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Using UGM's Cultural Competence Model in the Asian Century

From decades of research and experience, we've distilled this practical, 6-step model of cultural competence

1. You'll definitely need the White Paper-listed attributes of adaptability, resilience and problem-solving orientation as step one. You'll also need a sense of curiosity, driven by a desire to understand more about different cultures.
2. It's vital to develop a robust, research-based 'cognitive map' to help you make sense of the differences you experience, including differences in thinking styles, in value priorities, communication patterns and ways of behaving in common situations.
3. Next, you'll need to refine your ability to observe situations closely and decode them using your cultural insight. The ability to be mindful provides a powerful bridge between knowledge and action!
4. You'll then need to choose a range of suitable, previously-rehearsed behaviours, right for your context.
5. Interactions are complex, so it's likely you'll need to deploy a portfolio of actions.
6. Finally, you'll need to continuously monitor how things are going and adjust your behaviours to suit.

CULTURALLY COMPETENT BUSINESS IN THE ASIAN CENTURY

Sizzle without substance?

The long-awaited government White Paper, 'Australia in the Asian Century', is here. But much of the initial response, from experts and casual commentators alike, has been lukewarm. One reason for this disappointment stems from a lack of specific action items and detailed plans. Instead, the Paper provides 25 national objectives for 2025 and suggests broad "policy pathways" for getting there.

So does this constitute 'sizzle without substance'? If you were looking for immediacy and specifics then you're probably feeling frustrated. There isn't much about tactics. It doesn't detail the path ahead. But, take a step back, and you might recognise the strategic value of the White Paper. It delivers, in one comprehensive document, a broad vision of 'Australia in the Asian Century'. It's a framework rather than a blueprint perhaps but, in all fairness, 'mission accomplished'!

In the run up to the launch, senior business leaders commented on Australia's current lack of Asia-preparedness. One key reason is an under-developed focus on our Asian context. But vitally, as ANZ's Mike Smith recently pointed out, Australian business has begun to see the opportunities that greater engagement with Asia can offer. We are only at the start of this new chapter: 'the Asian Century'

The White Paper provides a foundation for a deeper understanding of significant strategic issues we need to get right if we are to be competitive. At the very least, it will help people understand the challenges ahead. It will also facilitate a 'mapping of the gaps'. Interestingly, the time horizon is a mere 12 years. Some of our Asian neighbours may well be working on similar strategies for their own contexts, but with actions mapped over much longer time horizons. Australia will need to sustain a long term, bipartisan focus if we are to build true capability.

Complex Cultural Challenges in Asia

Of course, one reason why Australia is not as Asia-capable as it needs to be stems from changed conditions. UGM addressed this in our submission to the Asian Century Task Force.

For more than a century, various Australian companies have enjoyed periods of prosperity and success in Asia. Those organisations successfully navigated *complicated* 20th century cultural challenges. But in the past few years, these have rapidly morphed into *complex* cultural challenges. It's not just that the rules of the game have changed. The game itself is now quite different!

For example, in 20th century Australia, the typical Anglo-Celt executive needed skills to 'manage the diversity' of their often lower-level Asian staff. But

now, a much more subtle focus on 'inclusion' and 'influence' is required to lead and manage a workforce where highly educated professionals from diverse backgrounds are found at all levels. The old 'managing diversity' approach falls way short of what's needed to support 21st century strategic goals, both locally and in Asia.

In the complicated 20th century world, expat Western managers often had lengthy postings abroad. This gave time to build experience and learn the local language. It almost always meant living in the target country as 'the boss'. In contrast, today's executives have roles that typically span up to a dozen Asian countries. They 'fly in-fly out' for brief visits only, they run multi-national teams and much of their work is virtual. Managing performance across cultures is just one of the many elements ratcheting up the complexity they deal with daily. Another is that they're often no longer 'the boss'. In fact, they may report to an Asian boss.

Before, 'outsider' skills were needed when working in Asia. How to negotiate, run meetings and the like. Those are still important. But it's essential to recognise that many Asian countries don't necessarily see 'modernisation' and 'Westernisation' as synonyms. Western ways are not viewed as universally applicable or even acceptable. The future will demand collaboration between people with substantial variations in culture-based cognitive styles.

'Insider' skills are now also a requirement as a result of significant globalisation of operations (e.g. JVs, alliances, partnerships, mergers). As well as working with Asian colleagues, your boss might be Asian and company HQ could be in an Asian city. In this complex context, ordinarily challenging internal business processes (such as strategic planning and complex problem solving) require a portfolio of cultural skills of a much higher and more sophisticated order than in the past.

New Skills for New Times

The White Paper outlines a few broad attributes that Australian business needs for the Asian century. These include adaptability, resilience problem solving and 'cultural skills'. From our decades of experience in the field, UGM contributed a detailed Cultural Competence Model in our Task Force submission, "New Skills for New Times: Australia in the Asian Century" (available on our website). These are summarised briefly here in the sidebar.

UGM is particularly pleased that the White Paper references our submission outlining the skills needed and how they can be developed. We believe these skills will help businesses, large and small, foster the kind of professional and personal relationships that support successful business outcomes.