

## DEVELOPING CULTURAL COMPETENCE

A dilemma for companies entering global markets is the lack of adequately trained international managers. Inadequate foreign language and international business skills have cost U.S. firms contracts, and resulted in weak negotiations and ineffectual management. The terrorist attacks of September 11, 2001, for instance, alerted the U.S. government not only to the national lack of competence in foreign language skills, but also to the nation's failure to educate its population to cultural sensibilities at home and around the world. Because more firms than ever before are operating in international environments, the need for cultural sensitivity training at all levels of the organization has never been greater. Even when cultural awareness is high, there is room for improvement. Further, today's training must encompass not only outsiders to the firm but also interaction within the corporate family as well. However inconsequential the degree of interaction may seem, it can still cause problems if proper understanding is lacking.

Some companies try to avoid the training problem by hiring only nationals or well-traveled Americans for their international operations. This makes sense for the short-term management of overseas operations but will not solve long-term training needs, especially if transfers to a culture unfamiliar to the manager are likely. International experience may not necessarily transfer from one market to another.

Czinkota, Michael R., Ilkka A. Ronkainen and Michael H. Moffett. Fundamentals of International Business. Mason: South-Western, 2004.