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Interpersonal
Epistemology*Wisdom, Culture,
and Organizations**P. Christopher Earley
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The recent spate of corporate scandals, executive denials, and organizational failures may lead people to conclude that many of our modern-day organizations and their leaders are anything but wise. However, rather than viewing organizational wisdom as an oxymoron, organizational scholars such as the chapter authors in this volume are starting to examine issues around the nature of wisdom and how it can be better developed in organizations. Here we join that dialogue by examining wisdom as it is viewed cross-culturally. In contrast to absolutist epistemological views, we argue that wisdom has both universal and more culture-specific aspects.

Wisdom has been defined in many ways and, as we discuss later, is sometimes viewed differently in different locations. At the simplest level, wisdom has been defined as “the power of judging rightly and following the soundest course of action based on knowledge, experience, understanding, etc.” (*Webster’s New World College Dictionary*, 1997, p. 1533). More recently, Sternberg (2003) defined wisdom as the application of successful intelligence and creativity as mediated by values toward the achievement of common good by balancing intrapersonal, interpersonal, and extrapersonal interests.¹ One of the most prominent and extensive efforts to examine the wisdom construct has been by Paul Baltes and his colleagues at the Max Plank Institute, who, under the heading of the Berlin wisdom paradigm, conceptualize wisdom as both a cognitive and motivational metaheuristic (pragmatic) that serves to orchestrate knowledge toward excellence in mind and virtue on both individual and collective levels (Baltes & Staudinger,

2000). Like Sternberg, the Berlin paradigm scholars describe wisdom as an interplay of intellectual, affective, and motivational components that involves positive intentions for the well-being of self and others.

Research using the Berlin paradigm has shown wisdom to be a unique construct with many predictors, none of which is sufficient alone to fully grasp its breadth. Significant predictors included traditional scales of fluid and crystallized intelligence, personality, life experience, and the interface between personality and intelligence. The personality–intelligence interface included variables such as social intelligence, cognitive style, and creativity, and it contributed the largest share of unique variance in wisdom-related performance (Baltes & Staudinger, 2000). In this chapter, we adopt the definition of wisdom articulated in the Berlin paradigm and suggest that one of the predictors of wisdom-related performance in multicultural contexts is cultural intelligence.

Cultural intelligence is the ability to function effectively in a diverse context where the assumptions, values, and traditions of one's upbringing are not shared uniformly with those with whom one needs to work. If culture is considered as the collective mental programming that distinguishes members of one human group from those of another (Hofstede, 1980), cultural intelligence is the ability to function successfully in environments where individuals have experienced different programming. Earley and Ang (2003) defined cultural intelligence as "a person's capability to adapt effectively to new cultural contexts" (p. 59). This is a form of "intelligence in context," where the "right answers" are dependent on the situation and the people involved. Cultural intelligence typifies an interaction between traditional cognitive intelligence, culturally relevant knowledge and experience, and personality and motivational characteristics that would be required for someone to be perceived as wise in a cross-cultural setting.

We maintain that in organizational life, intelligent action and wise action coincide if the intelligent action is directed in a positive direction. The concept of intelligence typically is defined as successful adaptation to a given situation; as shown in the definitions offered by Sternberg (2003) and Baltes and Staudinger (2000), wisdom goes beyond intelligence as successful adaptation where success is defined by cultural and personal benefit of the community, a sense of moral rightness. This means that there can be intelligent but unwise organizational actions, but when an action is intelligent and directed toward the moral good of society and individuals, it is deemed "wise." As Malan and Kriger (1998) put it, "Managerial wisdom is the ability to detect those fine nuances between what is right and what is not" (p. 249).

What does all of this mean for organizations? First of all, it means that organizations need to recognize that the attribution of wisdom can shift based on cultural context. On some aspects of wisdom, there is little disagreement, but differential emphases and unique aspects across cultures would make "wise" people look different and behave quite differently in different places.

Thus, it is risky for diverse organizations to assume that there would be full agreement in identifying their more “wise” members. Knowledge, experience, and a commitment to group or organization goals beyond what might benefit someone personally are a good universal foundation for identifying the wise. But those who push that knowledge aggressively might well be viewed as intelligent but foolish to some non-Westerners, whereas the modest and discreet presentation of wise non-Westerners might not be listened to as carefully as it should be by Western staff members.

Understanding these nuances and their implications for organizations requires a more careful examination of the nature of culture. In this chapter, we begin by discussing the basic nature of culture as it relates to wisdom and intelligence. We then proceed to examine the constructs of wisdom and intelligence in a cross-cultural context, highlighting commonalities as well as differences. From there, we take a more detailed look at four major areas of organizational concern that have implications for the application of wisdom in cross-cultural contexts within organizations: cross-cultural training, leadership, multinational teams, and multinational organizations.

Basic Nature of Culture

A useful distinction for our chapter is to separate and define culture from related constructs. Kluckhohn (1954) defined culture as patterned ways of thinking, feeling, and reacting to various situations and actions. It is acquired and transmitted mainly by symbols, including their embodiments in artifacts. The essential core of culture consists of historically derived and selected ideas and especially their attached values. Culture can be seen as shaping the nature of social structures as they grow and adapt. Hofstede (1991) provided a commonly cited definition of culture. His view holds that culture is best represented as a set of programs for people within a nation—the “software” of the mind. This approach has the strength of capturing a sense of culture as a psychological variable (Earley & Mosakowski, 2004). Societies shape their collectivities and social aggregates according to the rules implied by culture. Culture is sometimes viewed in terms of antecedents such as time, language, and locality variables as well as historical and ecological commonalities. Culture is a set of imperfectly shared rules for behavior and meanings attached to such behavior (Martin, 1992).

Although this discussion provides a sufficient distinction of culture from related constructs, an additional complication arises in discussing concepts that are unique and idiosyncratic to particular cultures, in contrast to those that are common across cultures. Clearly, this is a critical issue in discussing something such as wisdom and intelligence, and arguments have been made for decades concerning the universality versus particularism of such constructs (Berry, 1990, 2003, 2004; Sternberg & Grigorenko, 2006; Triandis, 1972). Before we tackle the specific differences and similarities of these

constructs across boundaries, a more general discussion of cultural specificity is warranted, and we turn to this in the next subsection.

Emic and Etic Constructs

Another important assumption of wisdom and intelligence is that both emic and etic constructs and processes exist in a cultural setting (for more complete discussions of these issues, see Berry, 1990; Earley & Mosakowski, 1996, 2004). Briefly, a construct is considered as emic if it has its basis within a given culture (or group of cultures), and it is fully appreciated only within this context. An emic construct gains meaning from its context, and it cannot be appreciated fully absent a contextual interpretation.

Some constructs are etic or universal (Berry, 1990; Earley & Mosakowski, 1996), existing across cultures. Many constructs are presumed to be etics, only to find that they are not truly universal. An example of a universal is that all people have certain cognitive functions such as memory and recall (with the exception of people suffering from some impairment). Although people's memories and ability to recall events differ, these cognitive functions are ubiquitous. Some social institutions are etic, including marriage and mourning of a lost loved one (Berry, 1997; Resaldo, 1989). The existence of a psychological universal is difficult to establish and defend. Murdock (1945) developed a list of 70 cultural universals that he argued were exhaustive and could be used to describe differences and similarities among cultures. These universals included variables such as food taboos, hospitality, trade, etiquette, and folklore.

There are a number of constructs that only appear to be universals. Berry (2003) referred to these constructs as imposed-etics (what Triandis, 1972, referred to as pseudo-etics) or constructs that are derived in a limited number of cultural systems but that do not really apply beyond the fringes of these cultures. An etic is imposed if it is developed in one subset of cultures and applied to others even if it is inappropriate to do so. Earley and Mosakowski (1996) described a parallel notion of the pseudo-emic, meaning that some constructs are assumed to be idiosyncratic and unique but, in fact, are not. An imposed-etic captures some generalizability across cultures while being relatively situation specific.

What about wisdom or intelligence? Are there norms, regardless of the culture, suggesting an appropriate (and hence wise) direction for problem solving and adaptation? Not only would identifying such norms border on the impossible; the results of such a daunting task would not be testable using traditional statistical methods (for further discussions of this point, see Earley & Mosakowski, 1996; Leung & Bond, 1989). Most psychological and sociological principles fall into a derived-etic category. These constructs are an attempt at taking emic instances of some entity and building it into a general principle.

Perhaps a more tenable approach to the study of wisdom and intelligence across cultures may be related to the structure of the constructs as opposed to their content and prescription. That is, the moral or value base of a culture provides guidance concerning the content of what constitutes wisdom, whereas its structure may be predicated on particular universals. In the next subsection, we describe a framework provided by James Q. Wilson in his book *The Moral Sense* (Wilson, 1993).

Moral Foundation of Wisdom

From a strictly structural viewpoint, wisdom might be described as an individual's capacity to inculcate and express the moral imperatives of a society. The specific nature of these morals may be manifested emically (i.e., specifically defined within a culture) even while they transcend cultural boundaries and are etic. For example, all societies have a taboo against the purposeful and wanton killing of other people (Mead, 1934). However, this is not to say that killing other humans is a universal moral value across societies (Mead, 1934; Resaldo, 1989). In a head-hunting tribe of Papua New Guinea, tribesmen consider the killing and consumption of an enemy's flesh as desirable because the enemy is considered as less than human in their eyes.

Some believe that wisdom has a moral underpinning leading to the living of a good and righteous life. Moral wisdom reflects the capacity to judge rightly what should be done in various contexts so that one's life (and the lives of others) is better. Baltes and Kunzmann (2004) argued that wisdom not only is a cognitive process but also requires an integration of cognitive, emotional, and motivational characteristics. Most important in their definition is the existence of a motivational element having a moral basis underlying emotions and values. Tantamount in their discussion of wisdom was creating a generally beneficial environment for all individuals, that is, providing a societally beneficial outcome from one's actions. What, then, constitutes a moral foundation from which a societally beneficial outcome might be defined?

Wilson (1993) argued that there are universal moral imperatives. He argued that there are four general moral anchors across societies and that these moral orientations provide a general perspective of how more specific cultural (and personal) values are formed. Wilson's four universal morals are sympathy, fairness, self-control, and duty, and he argued that these four sentiments constitute a moral sense in all people. Sympathy refers to a capacity for being affected by the experiences of others. Fairness reflects the outcome and procedural standards by which actions are judged as fair or just, a finding well supported in an organizational context (for more general discussions of justice, see Greenberg, 1996; Greenberg & Lind, 2000; Lind & Earley, 1992; Lind & Tyler, 1988; Thibaut & Walker, 1978). The most common allocation of scarce resources is through the application

of one of three rules: equity (in relation to input), equality (equal shares regardless), and need (based on a person's needs). Self-control refers to an individual's restraint in the present on behalf of the future, or delayed gratification. An organization that channels its extra profits into research and development rather than issuing extra dividends will ensure a more profitable future for itself and its shareholders. Finally, Wilson's (1993) concept of duty refers to an individual's willingness to be faithful to obligations derived from society, family, and important referent others.

Extending this framework of moral values to the cultural bounded (unbounded) nature of wisdom, it is the content of a desirable (culturally and personally beneficial) course of action that is defined by these four moral parameters. That is, if we refer back to Csikszentmihalyi and Rathunde's (1990, p. 25) criteria of wisdom's meaning—(a) a cognitive process or way of knowing; (b) a virtue in which wisdom became the best guide for the supreme good, providing the most compelling guide to action; and (c) a personal good, meaning that it was an intrinsically rewarding experience that provided some of the highest enjoyment and happiness available—it is clear that a moral underpinning must be used to delineate what is captured in the second and third criteria. For example, Wilson's (1993) view is that all cultural communities have a standard of fairness in exchange relationships, and this point was reiterated by Fiske (1991). Likewise, Wilson's idea of duty and obligation suggest universally that wisdom reflects actions having positive consequences for one's compatriots even as the manifestation of duty may vary from caring for the elderly (e.g., Northern Europe) to voluntary banishment (e.g., some Arctic Circle communities).

The very idea of a cultural moral absolute is controversial and not without criticism, but we believe that if such an anchor is lacking, the notion of wisdom reduces to a relativism that is not very useful for managerial application. Now that we have discussed some potential moral structures that underpin wisdom, we are in a position to relate them to the general cultural values that capture variation across the globe.

Comparisons of Wisdom and Intelligence Across Cultures

Evolutionary epistemology suggests that knowledge is constructed by people so as to adapt to their environments. Presumably, then, knowledge may be constructed differently by people living in different environments or cultures. The nature of wisdom and intelligence as they differ across cultural boundaries has been an area of avid attention in the cross-cultural literature for decades, dating back to work on problem solving and learning by anthropologists such as Levi-Strauss (1969). More accurately, attention has been paid to the varying nature of intelligence primarily with secondary attention extended to the idea of wisdom. As attention returned to the concept of intelligence during the

late 1960s and early 1970s, Berry and his colleagues renewed the interest and debate concerning intelligence and its potential relativism. In reaction to the reductionist and absolutist perspectives expressed by traditional work on intelligence, a number of critics have voiced alternative definitions of the construct. Probably the most prominent and long-standing critic of research on intelligence is John Berry, who argued that existing work on intelligence fails to capture the essential richness of a cultural context. Berry suggested that the existing definitions of intelligence are largely Western, are overly restrictive, and typically are tested using Western methods having dubious value in non-Western cultures. He suggested that intelligence is best considered to be reflective of a set of cognitive tools that help a group of people to operate in a particular ecological context (Berry, 2003).

The definition of intelligence offered by Berry seems to capture the difficult nature of understanding intelligence in a cross-cultural context. The type of radical cultural relativism (Berry, 2003; Berry & Ward, 2006) that Berry discussed reflects a potential contrast to a universalist view even though his ecocultural framework has absolutist features. An advantage of the ecocultural approach is that it offers a "value-neutral" framework for describing and interpreting similarities and differences in human behavior across cultures (Berry, 2003). According to Berry and Ward (2006),

As adaptive to context, psychological phenomena can be understood "in their own terms" (as Malinowski insisted), and external evaluations can usually be avoided. This is a critical point since it allows for the conceptualization, assessment, and interpretation of culture and behaviour in non-ethnocentric ways. . . . It explicitly rejects the idea that some cultures or behaviours are more advanced or more developed than others. . . . Any argument about cultural or behavioural differences being ordered hierarchically requires the adoption of some absolute (usually external) standard. But who is so bold, or so wise, to assert and verify such a standard? (p. 68)

Berry and Ward (2006) argued that the sociopolitical context brings about contact among cultures, so that individuals need to adapt to more than one context. When many cultural contexts are involved (as in situations of culture contact and acculturation), psychological phenomena can be viewed as attempts to deal simultaneously with two (sometimes inconsistent and sometimes conflicting) cultural contexts. These attempts at understanding people in their multiple contexts is an important alternative to the totalitarian approach of colonialism reflecting many traditional approaches to expansion.

Many studies confirm differences in the patterns and styles of decision making and thinking of Western and non-Western cultures related to cultural values on social perception (Miller, 1984, 1997; Nisbett, Peng, Choi, & Norenzayan, 2001; Shweder & LeVine, 1984). For example, Chiu (1972) argued,

Chinese are situation-oriented. They are obliged to be sensitive to their environment. Americans are individual-centered. They expect their environment to be sensitive to them. Thus, Chinese tend to assume a passive attitude, while Americans tend to possess an active and conquering attitude in dealing with their environment. (p. 236) . . . [The American] orientation may inhibit the development of a tendency to perceive objects in the environmental context in terms of relationships or interdependence. On the other hand, the Chinese child learns very early to view the world as based on a network of relationships; he is *socio-oriented* or *situation-centered*. (p. 241, italics in original)

This rather well-accepted notion of context sensitivity is well rooted in Hall's (1976) work that we described earlier as well as in Witkin's work on field dependence/independence (Witkin & Goodenough, 1977), among other sources. More recent empirical and conceptual work following in this tradition was presented by Nisbett and his various colleagues (for a review, see Nisbett et al., 2001). For example, Masuda and Nisbett (2001) presented Japanese and American participants with pictures of animated scenes of fish, and they were asked to report what they had seen. As expected, the Americans generally focused on the focal fish in the scene, whereas the Japanese tended to focus on background elements. Furthermore, the Japanese overall tended to make more references to the background scene and relationships among elements within the scene itself.

However, the contrast of Eastern and Western thinking is not so simple as might be assumed based on the arguments of Nisbett and colleagues (2001). For example, in a comparative study between India and the United States, Miller (1984) found that Indian Hindus use more concrete and contextually qualified descriptions of people they know than do Americans. She also found that Americans made attributions according to personal dispositions more often than did Indian Hindus, who tended to attribute behavior to the situation. Yet there were no significant differences between the two groups in tests of abstract thinking. This finding rules out cognitive deficit and strengthens the impact of indigenous cultural meanings. Cultural orientations such as individualism–collectivism may help to explain this result. Americans stress autonomy and self-reliance, whereas Indian Hindus view the person as related to others. Sociocentric cultural premises, rather than a lack of abstract skills, may be related to Indians' focus on interpersonal context and behavior.

In contrasting high-context versus low-context cultures, we see additional evidence of culture's influence on decision making and what might be construed as wise decision making. In conflict situations, members of low-context cultures handle conflicts by using a factual–inductive style or an axiomatic–deductive style more often than do members of high-context cultures. High-context cultures tend to avoid direct confrontation (Erez & Earley, 1993). For example, in China an executive is advised to solve

a conflict between two subordinates by meeting separately with the two of them, whereas in the United States the supervisor is advised to meet jointly with the two sides of the conflict (Bond, 1997; Bond, Leung, & Giacalone, 1985). Differences between high- and low-context cultures influence communication between superiors and subordinates as well. This approach can be seen in superior-subordinate relationships. In low-context cultures, superiors directly criticize subordinates for poor-quality work, but in high-context cultures, superiors are very careful not to do so in public (Earley, 1997) or with such directness that subordinates' feelings will be negatively and directly affected.

Yang and Sternberg (1997a) reviewed Chinese philosophical conceptions of intelligence. The Confucian perspective emphasizes the characteristic of benevolence and of doing what is right. As in the Western notion, the intelligent person spends a great deal of effort in learning, enjoys learning, and persists in lifelong learning with a great deal of enthusiasm. The Taoist tradition, in contrast, emphasizes the importance of humility, freedom from conventional standards of judgment, and full knowledge of oneself as well as of external conditions. The difference between Eastern and Western conceptions of intelligence may persist even in the present day (Nisbett, 2003; Yang & Sternberg, 1997a, 1997b). Yang and Sternberg (1997b) studied contemporary Taiwanese Chinese conceptions of intelligence and found five factors underlying these conceptions: (a) a general cognitive factor much like the *g* factor in conventional Western tests, (b) interpersonal intelligence (i.e., social competence), (c) intrapersonal intelligence (d) intellectual self-assertion, and (e) intellectual self-effacement.

Grigorenko and colleagues (2001) studied conceptions of intelligence in Kenya among various rural communities. They identified four different concepts capturing intelligence—*rieko* (knowledge and skills), *luoro* (respect), *winjo* (comprehension of how to handle real-life problems), and *paro* (initiative)—with only the first referring directly to knowledge-based skills (including, but not limited to, the academic).

There is clearly less cross-cultural information on wisdom than there is on intelligence. Nonetheless, researchers have examined both implicit and explicit perspectives on wisdom in a variety of cultures. Table 14.1 attempts to organize wisdom dimensions found by various researchers into four major categories: cognitive capability (likely the aspect of wisdom most closely related to conceptions of intelligence); the application of cognitive competencies to the issues of life, including judgment, experience, procedural knowledge, and sagacity; interpersonal capacities, including relatedness, compassion, and caring for others; and a more personal dimension of demeanor associated with those deemed most wise. As shown, there are some elements of wisdom conceptions that appear to be shared across the various cultural samples. Most prominent among them is the cognitive/analytical aspect of wisdom that is emphasized in Western definitions. While emphasized by Western definitions, these capabilities are recognized

Table 14.1 Aspects of Wisdom Categorized by Type and Nationality

<i>Subject Sample</i>	<i>Author(s)</i>	<i>Dimension of Wisdom</i>			<i>Personal Demeanor/Attitude</i>
		<i>Cognitive Capability</i>	<i>Applied Cognition</i>	<i>Interpersonal Capacity</i>	
United States and Australia	Takahashi & Bordia (2000)	Knowledgeable	<ul style="list-style-type: none"> • Intuitive • Experienced 		
United States	Sternberg (1985, 1990)	<ul style="list-style-type: none"> • Reasoning ability • Learning from ideas and environment 	<ul style="list-style-type: none"> • Sagacity • Judgment • Expeditious use of information • Perspicacity 		
Canada	Holliday & Chandler (1986)	<ul style="list-style-type: none"> • Exceptional understanding • General competencies 	Judgment and communication skills	Interpersonal skills	Social unobtrusiveness
Germany	Baltes & Smith (1990)	<ul style="list-style-type: none"> • Factual knowledge • Relativism 	<ul style="list-style-type: none"> • Procedural knowledge • Ability to understand and manage uncertainty 	Life span contextualism	
U.S. Hispanics	Valdez (1994)			Service/caring in relationships	<ul style="list-style-type: none"> • Spiritual aspects • Attitude toward learning
Tibetan Buddhist monks	Levitt (1999)	Ability to recognize Buddhist truths about reality		Compassionate	<ul style="list-style-type: none"> • Being beyond suffering • Being oneself • Treating all creatures as worthy and equal

Table 14.1 (Continued)

<i>Subject Sample</i>	<i>Author(s)</i>	<i>Dimension of Wisdom</i>				<i>Personal Demeanor/Attitude</i>
		<i>Cognitive Capability</i>	<i>Applied Cognition</i>	<i>Interpersonal Capacity</i>		
India	Takahashi & Bordia (2000)	Knowledgeable	Awakened		Discreet	
Japan	Takahashi & Bordia (2000)	Knowledgeable	Experienced	Awakened	<ul style="list-style-type: none"> • Discreet • Aged 	
Japan	Takayama (2002)	Knowledge and education	Understanding and judgment	Sociability and interpersonal relationships	Introspective attitude	
Taiwan	Yang (2001)	Competencies and knowledge	Openness and profundity	Benevolence and compassion	Modesty and unobtrusiveness	

NOTE: Characteristics in bold were viewed as closest to wisdom in multidimensional space.

in most cultural samples as important, albeit not necessarily primary determinants of wisdom. Eastern cultures tend to emphasize more social, interpersonal, spiritual, or affective components of wisdom, stressing discretion, modesty, and unobtrusiveness as key components of wisdom while also incorporating the knowledge and experience components that dominate Western views. Recent Western views, such as Sternberg's (2003) balance theory of wisdom, have begun to offer more extensive views of wisdom that incorporate the traditional Eastern perspective, proposing that wisdom is the application of successful intelligence toward the common good that stems from a balance of intrapersonal, interpersonal, and extrapersonal interests. Similarly, Takahashi and Overton (2005) presented an inclusive developmental model of wisdom that integrates the traditionally Western analytical approach to wisdom with the more traditionally Eastern synthetic/integrative approaches. Thus, the integration of the various capacities becomes important in differentiating the wise from the unwise.

Thematically, it appears that across samples wisdom has two consistent components. Wise people are conceived of broadly as possessing superior knowledge, which they apply to real-world situations. Despite these commonalities, the parameters surrounding these components, the behavioral styles in which they are enacted, and their meaning in everyday life can be substantially different depending on culture. Although most definitions assume that the wise work for the common good, the Japanese word for wise, usually a positive characteristic, can also imply the evil wisdom of a cunning strategist (Takahashi & Overton, 2005). Non-Western cultures add a component that involves the way wise people comport themselves, usually identifying modesty, discretion, and/or social unobtrusiveness as characteristic of the wise—a demeanor unlikely to be associated with wisdom in Western societies. We examine the more emic, culture-specific aspects of wisdom in terms of specific organizational applications in the next section.

Applications of Culturally Based Wisdom and Intelligence to Organizational and Managerial Issues

Cultural Training

The approach we take in this section is to discuss wisdom and intelligence in the context of preparing a manager for a global or expatriate assignment.² We draw from work on what is now referred to as “cultural intelligence” (Earley, 2002; Earley & Ang, 2003; Earley & Mosakowski, 2004; Earley & Peterson, 2004; Offermann & Phan, 2002; Thomas & Inkson, 2004). In particular, we draw heavily from Earley and Peterson (2004) in their discussion of cultural intelligence in relation to intercultural training for managers.

According to Earley and Ang (2003), cultural intelligence consists of three aspects: metacognitive/cognitive, motivational, and behavioral elements. The metacognitive/cognitive aspect refers to general cognitive skills that are used to create new specific conceptualizations of how to function and operate within a new culture as well as culture-specific knowledge (both declarative and procedural). The general (or meta-level) skills reflect etic categories of definition (e.g., long-term pairing of mating partners, or the so-called marriage institution) as well as meta-level procedural aspects (e.g., styles of cognizing and discovery).

The second element of cultural intelligence refers to the motivational basis for cultural intelligence. By this, it is meant that for a person to adapt successfully to a new cultural setting, the person must be able to cognize and understand a culture, but he or she also must feel motivated to engage others in the new setting. Without such motivation, adaptation will not occur, and so we argue that this does not reflect cultural intelligence. If an individual is unmotivated and will not engage the world, why would we expect to find evidence of adaptation? In this usage, Earley and Ang (2003) looked at several aspects of motivation, including self-efficacy expectations, goal setting, and self-concept through identity.

The final element of cultural intelligence refers to the capability of an individual to actually engage in behaviors that are adaptive. Earley and Ang (2003) argued that cultural intelligence reflects a person's ability to generate appropriate behaviors in a new cultural setting. Without this aspect of cultural intelligence, a person may be able to cognize what is appropriate in a given culture and feel motivated to move forward, but the person will be unable to do so if the appropriate response is not in his or her repertoire.

There are a wide range of methods and techniques used in intercultural training, but many of these approaches lack a rigorous theoretical underpinning. They tend to be highly piecemeal, throwing all available methods at the training dilemma. A few of the dominant training methods having the best overall efficacy include country- and cultural values-based assimilators, experiential training, self-awareness training, and behavioral training. We then propose the alternative of a cultural intelligence framework to cultural training.

Cultural Values-Based Assimilators

One of the best methods developed for intercultural training (i.e., having the most rigorous conceptual and empirical validation) is referred to as a country-based cultural assimilator. In a cultural assimilator, a wide range of social behaviors key to operating effectively in the culture are identified a priori and are adapted into a programmed instruction form. In this instruction format, a learner is given a scenario (e.g., how to introduce one's boss to a fellow employee) and is provided with multiple-choice alternative actions from which to choose. After making a choice, the individual determines

whether his or her choice was appropriate and then proceeds to additional scenarios if the correct answer was given. If not, the learner returns to the item to make another selection and so on until the correct answer is learned.

A variation on a traditional country-based cultural assimilator was presented by Bhawuk, Brislin, and their colleagues (Bhawuk, 1998, 2001; Bhawuk & Brislin, 1992; Brislin & Yoshida, 1994). Rather than focusing on a particular target country, the emphasis is on a target cultural value that can be shared across countries. For example, Bhawuk's (2001) individualism cultural assimilator draws from core culture theory (Triandis's [1995] theory of individualism–collectivism) to create critical incidents that apply across countries rather than emphasizing an observed (i.e., atheoretic) incident. Critical incidents are drawn from individualism–collectivism theory and cover a wide range of social behaviors based on the self, goal prioritization, and motivation factors (Earley & Peterson, 2004).

Experiential Training

In experiential training, the emphasis is on applied training and techniques, including role-plays, field visits, and simulations. Participants are engaged more affectively as they participate in work samples of the actual target culture. For example, participants can be put in social situations with representatives from other cultures in simulated social or work events. The downside of this kind of training, however, is that it typically is emotionally demanding for both the participants and the trainers.

Self-Awareness Training

Self-awareness training involves raising the trainees' awareness of their own culture and of typical reactions that people from other cultures have to them. These programs also focus on the potential loss of self-esteem in these settings. Self-awareness training helps participants to become more aware of their own values, attitudes, and behaviors using methods that contrast with their own culture and the target culture. Trainers behave in sharp contrast to the preferred behavior of the participants (e.g., a culture contrast), explain the reasons for their actions, and highlight the trainees' discomfort with the experience.

Behavior Training

Finally, in behavior training, the emphasis is on observable behavior. Trainees practice displaying behaviors appropriate for the target culture across various scenarios. There is also an emphasis on behavior regulation and monitoring of one's own actions, including nonverbal displays such as body orientation, proxemics, and social distances. This type of training is demanding of its participants and is time-consuming, so it typically is not used in intercultural training programs.

A Cultural Intelligence Framework for Training

Although these various methods have their positive features, an alternative approach is that proposed by Earley and Peterson (2004) in applying a cultural intelligence framework to training. Although the content of country or culture specifics differs by definition, wisdom or intelligence in this context implies that the means of acquiring knowledge and behavioral capability is universal. That is, the facets of cultural intelligence operate across all cultures to aid a person in acquiring culture-specific content. In this sense, cultural intelligence refers to wisdom of a universal nature, whereas the specific content of what is learned for a given culture or setting is idiosyncratic or emic.

Cognitive aspects of cultural intelligence reflect the specific knowledge of content and process concerning a target culture that is acquired through metacognitive mechanisms. That is, cognitive cultural intelligence captures the *what*, *who*, *why*, and *how* of intercultural interaction. This aspect of cultural intelligence is well addressed through culture assimilators and other knowledge-based training systems. Interventions focusing on the acquisition of culture-specific knowledge through documentary and experiential methods may help people to understand more about a given culture.

Methods focusing on the motivational facet of intelligence are tied most heavily to the values orientation approach often employed in intercultural training. That is, an emphasis on cultural values not only provides specific knowledge about a target culture but also is intended to develop empathy. This assumption has an obvious shortcoming in that a person may feel highly empathetic and positive toward a host culture but still lack the efficacy to deal with the challenges he or she inevitably faces. Cultural experiences need to be leveraged as a means of building and enhancing efficacy through proximate mastery situations. One possible way of doing this is to expose an uninitiated person through a series of short, simple, and controlled intercultural interactions in a classroom setting. As the trainee builds confidence, greater complexity could be added, progressively graduating to an actual encounter.

Leadership

Another area of organizational application of wisdom and intelligence is in leadership. Examining the implicit theories of leadership that people hold about leader characteristics suggests that people inherently believe that leaders are—or at least should be—intellectually capable, wise individuals. In a study of both students and working adults, Offermann, Kennedy, and Wirtz (1994) examined the content of people's implicit theories about leadership and found support for a cognitive capability factor as one of eight core dimensions of people's leader perceptions. In order of decreasing

factor loading, this factor was composed of six items: intelligent, knowledgeable, wise, clever, educated, and intellectual. Thus, respondents naively saw both intelligence and wisdom as being prototypic of leaders, with both concepts clustered with the experientially based characteristics of being knowledgeable and educated as well as intellectual. In contrast, much of the leadership literature has been less positive about the contributions of intelligence to leadership. A recent meta-analysis of 151 independent samples found that the correlation between intelligence and leadership was .21 (uncorrected for range restriction) and .27 (corrected) (Judge, Colbert, & Ilies, 2004). Although this is a modest relationship, industrial/organizational psychologists maintain that even moderate validities can have substantial practical applications (Schmidt & Hunter, 1998). Perceptual measures of intelligence had much stronger correlations with leadership than did paper-and-pencil measures of intelligence, supporting implicit theories of leadership by suggesting that leadership status is given to those who manage to acquire a reputation for intelligence rather than necessarily being the most intelligent. Additional research is needed to determine whether reputedly intelligent leaders with less intelligence than that attributed to them could ever be viewed as wise.

These meta-analytic results also supported cognitive resources theory (Fiedler & Garcia, 1987), which proposes that leader stress level and directiveness moderate the intelligence–leadership relationship. According to this theory, leader stress diverts intellectual capabilities from the task, resulting in lower effectiveness, whereas directive leader behavior enhances effectiveness as the leader’s superior intellectual ability is communicated clearly to followers. As would be predicted, Judge and colleagues’ (2004) meta-analysis found that intelligence and leadership were more strongly correlated when leader stress was low and when leaders exhibited more directive leadership behaviors.

The modest relationship of leadership and intelligence may occur because it might not be intelligence per se that matters in leadership; instead, it might be the relative intelligence of leaders to their followers (Bass, 1990; Stogdill, 1948). Researchers have suggested that leaders can be most successful when they are slightly more intelligent, but not too much more intelligent, than their followers. As Gibb (1969) put it, “The evidence suggests that every increment of intelligence means wiser government, but that the crowd prefers to be ill-governed by people it can understand” (p. 218). This proposition was supported by Simonton (1985), who proposed a curvilinear relationship between intelligence and a person’s influence over other group members (an indication of leadership), such that there would be a high correlation between the group mean IQ and the IQ of its most influential member, with a leader–follower IQ gap of between 8 and 20 points, depending on organizational level, and with smaller leader–follower gaps at more senior levels of an organization’s hierarchy. Thus, intelligence may set the stage for leadership, but many other factors are involved in successful leadership as well.

Culturally Intelligent Leadership

One of these factors is the lack of leader training in dealing with cultural diversity. For many leaders, the scope of their intelligence may be limited to settings where they are more familiar. To the extent that wisdom depends on accumulated experiences, leaders faced with increasingly diverse followers may have difficulties. Unfortunately, leadership scholars have not devoted much time to rethinking traditional theories to accommodate the more diverse "followership" that is becoming common in modern organizations around the world (Offermann, 1998). Cultural intelligence, as described earlier, is a life skill in today's pluralistic societies that is particularly relevant to those who seek to lead. Although cultural intelligence is desirable for anyone who functions in multicultural environments, it is particularly important for leaders who are responsible for maximizing the value of a multicultural workforce. We suggest that the ability to engage in the mental processes and adaptive behaviors needed to function effectively as a leader in collective environments where there is a diverse followership is culturally intelligent leadership (Offermann & Phan, 2002). Wise leadership will become increasingly synonymous with culturally intelligent leadership.

Research shows that demographic differences between leaders and followers can affect follower effectiveness and satisfaction. For example, Tsui and O'Reilly (1989) found that increasing difference between superior and subordinate demographic characteristics was associated with lower superior ratings of subordinate effectiveness, less attraction toward subordinates, and the experience of greater subordinate role ambiguity. Work with ethnic groups in New Zealand also found higher levels of follower satisfaction when leaders and followers were ethnically similar (Chong & Thomas, 1997). Leaders clearly face the challenge of finding ways to overcome tendencies to work more effectively with demographically similar staff. Offermann and Phan (2002) suggested a three-pronged approach to developing culturally intelligent leadership, namely to (a) understand the impact of one's own culture and background in terms of values, biases, and expectations for oneself and others; (b) understand others and their comparable values, biases, and expectations; and (c) be able to diagnose and adaptively match appropriate leadership behaviors and expectations to specific cross-cultural situations.

Understanding Oneself. The first step in understanding one's own culture requires self-knowledge. Like people in general, many leaders are unaware of how their own acculturation affects the way they view others. Although leaders might not recognize the impact of their own culture, evidence suggests that followers can see it. Offermann and Hellmann (1997) found that among internationally well-traveled managers, the cultural values associated with a manager's country of origin related to what subordinates saw as their

manager's leadership style, with the values of power distance and uncertainty avoidance having significant impacts on leadership ratings. Consistent with the view that high power distance is associated with a greater tendency for a leader to autocratically retain power rather than empower others, managers from higher power distance societies were rated significantly lower than other managers on leader communication, delegation, approachability, and team building. Managers from higher uncertainty avoidance cultures were viewed as significantly more controlling and less likely to use leader styles emphasizing delegation and approachability that produce uncertainty, consistent with cultural values. The managers in this study had been exposed to other views, yet cultural differences in their leadership behaviors closely followed predictions based on cultural background. The danger is that these culturally set values may become the standard of correctness against which all others are judged, setting the stage for in-group bias (Gudykunst & Bond, 1997; Triandis, 1994). Fortunately, it is possible for people to value their own heritage without denigrating that of others (Gudykunst & Bond, 1997).

One element of self-knowledge that is important for leaders is how they make attributions for the causes of the behaviors they observe in others. Research suggests that many people overestimate the contribution of personal dispositional factors, as opposed to situational factors, to observed outcomes (Nisbett & Ross, 1980). Although this is well documented with European American samples, other cultural groups may show different attributional patterns. As noted earlier, Asians may focus more on social roles, obligations, and situational constraints (Markus, Kitayama, & Heiman, 1996). If leaders make erroneous attributions for the performance of culturally different followers, their leader behavior may be unwise. Work by Offermann, Schroyer, and Green (1998) found that leader attributions about the causes of group performance affected how the leader later interacted with group members, with the leader being more behaviorally active in working with groups whose members were perceived as performing poorly due to lack of effort rather than lack of ability. Misattributing unsatisfactory performance of culturally different staff to lack of ability, rather than to lack of clarity about what they were supposed to do, may cause a leader to give up on them and miss the opportunity to coach individuals who could perform well. The leader then may harbor low expectations for those who are different, denying them needed support, and this in turn becomes a self-fulfilling prophecy (Eden, 1990).

Understanding Others. The second step in understanding others builds on self-knowledge and includes understanding, at a practical level, the implications of cultural values for everyday work behavior. There are many intercultural training and education opportunities available for leaders, with the most common forms of cross-cultural training described in detail by Brislin and his colleagues (e.g., Brislin & Horvath, 1997). Training goals typically focus on changing thinking (increasing knowledge of cultural differences and

issues), improving affective reactions (how to manage challenges and enjoy diversity rather than merely tolerate it), and changing actual behaviors (Brislin & Horvath, 1997). Evidence suggests that even short-term training is usually beneficial (Triandis, 1994) and is a wise investment for leaders.

However, although leaders can, and (we believe) should, learn about core dimensions of cultural values, they must also take care not to categorize or stereotype individuals based on group membership. Miroshnik (2002) argued that managers are often culture biased and that skills in cross-cultural management must begin by recognizing cultural differences without judging them. Individuals are not cultural categories, and within-culture variation can be as great as, or greater than, between-culture variation. Managers who are wise are able to perceive greater variability within and between organizations, recognize both consistency and outliers, and respond accordingly (Malan & Kriger, 1998).

Adaptive Leadership. Understanding oneself and others in terms of cultural conditioning is the foundation of the third stage of successful leader adaptation. Many leadership models and approaches historically have advocated some tailoring of style to situation, with the core aspects of the situation attended to defined differently by different models. We suggest that one of the bases for tailoring needed is cultural differences.

For leaders to function effectively across cultural boundaries, leaders need to understand that, depending on their cultural background, followers come to work with different patterns of intelligent behavior that may or may not be seen as intelligent in the current setting. Wise leaders must identify the work behaviors that are truly required by the work or the organization. Is “top-of-the-head,” quick responding really critical, or would a predistributed agenda allow those with more reflective thinking patterns to participate more fully? Leaders may unduly limit acceptable job behavior to that with which they are culturally familiar and attempt to force others into that mold, experiencing problems in the process. Yet the real value of a multicultural workforce comes from capitalizing on the varied skills and perspectives brought by staff rather than attempting to homogenize them. Miroshnik (2002) called this moving from a parochial “our way is the only way” approach or an ethnocentric “our way is the best way” approach to a more synergistic approach that allows for a combination of ways without a presumption of inherent superiority of any single way.

Based on cultural differences in values, followers’ expectations of leaders may also differ significantly. The 61-nation GLOBE study found both commonalities and differences in cultural perceptions of effective leadership, with several characteristics reflecting charismatic/transformational leadership being universally endorsed as contributing to effective leadership (Den Hartog, House, Hanges, Ruiz-Quintanilla, & Dorfman, 1999). However, even where commonalities are found, leadership expectations and preferences may be affected by cultural values in important ways. For example,

Smith, Misumi, Tayeb, Peterson, and Bond (1989) supported the universal relevance of leader consideration but also indicated that a leader who discusses a follower's personal problems with others in the follower's absence was viewed as considerate in Japan but as violating the follower's privacy in the United States. Likewise, Schmidt and Yeh (1992) identified common leader influence strategies across Australian, English, Japanese, and Taiwanese managers but noted that their relative importance and tactical definitions differed by nationality.

Other leadership behaviors are very likely to differ significantly in degree of cross-cultural endorsement. For example, delegation may be viewed by individuals from high power distance countries as weak leadership, whereas other societies may view leader delegation as either positive or mandatory for leaders. Therefore, culturally intelligent leaders must be prepared and able to adapt their ways of interacting to accommodate cultural differences and help their multicultural staff to better adapt to the demands of their organizations.

It is clear that leaders in our global society will increasingly need to become more skilled in developing mature leader–follower relationships with culturally diverse followers (Graen & Wakabayashi, 1994) as well as multinational partners, customers, and suppliers. Results from a recent survey of managers at Fortune 500 companies indicated that 85% did not think they had enough competent global leaders in their organizations and that 65% believed their leaders needed more knowledge and skills to be effective globally (Javidan & House, 2001). We suggest that the three aspects of culturally intelligent leadership just described can increase the cultural competence of leaders and enable them to function more effectively in our multicultural world.

Multinational/Multicultural Teams

In this section, we extend our arguments about the culturally based nature of wisdom and intelligence to focus on some dynamics underlying the development of effective multinational/multicultural teams. Working on a multinational team provides a number of strong challenges for a member. There are at least three internal (to the team) issues confronting multinational teams as they develop and build momentum: establishment of goals and common purpose, clarification of roles played by team members, and delineation of rules for conduct and interaction (Earley & Peterson, 2004).

Working in a highly diverse team consisting of members from a range of cultures and backgrounds makes the establishment of goals, roles, and rules highly problematic because of the additional complexity added due to cultural differences (Earley & Gibson, 2002). Take, for example, the issue concerning rules for interaction within a multinational team. How should members interact and discuss core issues? If disagreements occur, how are

they to be resolved? Team members who come from more confrontational cultures might not notice the subtle cues coming from team members who come from cultures where face saving is important and/or conflict tends to be expressed indirectly. Another concern is how resources should be distributed if the team receives limited resources. And how might team members decide individual responsibilities? A team member coming from a strong need-based culture might well expect that scarce resources will be allocated based on need rather than on accomplishment, whereas a fellow team member coming from an equity-based culture might have an opposing view. The unstated assumptions concerning right and wrong, due process, expectations for membership, and so on are tied to cultural background and experience.

Universal aspects of wisdom and cultural intelligence based on metacognition and motivation are of particularly high importance for the multinational team. Functioning in such a team requires that members acknowledge their weak overlapping knowledge and focus on the most basic commonality to create a hybrid or synergistic culture that grows out of something more fundamental than distribution of rewards and decision rules (Adler, 1997; Earley & Mosakowski, 2000). That is, all teams must build momentum from their commonalities, but multinational teams have a special challenge inasmuch as their commonalities will be harder to identify. Multinational teams need to resist focusing initially on their differences. Metacognitive thinking is critical for developing and identifying strategies that might be used to determine the bases for a hybrid culture. Although the old adage of goals, roles, and rules is a reasonable starting point for developing a hybrid culture, there are likely to be team-specific elements that must be uncovered by team members as well.

Multinational team building also requires strong motivational discipline because many unstated practices and assumptions may need to be set aside and etiquette violations may need to be overlooked. A common trap for managers participating in a multinational team from a nationally heterogeneous company is to assume that they are cosmopolitan by virtue of their choice of institution for training or past travel experiences. At critical points in time, such as impending deadlines and negative performance feedback, teams lacking a strong sense of trust are likely to experience high relationship or emotional conflict and may self-destruct (Earley & Mosakowski, 2000; Simons & Peterson, 2000). Once a group receives negative feedback, differences that once were easily overlooked can become salient, and what once were quaint eccentricities can become unacceptable irritants resulting in personal disliking (Peterson & Behfar, 2003). Team members having high cultural intelligence and universal wisdom recognize this difficulty and remain motivated to look beyond individual differences toward what might benefit the entire team, even at critical pressure points.

Our point here is that success for multinational teams does not lie with cultural values training or broad orientations to diversity; instead, it requires

members of the team to possess the metacognitive skills and long-term foresight to overcome specific and transient challenges rather than become overwhelmed by them. To uncover these various elements requires team members who are able to recognize these features in fellow team members as well as themselves and to generate new ways to do so as new team members are encountered. Metacognitive cultural intelligence addresses these different learning strategies in the way that cognitive knowledge training addresses the content differences. Motivational propensities provide the confidence to persist when trying to determine the basis of experienced differences, and behavioral capabilities guide appropriate ways of interacting with others from different cultures.

Multinational Organizations

Wisdom depends on context, and many organizations now operate in a variety of cultural contexts. A key issue for today's global or multinational corporations (MNCs) is how to socialize staff from many cultures into a single organization that benefits from the culture-specific knowledge and wisdom brought in by diverse staff while maintaining effectiveness and coherence. MNCs that encompass a variety of businesses across many nations have the particular challenge of spanning both national and business cultures. Organizations take various approaches to these issues.

Some organizations espouse common values but, to the extent possible, allow different local practices within dispersed organizational units. In Africa, the actions of the Roman Catholic Church, a clearly multinational organization, illustrate both the problems and potential of this approach. Vatican Council II (1962–1965) encouraged the use of the vernacular rather than the traditional Latin in worship services, and it allowed changes in singing, changes in musical instruments, and (most particularly) the incorporation of drums into traditional Catholic services in Africa. Thus, the church was better able to reach out to local communities in ways that increased comfort while maintaining its core values and beliefs. The limits of this approach could be seen when local customs violated the basic values of the church. Although the church encouraged priests to incorporate the sacramental blessing of the church into traditional African marriage ceremonies, this did not fit well with traditional ceremonies that could last for months and often were not finalized until the wife proved her fertility by the birth of her first child, a practice that was far removed from church doctrine on marriage and childbearing.

A second approach is for organizations to accept that values differ cross-culturally and try to develop common organizational practices to which all organizational staff must adhere. For example, the World Bank Group is composed of individuals from around the world who are accustomed to many different organizational systems. To maintain a collective sense of

appropriate behavior, the bank and other internationals or MNCs have found it important to develop a standardized code of professional conduct to guide staff and make behavioral expectations clear to everyone. As Hofstede (1991) noted, people do not need to think, feel, and act in similar ways to agree on practical issues and work cooperatively. He noted that IBM staff around the world have long cooperated toward organizational goals and that they are by no means unique in that respect. Organizational leaders have important roles in developing and communicating shared norms and practices in their diverse communities. Leaders can help their organizations to forge a collective perspective on “how we do things around here” that is an integration of different approaches, known by all, and that diverse people can endorse as their own even if it differs in significant respects from some of their culturally formed values. When different perspectives are integrated into organizational practices, greater comfort with them from a greater proportion of staff can be expected, as opposed to a more autocratic development approach that emphasizes the traditions of only a single national culture.

In addition, organizations can create conditions that make positive intercultural experiences more likely. Triandis (1995) proposed that positive interactions among diverse individuals are more likely to occur in settings that value pluralism, share superordinate goals, are familiar with each other’s culture and share some commonalities, perform cooperative tasks with peers of equal status, are rewarded for positive interactions, and have overlapping social networks. MNCs should be able to provide common purposes around organizational goals, and coalescing around organizational requirements and objectives is more likely if the value system advocates and rewards pluralism. In addition, better communication among different people allows an open flow of communication throughout an organization, for although the organization may have wise individuals, “the organization does not become wise unless individuals’ wisdom is articulated and transferred to others” (Bierly, Kessler, & Christensen, 2000, p. 609).

Furthermore, Hofstede (1991) suggested that there is a potential for synergy from the combination of cultures with differing values, for example, combining staff from more innovating (low uncertainty avoidance) cultures whose members are more tolerant of new ideas with staff from more implementing cultures (stronger uncertainty avoidance) whose members may have superior skills with detail in making innovative ideas become reality. He cited as evidence that, consistent with the countries’ levels of tolerance for uncertainty, the United Kingdom has produced more Nobel Prize winners than has Japan, but Japan has put more new products on the world market. Culture may be one of a number of factors affecting individual job performance, and providing an organizational culture that allows each person to contribute his or her best, combined with others with different strengths, offers the best prospects for optimal organizational achievement.

This perspective is the antithesis of assimilation and homogenization. In the United States and elsewhere, the metaphor of a melting pot has given way to the image of a mosaic or stew that maintains the identity and contribution of different parts in the context of a coherent organizational creation. Leveraging diversity in this manner yields the potential for enhanced creativity and performance in diverse groups as different perspectives are combined (Triandis, Kurowski, & Gelfand, 1994). However, this potential might not be realized if effective communication and cooperation cannot be preserved simultaneously. In practice, multicultural groups can be either highly effective or ineffective, depending on whether diversity is managed successfully (Adler, 1997). If destructive conflict develops, performance will suffer; if different perspectives help to generate and develop new ideas in a mutually supportive and learning-oriented environment, performance can be enhanced. Typically, it falls on organizational leaders to bring out the best from diverse perspectives in a way that maintains positive interpersonal relations and avoids negative conflict. Organizational leaders presumably are also the repository of organizational knowledge and experience, factors that are predictive of wisdom and that can be drawn on to make diverse groups work effectively.

The benefits of diversity appear at many levels. Research has shown that top management teams in MNCs benefit from cultural heterogeneity and can achieve better performance without a loss of cohesion (Elron, 1997). Evidence suggests that companies that implement good diversity management programs are more likely to attract and retain employees as well as to create good corporate reputations. In contrast, poor diversity management can substantially cripple organizations. For example, individuals examining alleged organizational recruiting materials that either did or did not feature a managing diversity program evaluated the organization with the diversity program as significantly more attractive to them (Williams & Bauer, 1994). This suggests that providing support for a diverse workforce may be a potent recruiting tool. As the workforces of MNCs continue to diversify, maintaining a positive environment for diverse staff may differentiate those organizations that are able to attract and keep the best talent from those that are not.

Summary Thoughts

Our emphasis in this chapter was on exploring the nature of wisdom and intelligence in a cursory fashion across cultural boundaries. In so doing, we began with a description of culture itself as an anchor point for understanding how wisdom and intelligence might operate. Thus, our emphasis was on providing the reader with a taste of what differences might exist and the implications that such differences might have for various aspects of organizational and managerial functioning across domains of intercultural training,

leadership, multicultural teams, and MNCs. Although a complete review of these topics would constitute a major treatise, our intention was to stimulate a preliminary frame for thinking about this integration of topics.

In terms of epistemology, a key aspect of our discussion is that wisdom itself has a complex foundation with both universal and culture-specific elements. We introduced Wilson's (1993) view of moral values as an illustration of potential universal or etic foundations of wisdom, that is, the direction in which wisdom should guide us for a positive societal influence. In addition, we described a variety of perspectives concerning wisdom and intelligence as they vary across cultural boundaries, that is, the emic or culture-specific aspects. Consistent with evolutionary epistemology, knowledge may be constructed differently by different cultural groups so as to adapt to their respective environments. Nonetheless, some elements of human existence may transcend environment to such an extent that some elements of knowledge construction will be universal, although their expression may differ by location. So, although a concept such as fairness may be universal to societies, the specific definition of fairness (e.g., equity based, equality based, need based) may be idiosyncratic. This suggests that wisdom and intelligence have a variability when examined at a specific level of actions or outcomes. The underlying themes based on values and desirable end states (e.g., fairness) may be universal, but recognizing this requires an acceptance of idiosyncrasy at an outcome level.

In addition, we discussed the overlap of wisdom and intelligence, drawing from the definition provided by Csikszentmihalyi and Rathunde (1990). Intelligent actions that result in a societally beneficial outcome are indistinguishable from wise actions in this usage. Thus, intelligence and wisdom are interchangeable in this context. However, one might argue that the true difference between intelligence and wisdom lies in the culture-specific versus universal nature of action and deed. For example, if we accept that there are certain universal positive values (e.g., procedural fairness), perhaps there are universal actions required to achieve these outcomes. In some Western political thinking, there is an assertion that all people have a right to democracy and a right to self-determine their future. If democracy is the correct and universal form of political practice, this might suggest that wisdom captures a true universal of value and form, whereas intelligence (directed toward a positive value goal) may be idiosyncratic and capture differences within cultures.

Are there differences in wisdom across cultures? Certainly, it appears that wise "action" differs across cultures, just as do intelligent "behaviors." Therefore, scholars pursuing the topic of wisdom are advised to tread carefully in making generalizations about the structure, form, and manifestation of wisdom across cultures. Wisdom ultimately may be subject to the trap of beauty—held not as an absolute but rather as a virtue of an interested party.

Notes

1. Throughout this chapter, we refer to wisdom and intelligence as related in the instance that intelligence has a specific (and morally positive) directionality. Thus, it is possible that a behavior is intelligent but negative (e.g., sneaky, illegal), and this would not reflect wisdom. However, in cases where intelligent action has a target of a socially and personally desirable aim, it is also wise. Indeed, Staudinger, Smith, and Baltes (1992) drew from a dual model of intelligence and defined wisdom as dependent on “practical” intelligence or intelligence seen as factual and procedural depending on context, culture, and experience. Thus, wisdom might be seen as a subset over which intelligence may exist in various forms.

2. By a global assignment, we are referring to a temporary or short-term (less than 1 year) assignment that appears to be more characteristic of the current work environment than was the tradition. In contrast, an expatriate assignment typically involves full-time relocation of a manager and his or her family for more than 1 year.

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