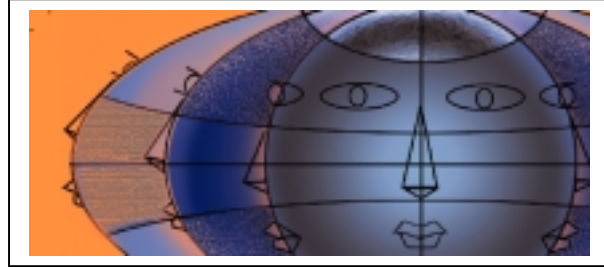


Understanding the Value of Cross-Cultural Education and Training



Measuring the return on investment for soft services such as cross-cultural training can be challenging. Schieman maps a strategy that ties revenue and business goals to the feedback and outcome of cross-cultural curricula.

By John G. Schieman

We live in a global age. Corporations are outsourcing manufacturing and services around the world. Emerging markets are on the critical path to future business growth. International decision-making and communication are extremely complex. Fortune Five Hundred companies are increasingly relying on international teams “to get the job done”.

However, many global corporations still do not offer cross-cultural education and training as part of their professional development curriculum. Many other companies that have established cross-cultural programs continue to struggle with understanding the business value and benefit of these programs.

Two related, contributing factors to misunderstanding the business value of cross-cultural education are that companies:

1. administer cross-cultural programs as individual, unconnected events and not as a knowledge-building continuum.
2. fail to establish a linkage between cross-cultural competence (or lack thereof) and personal or business performance.

The following recommendations focus on those companies with existing cross-cultural programs, intent on improving their educational and training effectiveness, and strengthening the linkage between their cross-cultural programs and their business results.

A. Improving Cross-Cultural Education and Training Effectiveness

Structure and Continuity

Structure involves the establishment of cross-cultural curricula with specific, defined purposes. For example, a general curriculum could be established for all associates, resulting in company-wide cross-cultural competence. The basic curriculum should begin with a foundation cross-cultural course within the first three months of hire, a global electronic communications course within six months, and a global team-building course within nine months. Actual timing would be influenced by the individual's position, responsibility, and assignments.

A second example would be a global executive curriculum that focuses on high potential employees and future global leaders with emphasis on international assignments and country-specific knowledge, cross-cultural negotiations, and personal coaching.

Continuity implies an inter-connection from one cross-cultural course to the next within a curriculum. Course pre-requisites should be established to maximize value and minimize delivery time. Competency 'certifications' should be granted at the completion of a series of courses within a curriculum, for example, "a certified global team or project leader".

Quality and Consistency

Quality implies that individual course pre-work, content, delivery, output work products, and post-work meet an agreed upon standard of excellence. This is particularly critical in communicating levels of expectation for courseware acquired or delivered through third parties.

Consistency implies that all educational courses would be delivered with the same level of quality, regardless of location.

Ubiquitous and Available

Ubiquitous and Available implies that courseware would be assessable anytime, anywhere, and through all, cost-justifiable media types (classroom, personal computer, worldwide web, CD, global satellite, etc.). This blended learning approach would allow individuals worldwide to advance at their own pace.

Customizable and Measurable

Customizable implies that each intervention, while being consistent within an overall curriculum, could be tailored to meet the requirements of each group of participants or individuals. This would be accomplished by providing each

participant with electronic pre-program questionnaires to elicit goals, challenges, and objectives; and telephone interviews with key participants. The feedback from each interaction with the participants establishes the basis for customization.

Measurable implies that individual courses and entire curriculum could be evaluated based upon the benefit derived from each participant. This is accomplished by providing each participant with an electronic post-program evaluation to quantify the value of the course and to compare results against the pre-program questionnaire objectives.

B. Linkage Between Cross-Cultural Programs and Business Results.

Level One and Two Feedback that evaluates the benefit a specific intervention can be accomplished through the pre-program questionnaire and post-program evaluation process (as previously discussed).

Level Three Feedback that evaluates the impact of cross-cultural interventions to individual and team “behavioral change” is accomplished in three ways. First, there must be the recognition that cross-cultural competence is not accomplished through attendance at a single seminar alone. Competence is built through a series of interventions and re-enforcements.

Second, as previously indicated, curricula should be constructed around a common outcome.

Finally, each program within a curriculum should contain a learning module focusing on personal development plans. Each participant should be required to develop or update a work product (a personal “Roadmap”) that includes personal goals, objections and action plans. Once created, the roadmap should be validated and utilized as input to each subsequent training program for modification and updating. This process will determine the degree of behavior change resulting from the series of interventions.

Level Four and Level Five Feedback evaluates the impact of cross-cultural interventions on division, department, or company revenue and return on investment, respectively. In order to achieve level four or level five feedback, there should be a recognized linkage between the stated goals of the series of interventions and the revenue or return on investment expectation.

It is difficult to assess level four and five feedback results from cross-cultural interventions, however, it is possible.

Consider the following hypothetical example drawn from real life interventions:

New product development in company X is a global process, consisting of international team members located in the US, Japan, and the United Kingdom.

- The average time for product development averaged 18 months.
- The new product average revenue per month during the first year of sales was estimated to be \$20 million.
- Ineffective international teaming and communication contributed to the 18-month product cycle.
- A series of international team building and communication interventions were administered, team leaders from each country were included, and objectives, action plans, and metrics developed as work products. Goals and metrics were established to improve meeting effectiveness, to reduce the average time to respond to e-mail/voice mail/memoranda, and to reach decisions.
 - a. Team building - Representatives from each culture learned the decision-making styles of the others and compromise strategies were established, leveraging the 'best practices' of all cultures.
 - b. Communication - Representatives from each culture learned that the message sent is not always the message received. For example, when the Japanese team leaders said, "yes", they really meant, "we will see", without any commitment. When the British said, "Quite good", they really meant, "A bit disappointing". Processes were established to confirm mutual understanding and expectations.
 - c. Decision-making – Examination of the cross-cultural dimensions such as "group vs. individual" and "equality" identified the importance of recognizing the individual (US culture) and group consensus (Asian culture) approach to decision-making. Processes were established for all "decision-making meetings"; documents were distributed in advance to allow time for consensus building, with the caveat that there was ample time for feedback/modification before the actual meeting.

Within a short period of time, the decision-making process evolved to one of collaboration.

- The results were dramatic. Teams functioned more effectively. Communications responsiveness improved by 40%. Decision time frames were reduced by 25%. The average product development cycle was consistently reduced by two months for all teams that experienced the interventions, resulting in a cash flow acceleration of \$40 million and in some cases, product exclusivity.

Quantifying the “business improvement” from cross-cultural interventions is challenging, however it is clear that cross-cultural competence has the potential to make a significant contribution to top and bottom line results as well as individual performance.



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