

# THE BUSINESS CASE FOR CULTURAL INTELLIGENCE (CQ)

By Dr. Tom Verghese



Emotional intelligence (EQ) and Managerial Intelligence (MQ) have been well established as crucial for senior leaders. EQ and MQ are insufficient if your organisation is operating across borders, distance and multiple time zones. Cultural Intelligence CQ is a 'must have' skill in today's global environment.

CQ is a person's capacity to function effectively in culturally diverse settings. Although Cultural Intelligence levels vary a great deal between individuals and within teams and organisations, the good news is that with appropriate training and responsiveness it can be developed.

Cultural Intelligence will increase productivity, reduce operating costs and improve talent development and retention.

In terms of your international markets are you asking?

- How can we gain a better understanding of our **local markets**?
- How can we ensure that critical **IP, knowledge and expertise** are not lost when we outsource and partner with external parties?
- Why are project **timelines** and **budgets** regularly 'blown out'?
- Are our international **relationships** purely transactional?
- Why does innovation seem stifled and problematic?
- Are we a Culturally Intelligent organisation?
- Is CQ part of our organisational **DNA**?

If you are reading these questions with a nod, then you will intuitively understand that CQ is a business imperative! Cultural Intelligence allows leaders and their organisations a greater sense of connectivity with their local and overseas counterparts, facilitates the ability to tap into 'what is happening on the ground' and incorporates the knowledge and expertise to help make informed decisions, quickly and accurately.

**The business case for CQ is:**

- Open up **new markets** and provide for a deeper understanding of these markets
- Improve **engagement** with local staff
- **Leverage local knowledge and expertise**
- Improve **innovation and creativity**

- **Reduce costs** and **improve timelines** on projects
- **Lead to greater collaboration** between teams
- Develop greater understanding of what your local **customers** and **clients need**
- Establish/improve **relationships** and **trust** at a much faster rate

**Cultural Intelligence assists your organisation to achieve the above by:**

❖ **Improving listening and communication skills =**

*Greater extraction of local knowledge + deeper relationships*

❖ **Understanding behaviours and habits in local markets =**

*Improved teamwork + improved relationships*

❖ **Improving leadership skills =**

*Increased staff productivity + talent development*

❖ **Improving trust =**

*Increased collaboration, + increased innovation*

❖ **Supporting Change and Foster Resilience =**

*Improved alignment + collaboration in teams*

Developing CQ is not easy – it requires motivation, reflection, insight, knowledge and skills. I have seen enormous benefits in my clients from the application of CQ demonstrated through their skills and capabilities.

Cultural intelligence gives individuals and organisations different ways of thinking and behaviours that support more effective business processes and outcomes. In this ever competitive, globalised world, CQ is what will make the difference between a mediocre and a successful transnational organisation.

Dr. Tom Verghese is an internationally renowned consultant, presenter, executive cultural coach, author and founder of Cultural Synergies. To find out more about Cultural Intelligence or Dr Tom Verghese please go to [www.culturalsynergies.com](http://www.culturalsynergies.com)