

The Global Mindset Playbook: Skills, Strategies, and Success



Part 2: Beyond Being Culturally Savvy: Defining Global Competence for Today's World

The second play in your Global Mindset Playbook: Why global competence is essential and how to make it a winning strategy.

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As someone who has been working in globally my entire career, I am often asked what **global competence** is, and if it is the same as **cultural competence**. In researching for this blog, I came across a myriad of articles on **how** to become globally competent, but a dearth of material actually **defining** the concept. This is important because a “competency framework articulates the behaviors that leaders and employees must exhibit to execute the organization’s strategic and cultural priorities.” Defining those competencies enables organizations to select, train, develop, promote, and assess performance much more effectively and objectively.

A good starting point is to distinguish between **cultural** and **global competence**. Interestingly, the two terms are often used synonymously or interchangeably. But are they the same?

Cultural Competence prepares people to work with and within diverse cultures. Example: the assignee to India needs cultural competence - the knowledge and skills – to work effectively *within* India. Or the engineer needs cultural competence when collaborating *with* his team in India.

Global Competence, on the other hand, prepares people to work *across* different cultures *and* global systems. The scope of global Competence is much wider than that of Cultural Competence: it includes understanding economic, social, political, and even historical influencers that can impact global business.



My favorite definition of Global Competence was coined by C.K. Hunter and W.D. Hunter, Ed.D. in 2018: “Having flexible, respectful attitudes, including self-perspective, and applying knowledge of the historical, geographic, and societal factors that influence cultures in order to effectively interact and build relationships with people around the world.”

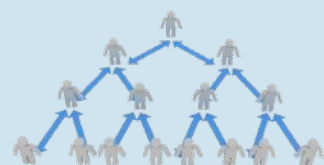
The factors or dimensions that this definition links to global competence have been validated by rigorous research. These dimensions are grouped into 2 categories:



- I.** Internal readiness, relating to self-perception and attitudinal drivers: self-awareness, risk taking, open mindedness, and attentiveness to diversity.
- II.** External readiness, which is related to the education and life experience of the individual: global awareness, intercultural capability, and collaboration across cultures.

As you can see, intercultural capability is an important part of this definition but not the only part.

For example, while one can be culturally aware of the differences between Asians and Westerners, a historical perspective is also vital for **appreciating the nuanced challenges** that can exist between people of different cultures and countries. Not knowing about the Opium Wars or the Sino-Japanese War during WWII could create tension between Chinese team members and colleagues from countries like the U.S., France, Britain, or Japan. These historical events are taught to all Chinese children. Understanding the historical impact of these two wars - and how they shaped China's psychological, geopolitical, and cultural approach to doing business with the West and Japan - would be valuable knowledge for a global leader.



Cultural competence, referred to by other names such as **cultural agility** or **cultural dexterity**, for example, is indeed valuable for anyone working in the global marketplace. Understanding national cultural values vis-à-vis one’s own cultural workstyle preferences brings significant value to interactions, communications, and collaboration. A culturally competent person can understand why, for example, a colleague from Asia or South America might be reluctant to correct their leader on a team call. Or that ‘yes’ is a ‘conversation smoother’ and not necessarily an affirmative confirmation. Strong intercultural skills would help the employee know how to go about these two scenarios as they recognize the role of hierarchy – a cultural value that prefers the unequal distribution of power – in many cultures around the world.

But cultural competence is just one of several components of *global* competence. Just as cultural awareness gives us an understanding of the context behind the behaviors of our international colleagues, **global awareness** – both current and historical – gives us valuable context for international business endeavors. For example, a globally competent supply chain leader when tasked with mitigating risk across worldwide operations understands that political instability, environmental regulations, and labor regulations differ across countries and regions, and are thus motivated to collaborate with local partners to balance ethical sourcing with cultural expectations. They then communicate the contingency plans they’ve developed efficiently across time zones and languages to align employees in a shared common goal.

This example shows the need for more than **intercultural understanding** and skills for effective management of global business. Today’s global leader needs a strong understanding of global systems and their interconnectivity. Understanding cultural communication preferences, as well as the socio-political environment of their different business, allows for more impactful and effective decision making. This also includes being attuned to diversity – not just cultural diversity, but also that of gender, age, ethnicity, religion, political beliefs, and historic experiences. This knowledge allows employees to take collaboration and commitment to a higher level. This is why most definitions of Global Competence fall short in my opinion.

If global competence is a combination of attitudinal drivers, past experiences, and cultural knowledge, then Human Resources can modify recruitment processes to screen for global competence as opposed to just cultural competence.



HR can also provide a variety of developmental experiences to further grow our global talent. We know, for example, that many international assignments – both short- and long-term – are considered developmental assignments. Yet, surprisingly, these high-potential development opportunities are not given the training and development support that would leverage the experience of working internationally to enhance global competence.

Understanding the components of global competency can assist us in recruiting, selecting, on-boarding and developing the right talent to meet our global objectives – **and isn't that what we're all working towards?!**

Stay tuned for Part 3 of *The Global Mindset Playbook: Skills, Strategies, and Success*, where we'll dive into what it takes to build a well-rounded, holistic approach to global competence – and how to turn strategy into meaningful impact.



For questions, please contact
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