The Business Cultural Intelligence Quotient (BCIQ)

Presented by Ilan Alon
Where it all started

Teaching about culture in international business
Attending a colleague class in OB related to EQ
Research Question:
What is the relationship between EQ and culture in INB?
Global leadership success through emotional and cultural intelligences

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Keywords: Cultural intelligence; Emotional intelligence; Global leadership success

Abstract: Culturally attuned and emotionally sensitive global leaders need to be developed: leaders who can respond to the particular foreign environments of different countries and different interpersonal work situations. Two emerging constructs are especially relevant to the development of successful global leaders: cultural and emotional intelligences. When considered under the traditional view of intelligence as measured by IQ, cultural, and emotional intelligences provide a framework for better understanding cross-cultural leadership and help clarify possible adaptations that need to be implemented in leadership development programs of multinational firms. This article posits that emotional intelligence (EQ), analytical intelligence (IQ), and leadership behaviors are moderated by cultural intelligence (CQ) in the formation of global leadership success.

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Cultural Intelligence and Global Leadership

- IQ: Verbal and Mathematical Intelligence
- EQ: Emotional Intelligence
- CQ: Organizational Cultural Intelligence
- Motivation: Elements and Types Of Motivation

Leadership Behaviors → Domestic Leadership Success

CQ: Geographic/Ethnic Cultural Intelligence

Global leadership success through emotional and cultural intelligences

Culturally attuned and emotionally sensitive global leaders need to be developed: leaders who can respond to the particular foreign environments of different countries and different interpersonal work situations. Two emerging constructs are especially relevant to the

Zitiert von: 252 Ähnliche Artikel Alle 9 Versionen Zitieren Speichern
What is Cultural Intelligence?

- Ability to successfully work in a cross cultural environment
- Interpret unfamiliar verbal and nonverbal cues accurately
- Adapt behavior to cultural norms and expectations
- Improve situational judgment in cross-cultural settings
- Effectively manage culturally-diverse populations

- A system of interacting knowledge and skills, linked by cultural meta-cognition, which allows people to adapt to, select and shape the cultural aspects of their environment (Thomas et al., 2008)
Impacts of Cultural Intelligence

- Work and academic performance and judgement
- Work related attitudes
- Psychological and sociological adjustment
- Cross cultural impression management
- Expatriate and international assignment success
- Global leadership success
Related to Various Fields

• Human resources area (e.g. Wood and St. Peters, 2014; Yao, 2014)
• Cross-cultural management (e.g. Ramsey et al., 2011)
• Cross-cultural psychology (e.g. Hofstede and McCrae, 2004)
• Pedagogy and counseling (e.g. Wrenn, 1962; Van der Zee and Brinkmann, 2004)
• Political science and defense (e.g. Gabrenya et al., 2011),
• Communications studies (e.g. Montaglioni and Giacalone, 1998)
• Study abroad (Wood and St. Peters, 2014; Durrant and Dorius, 2007)
• Applied psychology (Bennett, 1977), etc
Judith Meyers – Cross Cultural Adaptability Inventory (Paper and Pencil Test)

CCA I Scale Dimensions

The CCAI helps you evaluate yourself on four characteristics that are related to cross-cultural effectiveness. These characteristics can be modified through training and experience.

Read the descriptions of the four CCAI dimensions below. This information will help you understand your results.

Emotional Resilience (ER):
Being among people from another culture can be frustrating, confusing, and lonely in these situations. It is important to be able to maintain a positive attitude, to tolerate strong emotions, and to cope with ambiguity and stress. It is also helpful to be able to maintain one’s self-esteem and self-confidence. Other characteristics associated with emotional resilience include confidence in one’s ability to cope with the unfamiliar and to react positively to new experiences. This can require courage, risk-taking, and a sense of adventure.

Flexibility/Openness (FO):
Adapting to different ways of thinking and acting requires an ability to be open to ideas that are different from one’s own and to people who are different from oneself. These characteristics are also helpful in developing relationships with people who are different from oneself. Tolerance, lack of rigidity, and a liking for and comfort with all kinds of people are also features of a person who is strong in this dimension.

Perceptual Acuity (PAC):
Unfamiliar language—verbal or nonverbal—makes communication more difficult. Perceptual acuity is associated with attentiveness to interpersonal relations and to verbal and nonverbal behavior. It also involves paying attention to the context of the communication, being able to read people’s emotions, being sensitive to one’s effect on others, and communicating accurately. In addition, a person who scores high on this dimension is able to interpret information objectively.

Personal Autonomy (PA):
When one encounters people whose values and beliefs are different from one’s own, self-knowledge is important. The main characteristic associated with personal autonomy is a strong sense of identity. Personal autonomy also includes the ability to maintain one’s own personal values and beliefs, to take responsibility for one’s actions, and to respect oneself and others. People with high personal autonomy feel empowered. They know how to make and act on their own decisions while respecting the decisions of others.
In 2006, Journey for Measures (Dream Team) 

Venture on developing a new and improved tool of cultural intelligence, contacted

• Judith Meyers, clinical psychologist 
• Jim Higgins, OB professor 
• Derek Mann, MHS psychometrician 
• Myself, an international business professor
First Step for Developing the Instrument

• Identify competitors and evaluate their instruments
• Evaluate related constructs
• Develop a long list of items (100+)
• Test these items for factor structure and redundancy
• Limit the number of questions to a manageable amount
• Use Executive MBAs in different parts of the world as a test group
Related Constructs

• Cross-cultural adaptability
• Cultural sensitivity
• Cross-cultural or intercultural competence
• Global mindset
• Cross cultural adaptability
• Transcultural self efficacy
• Cultural adjustment and acculturation
• For a good review
  • See http://edutechwiki.unige.ch/en/Cultural_competence
In 2008-10, The Lull, and the New Hope

• Jim Higgins retiring and not willing to endure additional years
• Derek Mann loses hope in commercialization
• Judith Meyers and I left standing
  • Need missing skills
    • Michele Boulander, statistician
  • Need proper sample for validation
    • Call for participants
    • Vas Taras, X-Culture
Developing the BCIQ

• Defined domains based on literature review
• Operationalized knowledge, skills, actions, and cultural metacognition
• Developed and tested prototypes
• Validated instrument using appropriate extensive statistical analysis including EFA and SEM
• Validation published in Cross Cultural and Strategy Management (2016) and Thunderbird International Business Review (2016)
The development and validation of the Business Cultural Intelligence Quotient

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Judith Meyers
CCAI Consulting, San Diego, California, USA, and
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Abstract
Purpose – The purpose of this paper is to present a new instrument for measuring cultural intelligence in the business context (BCIQ).

Design/methodology/approach – The paper describes the process of the conceptualization of the model and the development of the instrument, the sample, as well as the validation of the instrument. Directions on the use of the instrument and future research are discussed.

Findings – The instrument shows good psychometric properties and good predictive power and outperforms other publicly available CQ measures on a number of dimensions.

Originality/value – The unique features and advantages of the present instrument are as follows: first, a refined factor structure compared to existing CQ instruments; second, use of objective cultural knowledge measures; third, applicability in the business and workplace contexts; thus rendering the instrument suitable for measuring cultural intelligence among expatriates, employees, and global virtual team members; and fourth, improved reliability and validity as compared to other Cultural Intelligence Quotient measures.

Keywords Cultural intelligence, Instrument validation, Measurement

Paper type Research paper

Business Cultural Intelligence Quotient: A Five-Country Study

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Cultural intelligence (CQ) has often been linked to performance as an individual, team, and firm factor in international business success. Using a new measure of CQ, the business cultural intelligence quotient (BOCQ), our study provides empirical evidence on several key antecedents of CQ using data on business professionals across five diverse countries (Australia, Colombia, Greece, Spain, and the United States). The findings suggest that the most important factor leading to cultural intelligence, in order of importance, are the number of countries that business practitioners have lived in for more than six months, their level of education, and the number of languages spoken. We find that cultural intelligence varies across countries, suggesting that some countries have higher propensity for cross-cultural business interactions. By testing the common antecedents of BOCQ among professionals, our findings may help with assessing and training professionals for international assignments. Future research may examine the environmental (country-specific) facets associated with a
Assessment Available for Free, for now

• You can take the assessment, along with your colleagues, by going to:
  • https://bannerweb.rollins.edu/prod/owa/pkg_bciq.p_login
• And selecting Trial Visit under School/Event drop menu
  • with password 638512
About the BCIQ

Composed of three sections that capture those elements found in the literature to influence cross-cultural intelligence

1. The Demographics Section quantifies one’s experience and exposure to cross-cultural situations.

2. Self-report measures frequency of behavior, thought or action (5-point Likert Scale).

3. Objective measure requiring True/False responses to factual questions about general knowledge on a global and national scale.
Validation of the BCIQ

• 3 different databases for cross-validation and concurrent validity
• Data base comprised of university cross-cultural project, university students and faculty, and practicing MBA professionals
• Sample of students assessed in Spring 2013 was 2,125
• Ang’s assessment and BCIQ cross-validated on 709 students
Four Original Dimensions of BCIQ

<table>
<thead>
<tr>
<th>Factor</th>
<th>Name</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIQ1</td>
<td>Motivation</td>
<td>An assumed force operating internally that induces and individual to choose one action over another, specifically choices supporting openness to new ideas, interpersonal relationships, cultural identities, and experiences</td>
</tr>
<tr>
<td>CIQ2</td>
<td>Listening, Communication, and Adaptation</td>
<td>The cross-cultural utilization of baseline verbal/nonverbal awareness regarding social practices and how information is exchanged. Also, the ability to accurately modify and adapt actions according to the situation</td>
</tr>
<tr>
<td>CIQ3</td>
<td>Cognitive Preparation</td>
<td>The self-study of appropriate cross-cultural behavior/business practices</td>
</tr>
<tr>
<td>CIQ4</td>
<td>Global Knowledge</td>
<td>The level of general knowledge about other cultures in terms of facts, customs, practices, norms, and values.</td>
</tr>
<tr>
<td></td>
<td>BCIQ1—Motivation</td>
<td></td>
</tr>
<tr>
<td>--------------------------------</td>
<td>-------------------</td>
<td>--------------------------------</td>
</tr>
<tr>
<td>Number of countries lived in besides country of origin</td>
<td>$2.5350^{***}$</td>
<td>—</td>
</tr>
<tr>
<td>Number of languages spoken fluently besides native language</td>
<td>—</td>
<td>$2.6848^{***}$</td>
</tr>
<tr>
<td>International orientation</td>
<td>—</td>
<td>$1.1597^{***}$</td>
</tr>
<tr>
<td>Female</td>
<td>$0.9820^{*}$</td>
<td>$0.7519$</td>
</tr>
<tr>
<td>Age</td>
<td>$-0.1034^{***}$</td>
<td>$-0.0851^{***}$</td>
</tr>
<tr>
<td>Level of education</td>
<td>$1.4007^{***}$</td>
<td>$1.3371^{***}$</td>
</tr>
<tr>
<td>N</td>
<td>1173</td>
<td>1151</td>
</tr>
<tr>
<td>LR test multilevel vs linear regression p-value</td>
<td>0.0000</td>
<td>0.0000</td>
</tr>
<tr>
<td>Intraclass correlation coefficient (empty model)</td>
<td>4.23</td>
<td></td>
</tr>
</tbody>
</table>

Note: The table above shows the results of multilevel hierarchical linear regression. The coefficients are presented for each variable across different dimensions of the BCIs (BCIQ1—Motivation, BCIQ2—Listening, Communication, and Adaptation, BCIQ3—Cognitive Preparation, BCIQ4—Global Knowledge). The asterisks indicate the level of significance: $^*$ for $p < 0.1$, $^{**}$ for $p < 0.05$, and $^{***}$ for $p < 0.01$.
BCIQ – 50 Finalization of Six Dimensions

1. Motivation

2. Adaptive Communication Behavior

3. Cognitive Preparation and Learning Behavior

4. Active Learning and Perceptual Sensitivity

5. Cognitive Awareness

6. Global and National Knowledge
BCIQ- 38 Establishment of Five Initial Dimensions

1. Openness and Tolerance to Ambiguity and Uncertainty
2. Listening and Communicative Adaptation
3. Cognitive Preparation and Learning Behavior
4. Interpersonal Relationship Management
5. Global and National Knowledge
The **adventure seeker** is someone who enjoys communicating with the cultural others, the novelty of the experience and celebrates the differences that exist between people of different societies. The adventure seeker when traveling might stay in a more indigenous housing accommodations, try to eat local foods, and experience the cultural entertainment and culture life. He or she will fully immerse in the society and try to both learn about it and from it through language, testing his or her prior beliefs, and observing peoples non-verbal communications. The adventurer is inclined to engage diverse groups and be open to new experiences, new foods, novel and authentic experiences. The prepared adventure seeker might study the country and attempt to learn about it prior to his or her travels or business visit.

The **communicator** uses verbal and non-verbal communications signals to learn about the society. He or she has a natural drive to connect with others. The communicator knows the importance of silence and pays attention to what is not being said, as well as what is being said. The communicator reads the social context of the communications. He or she will pay attention to facial expressions, verbal nuances and non-verbal communications. The communicators knows that the choice of words are important as they affect how people feel. He or she posses the cognitive flexibility necessary to make shifts in the communication style. The communicator is as good of a listener as he or she is a talker. She is perceptually sensitive and an active listener.
2018 version continued...

• The **information seeker** is open to new ideas, people and culture and is intrinsically motivated by the interest in the cultural others. He or she probably watches various international media and reads news to stay abreast of international news affecting his or her business and personal life. The information seeker is a globalist by nature who understands that when the butterflies flocks its wings in China, it can affect someone else in a remote part of the world. The information seeker seeks to reduce risk by learning from various sources of information and increasing their knowledge base. The information seeker is likely to seek data on social, political and economic events affecting his or her status. The information seeker prepares himself or herself to new cultural experiences and develops strategies based on this knowledge.

• The **integrator** is someone who can fit in to different cultures by absorbing some of the culture’s values, beliefs and behaviors. The integrator is also someone who can bridge the gap for new immigrants visiting his/her country. He or she is a natural with all kinds of people and understands the importance of relationships. The integrator achieves cultural intelligence through friendships, associations and collegiality. He or she is willing to invest in the relationship and is good in both making and maintaining different types of friends. The integrator has a need for people and is friendly and sociable.
Advantages of BCIQ

- Validated and published
  - With concurrent and predictive validity
  - Used in 14 published studies so far (2018)
- Available for use with immediate feedback online
- Focuses on business and business needs
- Includes knowledge questions
- Contemporary, regularly updated
- Available base of customers using BCIQ gratis and with pay
Validation and Invariance Studies


BCIQ-50 Research Opportunities

• Database 1,875 responses from business people, academics in business, or people studying business at the undergraduate or graduate levels.

• Respondents live in 68 different countries and are born in 107 different countries.

• 70% of the respondents live in the same country they were born and 83% were born in the same country as both their parents.

• Age varies between 18 and 65 years old.

• There are about half females and half males.

• About 85% of respondents in the database have some level of post secondary education and about 15% completed high school and stopped their education there.

• Factors such as language fluency, number of countries lived in and number of countries visited have also been recorded.

• Performance in BCIQ correlated with number of languages spoken, number of countries lived in, number of countries visited, level of education, gender...
Country of Origin Impact

Figure 1: Mean of BCIQ Factors versus Country of Birth
BCIQ Applications

- Impact of international education (international offices)
- Teaching international business and cross cultural management
- Assurance of learning for accreditation
- Development of virtual international teams in working efficiently together (X-culture)
- Recruitment and selection
The Future

• A test of the original work now possible with new data
• Continued work with X-Culture
  • Enhancing the instrument, knowledge is key
  • Move from perceptions to reality
• Contribute instrument to researchers
• Enage professors and students
• Commercialization
  • Innovation Norway, Do it Youself
Testing using X-Culture
Cultural Intelligence and Global Leadership

IQ
Verbal and Mathematical Intelligence

EQ
Emotional Intelligence

CQ
Organizational Cultural Intelligence

CQ
Geographic/Ethnic Cultural Intelligence

Leadership Behaviors

Domestic Leadership Success

Global Leadership Success

"Global leadership success through emotional and cultural intelligences" by M. L. Alon, J. M. Higgins - Business horizons, 2005 - Elsevier

Culturally attuned and emotionally sensitive global leaders need to be developed: leaders who can respond to the particular foreign environments of different countries and different interpersonal work situations. Two emerging constructs are especially relevant to the
Case: BCIQ by Alon et al
Type: Analysis of business idea
Performed by: HZ, AP and FA, 03.11.2016

What is job-to-be-done: Employ the right person for a position in an international business environment
Who is the key customer: Recruiting and selection companies via test distributors (e.g. CEB/CUT-E)
What is the foothold market:
How big is the total market:

1. The identified job is important to the customer
2. The customer does not get the job done in a satisfactory way today
3. The solution is GOOD ENOUGH within the traditional dimensions

4. The solution is BETTER within new dimensions
5. The business model is attractive. Manageable buying constraints
6. It is possible to earn money in the foothold market
7. There are opportunities to reach a mass market
8. The important competitors do not care about what we do

Result: Disruptive potential
Score: