



## Management Assistance Program

### **DEVELOPING CULTURAL COMPETENCY AT WORK:**

How organizations can benefit from opportunities provided by a multi-cultural staff

#### **GOALS:**

To provide organizations, managers and employees with an enhanced understanding of the importance of cultural competency in the workplace, recommendations for developing a more culturally competent organization, and techniques for making cultural competence the core of the organization and its values.

The specific goals are to help organizations, managers, and employees:

- Recognize the benefits of a culturally competent workplace
- Manage diversity
- Make cultural competency the core of the organizational culture
- Create a procedure or tool to measure and evaluate cultural competency initiatives

#### **OVERVIEW:**

Developing a culturally competent workplace allows organizations to become more productive and innovative. It is important to understand that heterogeneous organizations will generate more new ideas and strategies than a homogeneous organization. A diverse work force encourages originality because each person has a unique perspective.

Culturally competent workplaces are better equipped to tackle the challenges derived from the multicultural and global marketplace. These organizations have a competitive advantage over organizations that have not become more diversified workplaces. According to Kim Wells, "As corporate America continues to move forward in the early 21<sup>st</sup> Century, it is facing a world that is getting smaller as customer bases expand and new technologies bridge the gulf between nations, people and new ideas. And in this new business world, it will be increasingly difficult for any company to grow and develop if

it is not capable of understanding and interacting effectively across multicultural and geographical venues.”<sup>1</sup>

Wells continues, in order to become a more culturally competent workplace, organizations should “develop strategies that not only encompass diversity trainings, and recruitment efforts but a ‘big picture’ strategy that develops and embeds company knowledge of cultural issues into critical corporate policies, procedures and initiatives.”

“The reality is that all companies and all leaders have a choice: they can embrace and benefit from diversity or be left behind in a very competitive, diverse marketplace.”<sup>2</sup> Ignoring diversity can reduce productivity and performance, but badly managed efforts run the equal risk of creating conflict and contributing just as much to sub par business performance.<sup>3</sup>

As a first step, it is helpful to define cultural competence and diversity.

*Cultural Competence* – Kim Wells, in her earlier referenced article, defines cultural competence as the ability and willingness of individuals and organizations to embrace, integrate, and appropriately apply cultural knowledge in workplace processes, policies, and interactions. The end result of cultural competence is improved understanding and development of the organizational environment, capabilities and services.

*Diversity* – The concept of diversity encompasses acceptance and respect. It is important to understand that each individual is both unique and different, along such dimensions of race, ethnicity, gender, sexual orientation, socio-economic status, age, physical abilities, religious beliefs, political beliefs, or other ideologies. Diversity is the exploration of these differences in a safe, positive, and nurturing environment. It is about understanding each other and moving beyond simple tolerance to embracing and celebrating the rich dimensions of diversity contained within each individual.<sup>4</sup>

Achieving cultural competence in the workplace demands that discrimination not be tolerated, and ethnocentric attitudes put to rest. Employees and managers must acknowledge that there are cultural, racial, and sexual differences, yet they do not imply inferiority or superiority. Multiple points

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<sup>1</sup> Wells, Kim R. “How to Choose a Company that is Culturally Competent.” Graduating Engineer Online. 1 September 2003. Available at: [graduatingengineer.com/feature/09-01-03f.html](http://graduatingengineer.com/feature/09-01-03f.html)

<sup>2</sup> Caldeira, Steve, Fernandez, Gary and Wood, Kathleen. “Building Diverse Exec Team Takes Single-Minded Focus on Goal of Multiculturalism.” Nations Restaurant News. 9 August 2004. pp 18-20.

<sup>3</sup> Anonymous. “Employers Must Face Up to the Challenges of Managing Diversity.” Women in Management Review. 2005. pp 532-533.

<sup>4</sup> University of Oregon. “Definition of Diversity.” Available at: [gladstone.uoregon.edu/~asuomca/diversityinit/definition.html](http://gladstone.uoregon.edu/~asuomca/diversityinit/definition.html)

of views and diverse strategies will only enhance the quality of the organizations and its staff members, not hurt it.

### OBJECTIVES:

#### 1. Recognizing the Benefits of a Culturally Competent Workplace

It is important to embrace cultural competence at work because the “racial, ethnic and cultural landscape of the United States is changing and diversity is here to stay.”<sup>5</sup>

According to the report, “Managing Diversity: Linking Theory and Practice to Business Performance”, cited within the article, “Employers Must Face Up to the Challenges of Managing Diversity,” the benefits of a diverse workforce include:

- *Customer Focus* – matching internal employee diversity to population diversity can provide performance benefits which enhance awareness of consumer needs.
- *Business Process* – recruiting diverse talent will help inject new ideas and challenge the organizational mindsets and ways of doing things that can hinder change and organizational process.
- *Innovation* – the flexibility, creativity, and ability to innovate are enhanced by the existence of dissimilar mindsets. Constructive conflict supports “out of the box” thinking.
- *Learning* – employers have more choice from a greater skills base, improved employee satisfaction, and reduced internal disputes, greater workplace harmony, improved retention, and more effective and fairer promotion of talent. Knowledge is retained in the business and shared more effectively.

The broader and deeper the pool of candidates and the workforce, the greater the chance to identify, recruit, and retain high quality employees who contribute to the bottom-line.

#### 2. Managing Diversity

Managing diversity well helps create a culturally competent workplace. In the article, “The Concept of Managing Diversity,” R. Roosevelt Thomas, Jr. defines *managing diversity* as “creating an environment that will enable all employees to reach their full potential in pursuit of

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<sup>5</sup> North-Williams, Brandi. “Tip Sheet: Diversity is More than Just Good PR” [PR News](#), 31 July 2006. pp 1.

organizational objectives.”<sup>6</sup> Managing diversity helps managers tap the potential of all employees. When employees are fully utilized, upper mobility and retention issues are implicitly addressed.

In addition, Thomas states that “managing diversity is a business issue for companies because their external constituencies are becoming more diverse. An ability to manage internal diversity will enhance a corporation’s ability to manage external diversity. Incidentally this does not translate into minorities serving minorities or women serving women, but rather managers who can design strategies that work for the total mixture of both employees and external forces.”

According to the report mentioned above, managing diversity well achieves a balance between different forces and challenges. Employers can promote diversity by taking the following steps:

- Ensuring that diversity is not blocked by rigid systems or regulations.
- Not adopting the “just in time” approach (filling in positions without proper transitions) – The goal is to change team structures gradually without disrupting the essential existing structures through diverse succession planning.
- Ensuring diversity talent is not cloned into the existing culture. The idea is to have diverse talent within a diverse culture.

### 3. Making Cultural Competency Part of the Organizational Culture

Cultural competence in the workplace involves more than just promoting awareness and recruiting a diverse staff and developing diversity training. According to North-Williams, cultural competence is achieved “when senior management, human resources, and public relations staff manage diversity with a focus on employee development. It requires employees to commit to the organization’s core diversity values and principles and for everyone to demonstrate a commitment through action.”<sup>7</sup>

Brandi North-Williams, author of “Tip Sheet: Diversity is More Than Good PR,” advises organizations to consider the following when developing cultural competency in the workplace:

- *Create an environment where employees feel that diverse perspectives are valued.* Companies must integrate diversity into the daily

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<sup>6</sup> Thomas, R. Roosevelt Jr. “Managing Diversity.” Culture, Communication and Conflict: Readings in Intercultural Relations e.d. Gary R. Weaver. (Boston: Pearson Publishing, 2000) 104.

environment where differences become noticed, appreciated and sought after.

- *Create an environment where employees feel safe in acknowledging their differences and where others see value in them.* This helps employees feel valued and appreciated which translates into a demonstrated commitment from employees.
- *Implement diversity management training for senior and middle managers.* Many diversity programs begin and end with a statement of commitment from top-level management – with this approach, diversity is never fully integrated into the daily work of management or line staff. Organizations seeking to make diversity more than just a program should provide senior and middle managers with processes for incorporating diversity into their daily work. Additionally, managers should receive training that helps them strategically create workgroups that benefit from employees' varied heritages.
- *Most companies do a great job of recruiting diverse talent, but they fail to make diversity work for them.* Having a diverse workforce goes beyond representation; it includes incorporating the varied cultures and traditions of employees in strategic planning, decision making and implementation processes. Doing so will increase the quality of products, services and communications. In the end, employees will recognize the sincere commitment of the company to diversity and make a personal commitment as well.

In the article, "Building Diverse Exec Team Takes Single-Minded Focus on Goal of Multiculturalism," Steve Caldeira, Gerry Fernandez, and Kathleen Wood offer additional suggestions for developing cultural competency at work:

- *Developing cultural competence*
  - Make sure the chief executive meets with every new executive during the orientation process and includes discussion of diversity in the overview of the company's values and what makes the company successful.
  - Develop a diversity toolbox listing all sorts of resources for executives, senior management and directors to use with their own teams to promote diversity understanding.
  - Require each member of the senior management team to facilitate a diversity training initiative. People learn best by teaching others what they have learned. (See the *diversity training* section later in this Objective for more information).
  - Create recommended reading lists for all executives and managers to continue education in diversity and other key business areas.

- Seek advice from diversity experts. Get recommendations from successful industry leaders.
- *Maintaining cultural competence*
  - Design a performance evaluation system that includes diversity and management of diverse teams.
  - Establish goals for diversity at the executive level that include women and minorities. Set measurable goals at all levels, publish them, and track progress. Speak of those goals with the executive team and board of directors.
  - Have the chief executive or external professionals conduct exit interviews with any executives who leave the organization.
  - Support involvement in the community and in industry or business organizations. Allow for the time commitment necessary for the company to remain involved and active.
  - Consider the life balance issues different people face such as raising children, being involved in the community, and practicing religion. Simple compromises and flexibility can make a considerable difference.

Although all the recommendations and strategies mentioned above are valuable, the areas of *recruitment* and *diversity training* require a more in-depth justification.

- *Recruitment*

While recruitment efforts should not be the only technique for developing cultural competency in the workplace, it is still imperative that organizations focus on recruiting qualified, diverse staff members. To reiterate Brandi North-Williams, “having a diverse workforce goes beyond representation; it includes incorporating the varied cultures and traditions of employees in strategic planning, decision making and implementation processes.”

Steve Caldeira, Gerry Fernandez, and Kathleen Wood, in their earlier referenced article, recommend that organizations utilize the following suggestions to help recruitment efforts:

- Place a diversity banner on the homepage and recruitment page of your company’s web site.
- Develop a pre-employment video to highlight your company’s values, history and talent.
- Create an interview environment that reflects the diversity of your organization through means of décor, design and magazines.

- Include the development of diversity competencies in recruitment and interview training for all levels. Teach behavioral and situational interview skills.
- Use search sources that are successful in presenting a diverse slate of candidates. Require that all recruiters – both internal and external – present a diverse slate of candidates.
- *Diversity Training*  
Providing diversity training to employees and managers is a critical component of any diversity initiative. Implementing diversity management training is one approach to developing cultural competency at work. This program could involve a train-the-trainer series where managers learn the important concepts of diversity management, and then develop a training session or workgroup with their staff.

If the organization desires both managers and employees to receive the same diversity training, a company could develop a diversity training curriculum and conduct training sessions monthly or annually. A company could also enlist the help of a professional consulting/training organization that specializes in diversity training.

For example, the National Multicultural Institute (NMI) provides diversity training for organizations, and believes its program will help organizations<sup>8</sup>:

- Build a culture that is empowered by differences
- Develop effective multicultural terms
- Recruit and retain a diverse workforce
- Resolve conflict between employers and employees
- Promote employee productivity

Examples of curriculum taught by members of NMI include but are not limited to:

- Building Cultural Competence
- Cross-Cultural Communication
- Developing Learning Organizations
- Cultural Competency in Dialogue Facilitation
- Culturally Competent Customer Service
- Managing a Diverse Workforce
- Mediating Multicultural Conflict
- Organizational Culture Change

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<sup>8</sup> “Training & Consulting.” National Multicultural Institute. Available at: [ncmi.org/otc/training.htm](http://ncmi.org/otc/training.htm)

### 4. Measuring Progress

As mentioned in Objective #3, senior management and middle managers should work together to create a technique or procedure for evaluating the success of their diversity initiatives.

The earlier cited article, "Employers Must Face Up to the Challenges of Managing Diversity," highlights the new CIPD (Chartered Institute of Personnel and Development) report which suggests using a diversity-balance scorecard as one form of measurement. The scorecard method looks at both the positive and negative impact of diversity as a model for measuring success of diversity in the workforce.

Dinah Worman, CIPD Diversity Adviser, says, "Measuring diversity will help employers gain a genuine understanding of their staff enabling them to understand the problems diversity can trigger," and look at ways to prevent problems from occurring.

### **SUMMARY:** Tips for Developing Cultural Competency at Work

- Cultural competence should become the core of the organization and its values. Simply recruiting diverse staff members and developing trainings is not sufficient.
- Culturally competent workplaces have a competitive advantage over organizations that are not.
- Parochial and ethnocentric attitudes are detrimental to an organization. The sooner organizations realize this, the better prepared they will be for the future.
- Discrimination against employees must not be tolerated.
- Hiring, firing, compensation and promotions should be based on merit and achievements, not on culture, race, sex or religion.
- Senior management and middle managers should meet with human resources and recruiters to develop and discuss recruitment strategies.
- Organizations should develop a company-wide diversity training program.
- Organizations should consider enlisting the help of diversity training professionals.
- Look at the diversity accomplishments of companies that are renowned for valuing diversity, and take some tips from their diversity initiatives.
- Organizations should create a tool for evaluating cultural competency programs and initiatives.