Intercultural Competence and Conscious Leadership

2/20/2019
10-11am ET
The Association represents 650,000 members and students in 179 countries.

AICPA National Commission on Diversity and Inclusion

The work of the NCDI focuses on ethnicity and race to help the profession attract and retain minorities in their organizations.
Why Does Intercultural Competence Matter?

Bottom Line: More Contact Among Different Groups of People
THE DANGEROUS MYTHS OF NATIONAL ASSIMILATION AND GLOBAL CONVERGENCE

1927

THE MELTING POT
BY ISRAEL ZANGWILL

1992

THE END OF HISTORY AND THE LAST MAN
BY FRANCIS FUKUYAMA

2013

ASIA, THE WEST, AND THE LOGIC OF ONE WORLD
BY KISHORE MAHBUBANI

2016

THE GREAT CONVERGENCE
BY RICHARD BALDWIN

IDR Institute
Intercultural Development Research
Actually, globalization and social diversity means more cross-cultural contact and increased emphasis on cultural differences.

In the “global village” our neighbors will be profoundly different from ourselves.

Marshall McLuhan, 1964
Cross-Cultural Contact
(The Good News and the Bad News)

Contact in conditions of relatively equal power (similar status) increases tolerance and decreases prejudice

This is why fear of immigration does not apply to the immigrants you work with

Contact in conditions of unequal power (dissimilar status) increases prejudice and stereotyping and decreases tolerance

Immigrants and refugees in general are considered to be lower status

Gordon Allport (1954) *Nature of Prejudice*
(Confirmed: Amir, 1969; Pettigrew, 2000)
The Developmental Model of Intercultural Sensitivity (DMIS)

**Perceptual Experience of difference**

<table>
<thead>
<tr>
<th>Denial</th>
<th>Defense</th>
<th>Minimization</th>
<th>Acceptance</th>
<th>Adaptation</th>
<th>Integration</th>
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<tbody>
<tr>
<td>Failing to perceive the existence or relevance of culture</td>
<td>Perceiving specific cultural groups in polarized and evaluative ways</td>
<td>Focusing on underlying human commonality to reduce prejudice</td>
<td>Attributing equal human complexity to different cultural groups</td>
<td>Generating appropriate and authentic alternative behavior</td>
<td>Including cultural context in decision-making and acting with contextual ethical commitment</td>
</tr>
</tbody>
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**Ethnocentrism**

“What difference?”

“Deport them (except my friends)”

“I don’t see color”

**Ethnorelativism**

“What can I learn?”

“How can I adapt?”

“We are all citizens of multicultural societies”

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IDR Institute
Intercultural Development Research
Effectiveness in creative tasks

Monocultural Teams

Multicultural Teams

Leader ignores or suppresses cultural difference

Cultural difference becomes an obstacle to performance

Leader acknowledges and supports cultural difference

Cultural difference becomes an asset to performance

Average Performance

Contextual Intelligence

- Nitin Nohria & Tony Mayo – Harvard University Leadership Initiative database

  - 1300 innovative business leaders in 20th and early 21st century

    - No personality characteristics in common
    - Widespread ability to identify trends
    - Shared ability to recognize context, shift context, and synthesize across contexts
Leadership Consciousness

- **Contextual Acuity**
  - The *self-referential* ability to recognize one’s own personal, cultural, and organizational role context.

- **Contextual Agility**
  - The *self-reflexive* ability to shift perspective from one’s own to various other personal, cultural, and organizational role contexts.
Objective and Subjective Culture

Big “C” Culture

Cultural institutions: what people create

Little “c” Culture

Cultural worldview: what people experience

Socialization

The coordination of meaning and action among people interacting within a boundary

Role Enactment

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Cultural Boundaries

- The coordination of meaning and action among people interacting within a boundary. Types of boundary include:

  - National
    - eg. Austrian, U.S. American, Japanese
  - Ethnic (National, Regional, Tribal Heritage)
    - eg. European, African, Kurdish, Jewish
  - Ethnic + National
    - eg. European or African American, Turkish German,
    - Albanian Italian, Chinese Malaysian
  - Regional
    - eg. East/West Germany, North/South Italy
  - Political/Religious
    - eg. right/left, Christian/Muslim
  - Organizational
    - eg. oil companies, finance companies
  - Functional
    - eg. engineers, accountants
  - Other culture categories
    - eg. age, class, gender, physical ability, sexual orientation
Applying group generations to individuals creates stereotypes
What To Pay Attention To
Communication Styles

Linear Expression (Low Context)

A  B  C  Point

- Cut to the chase
- Get to where the rubber meets the road
- What’s the bottom line?
Communication Styles

Circular (High Context) Style

A → D → E → C → A (Point)
Communication Style Clash: Linear-Circular

Mutual Negative Evaluations

Wasting time, scattered, +?

Brusque, rude, +?
Reconciling Unity and Diversity

UNITY

focus
uniformity

UNITY

DIVERSITY

divisiveness
innovation

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WHO ADAPTS TO WHOM?

When in Rome, Do as the Romans
Assimilation

Everywhere is Rome
Inclusion
Mutual Adaptation: Co-creating Virtual Third Cultures

Host Culture

Third Cultures

Culture A

Culture B

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Further Resources:
www.idrinstitute.org

Bennett, M. (revised 2016) *Intercultural competence for global leadership.*
Milan: IDRInstitute
Where and When
Denver, CO, May 15-16 2019

Objective
The 2019 Accounting Profession Diversity Symposium brings together accounting firms, state societies, colleges and universities, other organizations to incubate fresh ideas and breakthrough strategies that will help the profession sustain a pipeline of diverse talent.

Register today
Women’s Global Leadership Summit

Nov. 6–8, 2019 • On-site in San Diego or online • Save $100 through Sept. 22

Where and When
San Diego, CA, November 6–8, 2019

Objective
To focus on leadership, boardroom diversity, and best practices to enhance the skills and potential of women leaders within the financial community

Who Should Attend
Female financial professionals/accountants
Global leaders
Male colleagues
AICPA On-Line Mentoring Program

What will you **learn from each other**?

What will you learn from **learn from your older self**?

Further details on

aicpa.org/mentoring