integrator</td>
<td>Combining skills approaches to construct meta capabilities</td>
</tr>
<tr>
<td>Deftness/leader</td>
<td>Negotiating tasks to allow utilisation of meta capabilities</td>
</tr>
</tbody>
</table>
Table III Training methods in relation to training rigour

<table>
<thead>
<tr>
<th>Cognitive engagement</th>
<th>Nature of teaching methods</th>
<th>Examples of teaching methods</th>
</tr>
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<tbody>
<tr>
<td><strong>Level 1</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td>Factual</td>
<td>Lectures, books, videos, guest speakers, comparative exercises, research exercises</td>
</tr>
<tr>
<td><strong>Level 2</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>Analytical</td>
<td>Classroom language training, case studies, interactive CD-ROM, projects, e.g. international marketing</td>
</tr>
<tr>
<td><strong>Level 3</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>High</td>
<td>Experiential</td>
<td>Multicultural groupwork, self-diagnosis of cultural traits, role plays, simulations, international work experience, visits, personal development portfolios</td>
</tr>
</tbody>
</table>

Source: adapted from Stewart-Black and Mendenhall (1991)

awareness, skills development and teaching/learning methodology within the context of the chronology of degree level undergraduate business education. It suggests the nature of the key components of the student experience relevant to the facilitation of cross-cultural capability, and indicates the influences on the evolving nature of “being” relevant to actors in international business. It raises crucial issues of assessment, particularly with respect to the less factual and more behavioural dimensions of cross-cultural capability. The literature on group work, for example, is testimony to the difficulties experienced by those using this vehicle in terms of managing the process and evaluating the outcomes; assessing performance in multicultural groups adds another layer of complexity which educators must be prepared to respond to through appropriate and robust strategies which state clearly what is to be assessed and the criteria relevant to grading performance. The framework also suggests that the “being” dimension of cross-cultural capability could be authenticated and evidenced towards the end of an academic programme, through the mechanism of a personal development portfolio, that would incorporate both formative and summative elements associated with this phenomenon.

Conclusion

This article has attempted to describe the crucial aspects of cross-cultural capability, and has identified three important strands: (1) cross-cultural sensitivity; (2) cross-cultural business skills; and (3) international management competence. Furthermore, it has suggested a pedagogic strategy aimed at the facilitation of these attributes within the context of undergraduate business studies programmes. It is hoped that this analysis will stimulate reflection among those involved in organising and designing programmes of study, as they aim to respond to the demands of the increasingly globalised world economy.

References


Further reading