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The Role of Business Leadership in Developing Customer Intimacy Through Cultural Competence

Abstract: *In a global business environment, how one actively aligns with clients in developing high levels of trust and customer intimacy influences and expands the opportunities for success. Businesses in the private and not-for-profit sectors continually strive to differentiate themselves from the competition by providing high value in a cost effective model to attract new customers, maintain their existing customer base, and cultivate customer loyalty. In an environment of heightened global competition, product and/or service leadership, business depends upon value, quality, and a superior customer experience that drives market share and growth.*

The development of customer intimacy to create a consistent global brand requires business leadership to acknowledge and emphasize the need for intercultural understanding and cultural competency across the enterprise. Creating a framework that allows for consistent and repeatable processes and behaviors to meet global customer expectations is essential. To accomplish this management must reduce and eliminate cultural barriers and encourage organizational behaviors that focus on building increased employee awareness of communication and cultural competency skill gaps via learning programs and acknowledged best practices. These efforts will lead to greater customer satisfaction.

This paper will discuss the importance of closing cultural competency gaps in order to develop and sustain a best practice global customer intimacy model throughout the enterprise.

Introduction

Businesses today can ill afford customer churn and disloyalty. The ability for business to develop strong levels of loyalty and trust within their current and potential customer base is critical to the long-term survival of the business and

overall health of the organization. While executive management set strategy and monitor execution of their company plans as well as those of competitors, the front-line workers and management are tasked to integrate the execution of corporate strategy into their daily processes and interaction with customers. This interaction attaches a "personality" to the corporation and in return provides customers the opportunity to develop a trusted confidant relationship with the corporate brand representative. It is this trusted confidant relationship between business and customer promoting open and honest communication and actions that I refer to as *Customer Intimacy*.

In a customer led growth survey of 1,115 executives and 15,000 customers conducted by Bain and Company, executives from businesses representing 80% of the customer base surveyed believed their companies delivered a "superior experience" to their customers. Only 8% of that customer group agreed that the experience was "superior." Markey, R., (2012). The result is a 72% gap in the perception of the customer experience.

I purport that *Customer Intimacy* within most global companies is further developed when business leadership acknowledges communication and cultural competency gaps within the enterprise and emphasizes the need for cultural understanding and cultural competence. Results from this study indicate that individual contributors, managers, and executives recognize the opportunity and/or need to improve communication and cultural competency levels across the enterprise by reducing and eliminating communication and cultural competency knowledge gaps.

In addition to hiring and retaining high-potential candidates and providing standard work instruction, technical training, and general business skills, understanding and developing business methodologies to address the knowledge gap areas will provide positive impact to the business by strengthening customer intimacy through improved communication and increased levels of trust. To do so effectively, leadership must acknowledge these deficiencies and undertake an active and consistent role to promote and support the need for cultural competency across the enterprise as a business requirement.

I will demonstrate support of my main argument by:
i. Providing results of a Global Research Survey.
ii. Analyzing how this research supports my thesis.
iii. Describing the implications to current business models.
iv. Suggesting best practices for future business models.

Research Procedure and Survey Questions

To capture research data, a random blind survey (Exhibit I) utilizing Secure Socket Layer (SSL) technology to collect the data was created and made available to university alumni at three institutions and business colleagues currently

employed in business or with recent business experience, i.e., professional white-collar employees. Alumni were notified via social networking sites. Business colleagues were contacted via social networking sites or direct email. The majority of respondents (83.5%) were physically located in North America at the time of the survey, 76.8% were born in North America. Individuals were asked if they worked for a multi-global or multinational corporation, years of work experience, highest level of education, functional role i.e., Individual Contributor, Manager, or Director / Executive and, did they work with individuals within their enterprise or with customers from cultures that were different from their own. These questions were asked to establish a baseline for subsequent survey questions. The purpose of the survey was to discover the percentage of business conducted between respondents and those of other cultures whether in-company, local or global, and, if cultural competency training was provided to assist them in developing customer intimacy and building trusting business relationships. Additional information such as the role of leadership in developing customer intimacy, the existence of customer loyalty programs and employee compensation, mentoring programs, quality of management communication, and frequency of need for management to engage in cultural conflict resolution was collected. Finally, respondents were asked to share an "excellent business experience they had with a person from another culture" and provide the criterion they felt necessary in building such a relationship.

The survey remained available for 33 calendar days. During that time, 296 respondents started the survey and 238 completed the survey resulting in a respondent completion rate of (80.4%). The survey contained 33 questions consisting of multiple choice and yes/no, and free text, none of which was mandatory so as not to elicit a false response.

The focus of the research was taken from a qualitative perspective. The hypothesis was that *Customer Intimacy* is further developed when business leadership acknowledges gaps in communication and cultural competency in the enterprise, and emphasizes the need for intercultural understanding and competence. Three critical factors assist in facilitating this development - *Corporate Strategy, Leadership Capability,* and a defined *Training/Learning Process.* This (a priori) predetermined assumption (O'Leary, 2010) stems from professional expertise, academic experiences and an extensive review of existing literature. As the research topic revolves around organizational skills *(Cultural Competency, Leadership* and *Communication, Customer Intimacy and Loyalty, and Trust* within an enterprise), the analysis is subject to Type III error. (Type III error is asking the wrong question, but obtaining the correct answer.)

Global Research Survey Results

59.8% of respondents work in a multi-global / multinational corporation. 88% of all respondents stated that they have co-workers and / or customers who are from different ethnic cultures. Overall, the majority of respondents, (51.4%), were employed by companies with greater than 5,000 employees. 19.4% of the respondents' companies employed 50 or fewer employees. Companies employing 1,000-5,000 represented 12.5%. Finally, 83.5% of the respondents currently reside in North America and 76.8% of the respondents were born in North America, 7.7% Western Europe, 4.6% South Asia, and 4.4% South America.

From a functional role perspective, 43.4% were Individual Contributors, 24.1% Managers, 21% Directors, and 11.5% Vice Presidents or higher. Respondents holding graduate degrees were 55.1, college degrees 37.1%, and other 7.8%. The average time in the workforce was 15 years with Hardware and Software Technology representing 46.8% of the population, followed by Information / Telecommunication 14.1%, Professional Services 10.6%, and Education 9.5%.

Levels of cultural competency training varied amongst respondents with 56.1% Agreeing or Strongly Agreeing that their organization offered structured training / mentoring programs to develop cultural awareness skills. 32.6% Disagreed or Strongly Disagreed with this statement. The survey did not ask respondents if they personally participated in the structured training offered by their companies. 73.2% of the respondents Agreed or Strongly Agreed their organization stressed cultural sensitivity and 77.5% believed they had the opportunity to incorporate cultural awareness techniques into their day-to-day work tasks. Regarding opportunities to share best practices with peers, 64.9% Agreed or Strongly Agreed that opportunities to share best practices existed.

Leadership question responses conveyed that 60.6% of respondents Agreed or Strongly Agreed their company had documented global standardized processes to ensure the highest levels of customer satisfaction and loyalty; 27.5% Disagreed or Strongly Disagreed. Formal customer loyalty programs existed in 54.3% of organizations while 35.8% tied employee compensation to these programs. The majority of respondents (79.3%) believed management encouraged them to learn about their customer businesses.

Respondents expressed their thoughts as to which functional groups within their company should actively focus on developing and fostering customer trust and loyalty. Customer Service received 80.6% of the votes followed by Sales (74.1%), Marketing (61.2%), Human Resources/Training (43.3%), Engineering (25.5%), Finance (16.7%), Distribution (11.4%), and Manufacturing (10.3%).

A follow-on question asking "which...do you believe are most responsible for encouraging employees to develop customer loyalty and trust" ranked

Management Direction as number one (78.8%), followed by Corporate Strategy (66.4%), Training (56.4%), Customer Requests (42.5%), Competitive Situations (34.7%), and Peer Feedback (34%).

The quality of communication levels within organizations was queried and greater than one third (35.3%) responded Fair, Poor, or Non-Existent. When asked about the quality of organizational communication across geographic regions, 41.2% stated Fair, Poor, or Non-Existent. Responses to both of these questions validate that communication gaps exist in the companies represented by survey respondents within organizations and across geographic regions and must be addressed to reduce the opportunity for conflict to occur. Conflict situations based on cultural differences occurred Frequently or Always (24%) and Sometimes (49.6%) when respondents worked with global clients / customers. Within the enterprise respondents noted that cultural differences occurred Frequently or Always (27.5%) and Sometimes (53.3%), reinforcing this thesis that gaps in communication and cultural competency currently exist in business.

Respondents were asked if in a business role they ever had an excellent business experience with someone from another culture. 81.1% stated "Yes" and were subsequently requested to provide their criteria as to what elements constitute development of customer trust and building strong business relationships. The results validate that communication skills and cultural awareness are viewed as critical in the development of customer trust and in building strong relationships, (Table 1).

Table 1 *Respondent criteria*

Necessary Criteria		Response Percent	Response Count
1.	Communication Skills	84.9%	203
2.	Cultural Awareness	79.1%	189
3.	Leadership	74.5%	178
4.	Employee Empowerment	69.0%	165
5.	Management Direction	66.1%	158
6.	Corporate Strategy	64.0%	153

Research Analysis

In business there is a general understanding of the word *Intimacy* as it relates to customer interaction. For purposes of this research paper and discussion I will defer to the Latin origin of the word, *intimatus*, to make something known to another - the willingness to pass on credible information, Senge, P., Kleiner, A., Roberts, C., Ross, R.B., & Smith, B.J., (1994). This definition works equally well for both internal and external models of global communication in business.

Within organizations today employees are required to be both recipients and suppliers of information, and are further required to successfully communicate and consistently execute within the strategy framework provided by management. Outside of organizations many of these same employees interface with customers or potential customers, carrying forth the spirit and associated messaging of given company strategies. At the same time, these employees are chartered to collect and interpret data, requests, and perceptions about products, services, and the competition, many of which are provided by the customer. For companies to be competitive, "everyone in the organization needs to be connected to the customer...relentless competition requires rethinking how people become connected to the customer...it asks organizations to connect to people in a way that's different from anything they've ever done before," Cawood & Bailey, (2006). The *customer-centricity* approach, Zaltman (2003), involves a focus and understanding of both latent and obvious customer needs. Customer-centricity occurs when the customer "hears" and "truly understands" the offering and when the company "hears" and "truly understands" what their current and potential customers are telling them. This leadership strategy is designed to develop mutual understanding between the parties and to eliminate any differences that may exist.

Progressive industry leaders not only rely on customer information gathered informally by trusted employees, the best of breed are also asking customers directly via formal programs. One example of this is EMC^2 Corporations' Voice of the Customer (VOC) program (Total Customer Experience Proven) that utilizes the Net Promoter System/Score (NPS) model to assist executives in understanding "what customers want today and tomorrow." This is done by separating and analyzing customer metrics, financial metrics, and operational metrics, Bampos (2011).

Following the analysis of customer feedback, information is shared with internal organizations across the value chain. Discussions are held and measurable action plans are implemented and inspected. The results have been stellar for EMC^2 as well as for Allianz, Apple Computer, Charles Schwab, Jet Blue, Sony, The Vanguard Group, and many others, Reichheld, (2011).

Reichheld describes NPS as a new standard for measuring customer loyalty. The objective in collecting metrics based on loyalty questions is to determine the likelihood that a customer would recommend a company and also repurchase goods and/or services from that company. NPS is not industry specific as one can see based on the variety of companies and respective industries they represent. Once the initial data is collected it then serves as baseline for future measurement. Loyalty analytics are reviewed and trended based on a committed schedule as determined by the respective company. In a recent post Reichheld

cites an Apple internal program (Net Promoter for People, NPP) where team members find solutions to problems that must be addressed if customers are to be "delighted." Reichheld believes that satisfying employees should not be the real focus – rather, the goal should be positioning all employees in the company to earn happiness by placing employees in a position to delight customers, Reichheld, (2012).

Many organizations such as those noted are making great strides in creating honest and open levels of customer intimacy with their client base. This intimacy is based on the sharing of product knowledge, technical advice and prowess, and, the integration of customer business needs into future product creation. In-house technical training programs to develop employee technical skills are critical to companies such as EMC^2 Corporation that ardently promotes science, technology, engineering, and mathematics (STEM) programs at the college and university levels. EMC^2 has also called upon the technology industry to join them in engaging and investing in their local communities at the K-12 levels in order to encourage and promote STEM based problem solving, Elias (2011). These efforts and programs in and of themselves are excellent strategic initiatives for businesses and must continue in order for industry to maintain a leadership role, and, in building a pipeline of future technology experts.

In support of these programs leadership has a major role in the success of organizational messaging and communication in setting expectations and overall direction for Human Resources, managers and employees. Proper messaging by management reduces uncertainty amongst employees and acts as a mechanism for building trust and loyalty between employees and management thus allowing for the potential of a similar transfer of trust and loyalty between employees, external clients and partners. Strategically, businesses must set and articulate the desired vision of the organization's future if they wish to continue to differentiate themselves and provide improvement on what is delivered to stakeholders, Bass (2007). It is imperative for leaders to understand the correlation between strategy changes and the required behavioral changes that must occur and be sustained across the enterprise – especially at the executive and management levels, Haudan (2008).

Piecewicz and Reidy (2011) argued that organizational leadership has the responsibility to allow innovation to incubate, and suggest that the creation of an innovative environment begins with a Sustainable Transformation System© (STS) consisting of leadership support, a long-term plan of action (strategy) that includes all aspects of the organization/enterprise, an environment that fosters and allows for positive change, organizational assets i.e., defined processes, plans, procedures, and, support of informal communication networks to fill the "white space" and complement formal communication networks.

When process consistency exists within organizations it provides for repeatable results and allows customer expectations to be properly set. 60.6% of the respondents Agreed or Strongly Agreed that their companies had documented global standardized processes that assisted the employees in creating high levels of customer satisfaction, trust, and loyalty. 27.5% Disagreed or Strongly Disagreed that their companies had documented standardized processes. When the results for this question were cross tabulated combining job roles it was interesting to discover that 22.7% of Individual Contributors, 25% of Managers, 32.7% of Director level, and 41.4% of Vice President or higher level responded that they Disagreed or Strongly Disagreed that standard global processes existed to cultivate high levels of customer satisfaction and loyalty.

The progression of disagreement by respondents regarding available standardized global processes based on job roles i.e., Individual Contributor respondents, Managers, Directors, and Vice Presidents and above is telling. 64.4% of the Individual Contributors Agreed or Strongly Agreed that they had well documented standardized global processes to provide them guidance in their role. As 43.4% of the survey respondents are Individual Contributors, these metrics are significant and may reflect a serious organizational communication gap as messaging travels throughout the organizational hierarchy. When communication deteriorates there is an impact to organization alignment and focus, a decrease in trust, and, the potential for an increase in conflict situations leading to *Enterprise Ethnocentrism*, Reidy (2009), an isolation of internal organization structures, both central and distributed.

ServiceMaster emphasizes the "importance of the mundane" and provides service workers a 7-step process for cleaning hospital rooms. The process is designed to assist the workers in efficiently completing work and developing increased communication skills with patients, thus providing opportunity to better understand customer needs and requirements. Additionally, it was found that employee loyalty is directly related to productivity and that successful leaders emphasize the importance of the needs of both customers and employees, Heskett, Jones, Loveman, Sasser, Jr., & Schlesinger (1994).

In the same series of survey questions, 54.3% of respondents indicated their organizations had some form of customer loyalty program. 35.8% responded positively when questioned whether their organization tied employee compensation to customer loyalty results. My belief is that companies with a business leadership team that acknowledge and emphasize customer intimacy as a brand are able to positively differentiate themselves from others. Extraordinary contemporary leaders are not only aware of self, but of others. These leaders are transformative in that they lead others by taking a learning orientation, an appreciative orientation, and, a receptive orientation, Schaetti, Ramsey, & Watanabe (2009).

Holt and Seki (2012) discussed how learning professionals could influence leaders to become global leaders and theorized that four shifts are required. Three of these, developing multicultural effectiveness of leaders, teaching leaders to appreciate uniqueness in the context of cultural differences, and becoming skilled at managing paradoxes are clearly tied to managing cross-cultural teams. The fourth shift (appearing first on their list) is that of "cultivating the being," or, who one is. This shift involves the human experience and teaching authenticity, i.e., who leaders, and all members of the organization are, and want to become. The authors also noted that intercultural effectiveness "undoubtedly involves the ability to communicate effectively and appropriately in intercultural situations," further supporting this thesis. When asked to prioritize which are the most responsible for encouraging employees to develop customer loyalty and trust, 78.8% of respondents first listed management direction, followed by 66.4% corporate strategy, 56.4% training, 42.5% customer requests, 34.7% competitive situations, and 34% peer feedback.

Creating and developing an intimate customer environment relies significantly on the quality of communication across the organization and the enterprise. Success in communication involves the exchange of meaning and the understanding of the message meaning by the recipient(s), Adler (2002).

This study reflects that communication and messaging are enhanced when one or more members engaged in the communication process have experienced some level of cultural competency education. Developing cultural competence to enable global leadership requires more than relying on "think globally, act locally." Truly global organizations have a model of continuous learning that is constructive in nature and consists of "certain conditions." These are: the development of an intercultural mindset, an intercultural skillset, and, intercultural sensitivity, Bennett, M. (2007).

When asked to categorize the quality of communication in their organizations, 35.3 % of overall respondents stated Fair, Poor, or Non-Existent. A cross-tabulated analysis of Manager and Director responses regarding the quality of communication replied Fair or Poor 43.3% and 39.2% respectively. Responses concerning the quality of global communication revealed that 41.2% of all respondents noted Fair, Poor, or, Non-Existent. A cross-tabulated analysis of responses based on roles uncovered that ratings of Fair, Poor, and Non-Existent were 31.5% for Individual Contributors, 64.3% Managers, 50% Directors, and 34.5% for Vice Presidents and above. These findings are disturbing and identify a significant communication gap between organizational leadership and other organizational roles. Customer intimacy and cultural competency require and rely upon superior communication skills to close gaps in order to build trust within and between enterprise organizations, leadership, and, customers.

Enterprises with poor internal communication are likely to struggle when attempting to communicate "like" messaging to their customer base. Building trust within an organization is a socialization process that communicates common values and relies on the ability for all participants to share honest and open information amongst all levels of the organization, Kahane (2006). In a McKinsey research study, 150% more professionals than C-level executives felt they had the right talent but were inhibited by the organizational culture, Barsh, Capozzi, and Davidson (2008). Dyer and Chu (2003), viewed trust more at the individual interaction level i.e., between one or more individuals, and not at the organization level, although individuals in one organization may share an orientation with those in another organization. "In ideal work situations, people trust each other; they do not feel people will do them harm; they feel that their members have the knowledge, skills, and motivation to interact with each other and get things done." Customers would observe levels of honesty with the intentions of a person, organization, or team based on predictable behaviors over time, Ryan Group (2012).

Question 30 of the survey asked if respondents in a business role ever had an excellent business experience with someone from a different culture, within or outside of the immediate organization. 81.1% responded "yes." "Yes" respondents were then asked to share an example, 48.6% took the time to share their experiences. The responses (free text comments) parallel the trust theories with comments such as: "We make it a point to ask questions if something is appropriate (or not) outside of our immediate culture, this is how we learn more about each other and our cultures;" "establishing relationships and building a sense of TEAM," "We work as a solutions team across different geographies... and have a good understanding of our respective strengths and weaknesses," "I developed a trusting relationship with their General Management that enabled me..." Many respondents noted the importance of face-to-face meetings during a meal or coffee break to allow for open discussion. Others mentioned using culturally correct cues and developing business relationships built on mutual respect.

This study proposes that the nature of a global customer model and global workforce now requires businesses to create a learning environment for employees to develop and practice enhanced communication and cultural competency skills. This perspective is one of national or ethnic culture from the context of international business and not one of diversity. Johnson, Lenartowicz, and Apud (2006), proposed a definition of cross-cultural competence that is useful in supporting the development of customer intimacy through cultural competence:

Cross-cultural competence in international business is an individual's effectiveness in drawing upon a set of knowledge, skills, and personal attributes in order to work successfully with people from different national cultural backgrounds at home or abroad.

In a 2004 interview Professor Geert Hofstede stated, "Cultural integration is a top management responsibility, but if top managers don't know what culture is, the disasters are predictable," Hoppe (2004). In global business, Cultural Intelligence (CQ) as a competency assists leadership in positively addressing the demands of today's diverse employee and customer global work environment, Groves & Feyerherm (2011).

Learning cultural competency begins with *awareness* followed by the development of *knowledge* followed by the practice of *skills,* Hofstede, G., Hofstede, G.J., & Minkov (2011). Hofstede et al further note that historically there is traditional training to develop intercultural communication skills that focus on the knowledge of one or more cultures. This specific type of training is often developed and implemented to assist expatriates and their families to learn key elements about a new country. A second type of intercultural communication training focuses on cultural differences beginning with an examination of "one's own *mental software* and where it may differ from others." In addition to understanding one's cultural context and that of another culture, Hofstede warns that the processes and perspectives used can also play a significant role in developing cultural competency.
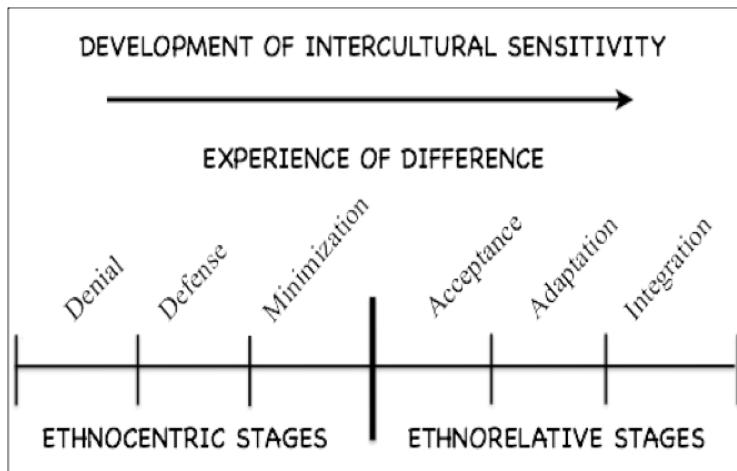
Once individual employees are successfully introduced to cultural competency skills and the utilization of best practices to build business relationships internally and externally, basic measurements that support Hofstede's examination of "one's own mental software" may be utilized. Such tools are not always as scientific instruments, but rather, working tools that can assist individuals in quickly establishing similarities and differences with peers, managers, and customers. In this study these similarities and differences are referred to as "*The Gap of Commonalities*, (*GComm*)," (Exhibit II), Reidy (2012). Basic identifiers may include: geographic location, national culture, primary language, work role, family influence, religious beliefs, level of education, and personal interests. Through interaction with peers, management, or customers one is able to identify the areas where similarities and differences exist. Bridging these areas through self-assessment and formal cultural competency training will assist in facilitating customer intimacy through improved communication and cultural understanding.

Trompenaars and Woolliams (2005) suggest that following an understanding of cultural values, the next level of cultural understanding relates to business performance. In practice this refers to how one reconciles differences when they

arise in business situations in order to optimize business interaction whenever contrasting values are present.

The Developmental Model of Intercultural Sensitivity (DMIS), (Figure 1), Landis, Bennett, J., & Bennett, M.J. (2004), was created to explain observations and experiences of people in intercultural situations. The first three stages are known as the "*Ethnocentric Stages* where one moves through Denial, Defense, and Minimization" as part of the "experience of difference." In the first three stages culture is experienced through the lens of ones own culture. The second three stages are the "*Ethnorelative Stages* of Acceptance, Adaptation, and Integration." The Ethnorelative Stages reflect a "World view" position for individuals and it is where cultural awareness and sensitivity begin. In the Adaptation stage one begins to recognize cultural contexts and is able to begin to apply them. It is in the Adaptation stage that intercultural awareness and competence develops and begins to move one toward the last Ethnorelative stage, Integration, where individuals and enterprises become truly global.

Figure 1: The Development Model of Intercultural Sensitivity, (DMIS) Landis, D., Bennett, J., & Bennett, M.J. (2004)

Understanding one's own culture and the similarities and differences in other cultures allows for the development of appreciation and perhaps as important, the positive perception of appreciation as viewed by the other parties. Establishing an early positive impression with a member of another culture may in fact create '*exaggerated emotional coherence,*" also known as the "halo effect," Kahneman (2011). With the development of cultural awareness and knowledge, practicing skills in given situations will allow for the use of

situational framing where one is able to view cultural differences in the form of smaller components allowing one the ability to better segregate commonality as well as differences, Hall (1989).

To this end I believe that formal learning programs to develop cultural competence at the executive, management, and individual contributor levels are a necessity in business today for those companies choosing to close and improve communication gaps both internally and externally, and to create an atmosphere that fosters trust. Doing so via formal programs supported by management will increase the levels of customer intimacy with clients across the enterprise.

In order to leverage this opportunity I propose that businesses committed to competing in the global arena must create a new senior level management role that focuses solely on the development of cultural competency across the global enterprise. Cultural competency is unique and demands comprehensive skill sets and a dedicated mindset. This role would direct and facilitate enterprise level cultural needs analysis, and the development and ongoing execution and inspection of global cultural competency training programs; beginning with the new hire onboarding processes and, encompassing seasoned career veterans across all organizational roles.

The Chief Cultural Officer (CCO) will be a senior/executive management position with corporate responsibilities to implement, execute, monitor, and inspect the progress of cultural strategy within all organizations and across all personnel levels via new and existing human resource channels.

Programs developed by the CCO should be initiated with introspection at the organization, department, and individual levels regardless of one's status or role, as every employee must develop the skills necessary to build trust and foster deeper levels of customer intimacy and loyalty. The impact of successful program implementation and ongoing value will be captured and measured in NPS and customer survey scores and be utilized as a catalyst for continuous program improvement.

Summary

Based on respondent input to this study, gaps in communication and cultural competency skill levels exist in today's enterprise. Survey results indicate that individuals at higher levels in the organization tend to have perceptions that are more negative regarding process consistency than the perceptions of individual contributors. These differences may directly reflect gaps in communication, cultural competency, and trust resulting in a weaker corporate brand. Acknowledgement of these gaps and developing programs to remediate them will strengthen the corporate brand, increase customer and employee

loyalty, and facilitate the development of customer intimacy throughout the enterprise.

Conclusion

This research study has explored the role of leadership in developing customer intimacy through cultural competency. Alignment with global clients via the creation and sustainability of formal cultural competency programs will serve to further reduce cultural competency gaps, improve communication, deepen trust, engage employees to delight customers via customer satisfaction, and, cultivate increased levels of customer intimacy resulting in greater customer loyalty.

The creation of a Chief Cultural Officer role will reflect corporate commitment to provide the unique skills necessary to reduce gaps by building and sustaining a culturally aware and competent global workplace environment and workforce resulting in increased customer intimacy that will drive greater market share and growth.

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EXHIBIT I

Survey Questions

1. Please indicate your total years of work experience.
2. Please indicate the highest level of education you have completed.
3. Which category best describes your functional role? Select one.
4. Do you currently work full-time for a multinational corporation? (A multinational corporation is a company that is headquartered in one country and has many offices/sites in other countries.)
5. Do you have co-workers or customers who are from a different culture than you are?
6. The number of employees at my company (including all locations) is approximately.
7. Which of the following best describes the geographic area where you were born?
8. Which of the following best describes the geographic area where you currently reside and work?
9. The industry you currently work in can be best classified as: (choose one)
10. Does your company have established offices/sites in one or more of the following locations (select all that apply)?
11. My organization offers formal training/mentoring programs to assist employees in developing cultural awareness skills.
12. There are opportunities within my organization to share cultural awareness best practices with my peers.

13. Within my organization, cultural sensitivity is stressed. Cultural sensitivity is defined as knowing that differences exist between cultures, but not assigning values to differences (better or worse, right or wrong).
14. I have the opportunity to apply cultural awareness techniques/ideas to my day-to-day work tasks.
15. Management addresses cultural barriers as they arise.
16. My company has documented global standardized processes to ensure the highest levels of customer satisfaction and loyalty.
17. My organization has a customer loyalty program.
18. My organization ties employee compensation to customer loyalty results.
19. Leaders in my organization encourage employees to develop a deep understanding of customer businesses.
20. Which functional groups within your company do you feel should be sensitive to building customer trust and loyalty? Please select only 3.
21. Which of the following do you believe are most responsible for encouraging employees to develop customer loyalty and trust? Please select all that may apply.
22. The quality of communication by management in my place of business would best be categorized as:
23. My business leadership creates a work environment that empowers employees to develop strong customer relationships with customers of different cultures.
24. How would you categorize the level of cultural awareness training provided by your company to allow you to successfully conduct business with individuals from other cultures?
25. Within my organization, there is an open environment of trust and mutual respect.
26. The communication within my organization is best categorized as:
27. In your business activities with colleagues at your work location (inside your company) how often do cultural differences manifest themselves?
28. The communication across different geographic regions in my organization is best categorized as:
29. In your business activities with global clients/customers (outside of your company) do cultural differences manifest themselves?
30. In a business role, have you ever had an excellent business experience with someone from a different culture (within or outside of your organization)?
    a. You answered "Yes" to having an excellent business experience with a member of another culture, briefly describe this business situation.
31. In my opinion, the following criteria are necessary for developing customer trust and building strong business relationships. Please select all that apply.

32. Businesses today must understand and develop cultural awareness in order to create and maintain strong business relationships.
33. Building and maintaining trust and loyalty in business relationships are critical for your company's success.

EXHIBIT II

The GAP of Commonalities Worksheet (GCOMM)

The Gap of Commonalities Worksheet (GCOMM)				
Self	Identifier	Customer / Colleague	Identifier	Commonalities Gap Rating (+) or (-)
Geographic Location		Geographic Location		
National Culture		National Culture		
Primary Language		Primary Language		
Work Role		Work Role		
Family Influence		Family Influence		
Religious Beliefs		Religious Beliefs		
Level of Education		Level of Education		
Personal Interests		Personal Interests		
			Rating Total	

* A rating level of "+ 7" indicates greatest level of Commonality   Copyright © 2012 R.W. Reidy