

# INTERCULTURAL COMPETENCES IN SLOVAK BUSINESS ENVIRONMENT

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## Introduction

The contemporary business world is so highly globalized that it would be wrong to assume that an enterprise which wants to succeed in international competition, may exist and fully function without any international trade or relations. Intercultural competences of the employees are thus becoming increasingly important. One may think that when dealing with the enterprise's stakeholders, professional knowledge and technical skills are sufficient in order to maintain the corporate processes running smoothly. However, considering the fact that for different reasons, e.g. work migration, or work exchanges, the working environment is growing to be highly diverse and intercultural, the importance of being interculturally competent is clearly relevant at all hierarchy levels, and in relation to both external and internal stakeholders.

Intercultural management has long been perceived as an important branch of international management (Brunet-Thornton & Bures, 2012). However, enterprises may be confronted with intercultural diversity among all stakeholder groups, even though management appears to be frequently targeted as the most significant representative of an enterprise, being the actors of organizational changes (Horeháková & Marasová, 2008). On the other hand, the most expected encounters with foreign cultures would probably be among the external stakeholder groups, i.e. suppliers or business partners of an enterprise. With a growing number of foreign investments and spreading of transnational corporations' operations across the globe, interculturality is brought into the internal stakeholder groups more often, enterprises frequently having foreign management, or a multicultural working staff. Last but not least intercultural influence is represented by foreign or otherwise

multicultural customers, who in fact may be the most influential force influencing the corporate processes in a customer-oriented market.

Intercultural competence, as an inevitable component of managerial skills, is a rather complex issue. In general, one may assume that it is based on the culturally relevant information and knowledge an individual (or the whole enterprise) may have on various stakeholder groups who create diversity within its working operations. Although active use of knowledge is unquestionably a competitive tool for individual enterprises (Urbanová, Vnoučková, & Labouťková, 2016), knowledge, and strategy of making use of it, only stand for one of the three components of intercultural competence (IC) as a whole. IC manifests in three basic areas: the cognitive IC, representing knowledge and strategies how to use it effectively; the affective IC, which is related to emotions, feelings, and attitudes; and finally the behavioral IC, shown in person's actions and ability to adapt their behavior to the needs of a situation characterized by intercultural diversity.

The goal of this paper is to introduce the concept and the components of intercultural competence, and analyze the results of the research conducted on a representative sample of employees of Slovak enterprises. The paper tests the hypotheses that were set within the research, the main objective of which was to measure the level of intercultural competence and its individual components. The results of the research were evaluated on the basis of outcomes of the statistical program IBM SPSS 19. The relationship between the individual components of intercultural competences was investigated and proved. The main contribution of the paper is to raise awareness of the ways of assessing intercultural competence in the conditions of Slovak enterprises, as well as to provide practical knowledge and

information related to the opportunities Slovak enterprises have to use the results of the assessment in further development of skills and competences of their employees, and to ensure competitiveness of Slovak enterprises in the global world of the 21<sup>st</sup> century.

### 1. Intercultural Competences in Business Environment

Competence is generally understood as the ability of an individual to do their job properly. The term was coined in 1950s, and has since been used to describe similar, but still rather differentiated concepts. The use of the term varies across different literary sources, which leads to considerable misunderstanding in clearly defining what competence is. A great impulse for the attempt to define the term competence originated in the 1970s research initiated by the American Management Association, which aimed at identifying the characteristics that distinguish superior from average managerial performance (Trompenaars & Woolliams, 2009). Following this, by publishing the book *The Competent Manager*, Boyatzis (1982) generated a mass increase of expert interest in identifying the construct of the competent manager. Some scholars understand competence as a combination of theoretical knowledge and practical skills, or as being adequately qualified, i.e. having the ability, to perform a certain task or a specific role. In relation to business environment, competence includes thought processes and emotional intelligence, as well as skills in influence and negotiation (Minárová & Adamska, 2014). Baláž and Kika (2007) understand competence as a set of qualities, attitudes, knowledge, skills, and experience, which are projected into one's actions. What the different sources have in common is that they ascribe competence the components which relate to the cognitive processes (knowledge), affection or feelings (attitudes), and to actions, i.e. the behavioral factor (skills) of one's personality (Bennett, Wiseman, & Hammer, 2003; Samovar & Porter, 2011; Deardorff, 2006; Clark, 2016; Mešková, 2012), although further delineations of these constructs vary by source.

Due to growing internationalization of the world, and increasing migration of people for personal and work purposes, the business world is changing ever more rapidly. In the 21<sup>st</sup> century, priority of personal development

related to workplace goes hand in hand with the business performance and growth of an enterprise (Trompenaars & Woolliams, 2009). This brings new challenges to understanding different aspects of competence not only among managers of enterprises, but within the whole team of employees, where cultural factors play an important role.

#### 1.1 Defining Intercultural Competence and the Related Concepts

With regard to the previously said, intercultural competence appears to be the key competence for the contemporary business environment. This fact has also been noted in multiple fundamental European documents defining the key competences for the 21<sup>st</sup> century. The definition reflected in the documents understands IC as a component of different key competences: intrapersonal, interpersonal, communicative, cognitive, and sociocultural (Zelenková, 2014), which assumes preparedness and capability of individuals to live, function and work in the multicultural global society.

Review of literary sources regarding IC reveals numerous terms that have been used in the research as a synonym for intercultural competence including the following: cross-cultural adaptation, cross-cultural effectiveness, cross-cultural adjustment, intercultural sensitivity (Benett, Wiseman, & Hammer, 2003; Paige et al., 2003), international competence, cultural competence, multicultural competence, transcultural competence, global competence (Lambert, 1994), global literacy, global citizenship (Gundling, 2003), and cultural intelligence (Earley & Ang, 2003; Earley & Mosakowski, 2004; Livermore, 2011).

American scholar Darla Deardorff presented a definition and suggested appropriate assessment methods of intercultural competence upon which leading intercultural experts have reached consensus. The scholar defines IC as 'the ability to develop targeted knowledge, skills and attitudes that lead to visible behavior and communication that are both effective and appropriate in intercultural interactions' (Deardorff, 2006), also pointing out that IC cannot be acquired in a short space of time or in one module. According to Deardorff, acquiring and developing one's IC is not a naturally occurring phenomenon but a lifelong process which needs to be addressed explicitly in education, training and other forms of staff development.

We agree with a rather generic definition of intercultural competence given by the same author, which defines it as a set of cognitive, affective, and behavioral skills that lead to communicating effectively and appropriately with people of other cultures (Deardorff, 2009). This definition relates the concept of IC with a relatively new phenomenon known as cultural intelligence.

Cultural intelligence (CQ) is defined as a person's capability to function effectively in situations characterized by cultural diversity (Earley & Ang, 2003), and as an outsider's seemingly natural ability to interpret someone's unfamiliar and ambiguous gestures the way that person's compatriots would (Earley & Mosakowski, 2004). Creators of CQ claim that cultural intelligence manifests in three sources: the head, the body, and the heart, which corresponds with the individual components of IC (cognitive competence = head, affective competence = heart, and behavioral competence = body) and thus enables to point out those similarities and specifics that are characteristic of both phenomena. Livermore (2011) adds to the previous three sources and states that CQ is composed of four different capabilities or factors: metacognitive, cognitive, motivational, and behavioral. Whichever view of cultural intelligence is taken into consideration, the overlaps between the CQ and IC are significant. Therefore, the results obtained in previous researches that measured both cultural intelligence and intercultural competence, are relevant to our research into IC among employees in Slovak enterprises.

## 1.2 The Assessment of Intercultural Competence and Cultural Intelligence

The interest in assessing intercultural competence stems from the realization of existing dependence of assessment outcomes on the experience that leads to those outcomes. Assessment is most likely to lead to improvement when it is part of a larger set of conditions that promote change (Deardorff, 2006), the example of which may be a growing importance of adjusting working processes in enterprises to the conditions of intercultural environment. Although a variety of methods could be used to assess IC and the related concepts, examples being observation, interview, or portfolio, the most relevant way seems to be through self-assessment instruments. The most

popular instruments include the Intercultural Development Inventory, developed by Hammer and Bennett, based on Bennett's Model of Intercultural Sensitivity (Bennett, Wiseman, & Hammer, 2003); the Cross-Cultural Adaptability Inventory developed by Kelley and Meyers; Fantini's Assessment of Intercultural Competence; the Behavioral Assessment Scale for Intercultural Communication by Olebe and Koester; Mason's Cultural Competence Self-Assessment Questionnaire; Lewis's Cross-Cultural Assessor; Schwartz's Value Survey; 20-Item 4-Factor Cultural Intelligence Scale (CQS) developed by the Cultural Intelligence Center at Michigan State University; Van Dyne's Self-Assessment of Cultural Intelligence; or the more work-related ones, e.g. Black's Foreign Assignment Success Test; and Kealey's Intercultural Living and Working Inventory (Fantini, 2009; Van Dyne & Ang, 2006; Livermore, 2011).

Various scholars, researchers, and organizations have attempted to assess the phenomena falling under one category – intercultural competence in its individual forms. Although terminology used in different assessments and researches conducted on the given problem varies, from a general perspective, the overall understanding of the issue comes down to assessing three different competences: the affective (A – related to emotions and feelings), behavioral (B – related to skills and behaviors), and the cognitive one (C – connected with the thought processes and knowledge). The ABC competences altogether form a profile of one's overall intercultural competence, to some also known as cultural intelligence of intercultural sensitivity (Tab. 1).

One of the earlier inventories developed to assess intercultural sensitivity was proposed by Bennett and Hammer (2003) under the original name Intercultural Development Inventory, which was later renamed to Intercultural Development Continuum (IDC), measures how a person perceives their own level of intercultural competence (perceived orientation), and the actual development orientation, indicating the real level of intercultural competence of an individual. IDC is applied in two phases, while the development in IC is determined. In general, it has been reported that the candidates tend to overestimate their level in IC (Polyak, Kery, & Tardos, 2013; Kruse, Didion, & Perzynski, 2014), and perceive their

**Tab. 1: Selected assessment of IC and similar concepts**

Intercultural competence at the workplace	our research	affective competence	behavioral competence	cognitive competence
The Intercultural Development Continuum	Bennett, Wiseman, & Hammer (2003)	attitudes: acceptance of other cultures	skills: capability to change behavior	intercultural knowledge: awareness of differences and commonalities
Cultural intelligence (CQ) self-assessment scale	Van Dyne & Ang (2006)	motivational CQ – heart	behavioral CQ – body	cognitive CQ – head
Cultural intelligence (CQ) scale	Van Dyne et al. (2007)	motivational CQ	behavioral CQ	metacognitive and cognitive CQs
Intercultural knowledge and competence value rubric	Rhodes (2009)	attitudes: curiosity, openness	skills: empathy, verbal and non-verbal communication	knowledge: self-awareness, knowing other frameworks
Global perspective inventory	Braskamp, Braskamp, & Engberg (2014)	intrapersonal domain: feeling	interpersonal domain: relating	cognitive domain: thinking
German short scale of intercultural competence	Kempen & Engel (2017)	cultural openness, respect	behavioral flexibility	cultural knowledge

Source: own

affective competence (attitude and acceptance) to be developed much more than the other two competences – behavioral and cognitive one. Interestingly, those assessed individuals who had been integrated in a different culture, e.g. representatives of minority groups as opposed to the cultural majority, manifested higher intercultural sensitivity. This supports the assumption that immersion in a different culture and intercultural experience enhance one's intercultural competence.

The assessment of cultural intelligence is available in two different forms: the self-assessment scale, and the 20-item 4-factor CQ scale (CQS), both assessing one's competence in three (four respectively) CQ factors: the motivational CQ, which represents the affective competence, behavioral CQ that stands for behavioral competence, and the cognitive and metacognitive CQ, representing the cognitive competence. While the first tool (Van Dyne & Ang, 2006) focuses on individual self-assessment and probably for this reason literary sources lack the analysis of its results,

the CQS has been tested on different samples of respondents, including international managers in the USA and Singapore (Van Dyne et al., 2007), as well as Slovak managers of international organizations (Benčíková & Malá, 2016). In all cases, a similar trend was observed as in testing intercultural sensitivity: the motivational CQ factor, which relates to the affective IC, was perceived by the respondents as the most developed one, while the cognitive CQ factor, on the other hand, was seen as the least developed of the ABC competences. It should be emphasized at this point, however, that due to its structure and the assessment method of Likert scale 1-7, the CQS may be considered highly subjective as the 'intercultural competent' responses were highly predictable (the higher value of the Likert scale, the higher the competence). Therefore, to develop our own assessment scale measuring intercultural competence in the workplace (Benčíková & Malá, 2017), we referred to the structure and content of Van Dyne's Self-assessment questionnaire of cultural intelligence, which

appeared rather objective, with the 'correct' answers not being easily predictable.

Other ways of assessing IC (Tab. 1) used own ways and scales to measure the phenomenon in question, and their most significant findings are related to our research in chapter 2.

## 2. Research into Intercultural Competences among the Employees of Slovak Enterprises

The analyzed research of intercultural competences of employees in Slovak enterprises was conducted in spring 2018. The main objective of the research was to assess the level of the individual intercultural competences – affective, behavioral, and cognitive, as well as the overall intercultural competence of employees in those Slovak enterprises which come in contact with representatives of different cultures. The questioning method was used to collect the relevant data, while the questionnaire was adapted from the authors of the Self-Assessment Cultural Intelligence Questionnaire at the Michigan State University, and was adjusted to serve the purposes of the analyzed research. The statistical analysis and graphical interpretation of the research results have been processed by means of the statistical program IBM SPSS 19.

### 2.1 Research Methodology

The object of the research – individual intercultural competences, as well as the overall intercultural competence of employees of Slovak enterprises was assessed by applying the questionnaire of intercultural competences (QIC), which consisted of three parts.

The first part of the questionnaire consisted of thirty closed questions related to the individual intercultural competences:

the affective, behavioral, and cognitive one. Respondents were asked to choose one of the three provided answers (a, b, or c), which most closely related to who they really are or how they really feel about themselves. In total, respondents could obtain a minimum of 30 points and maximum of 90, which means minimum 10 and maximum 30 for each of the three competences. The second part of QIC contained 18 questions, also related to the individual competences, and assessed on the Likert scale 1-4. Likert scale thus enabled not only to obtain the corresponding response but also find out its intensity. The respondents could achieve between 18-72 points in the second part, which means minimum of 6 and maximum of 24 for each individual competence. The third part of QIC consisted of nine questions which focused on identification of respondents who participated in the research. The questions were related to the respondents' gender, age, the education level, field/industry of the enterprise, size of the enterprise according to the number of its employees, the region of Slovakia where the enterprise is located, the respondents' position in the hierarchy, frequency of their encounters with representatives of other cultures, the type of shareholder group respondents come in contact with most frequently.

For each of the three competences, respondents could obtain 54 points in total, while the minimum score was 16. In total, as to the overall intercultural competence, respondents could obtain between 48 (minimum) and 162 (maximum) points. Tab. 2 indicates how the scores for each individual competence and for the overall intercultural competence are allocated to create three levels of IC: high, middle, and low, different with each of the three competences. When determining the individual levels, the original frame of the Self-Assessment

Tab. 2: Levels of the individual intercultural competences

	Affective competence	Behavioral competence	Cognitive competence	Overall intercultural competence
High	50-54	45-54	42-54	139-162
Middle	45-49	38-44	35-41	116-138
Low	16-44	16-37	16-34	48-115

Source: own

Cultural Intelligence Questionnaire, created by the Cultural Intelligence Center at the Michigan State University, was used, while the questions and the structure were adjusted in order to fit the requirements of the questionnaire used in the research.

Based on the theoretical foundations and empirical studies related to the given problem, the following hypothesis were formed:

$H_0$ : *It is assumed that the overall intercultural competence of more than a half of Slovak employees is low.*

$H_1$ : *It is assumed that the higher education of Slovak employees, the higher their intercultural competence.*

$H_2$ : *It is assumed that the majority of Slovak employees manifest higher affective than cognitive intercultural competence.*

$H_3$ : *It is assumed that the overall intercultural competence is dependent on the field of industry.*

The representativeness of the sample according to selected criteria – gender, age, and the industry field in which the enterprise operates, was tested by the Chi-square test. The criteria for representativeness were chosen based on the previously conducted researches (Naghavi & Redzuan, 2011; Al-Momani & Atoum, 2016) which investigated the relations between age and gender and relevant intelligences (CQ and EQ). Furthermore, it was assumed that cultural intelligence is independent of the size of enterprise, and therefore the criterion for representativeness related to the entrepreneurial environment was determined to be the field of industry, where significant differences were predicted ( $H_3$ ).

The testing statistics of Chi-square test is used to determine whether there is a significant difference between the expected frequencies and the observed frequencies in one or more categories. It is based on the sum of differences squared between the observed (O) and the expected (E) values, divided by the expected frequency (E):

$$\chi^2 = \sum_{i=1}^N \frac{(O_i - E_i)^2}{E_i} \quad (1)$$

The Pearson Chi-square of goodness of fit is based on a frequency table and tests the statistical hypothesis that the frequencies of the individual categories are equal to the

expected (theoretical) frequencies (Kaščáková & Nedeľová, 2010).

When testing the hypotheses, the degree of significance the authors of the research worked with was 0.05. In evaluating the research results, the following methods of testing statistical hypotheses were used: Chi-square test, Spearman rank correlation coefficient test, Cramér's V test, and methods of descriptive statistics and data visualization (mean, modus, median, and frequency tables).

The hypotheses  $H_0$ ,  $H_1$  and  $H_2$  were tested by the Spearman rank correlation coefficient test. Correlation is interdependence of two or more variable quantities. The correlation coefficient may achieve values between -1 to +1. Value -1 represents the highest negative, and +1 the highest positive correlation, while the value 0 signifies no correlation (Kaščáková & Nedeľová, 2010). By this coefficient, the interdependence of the individual intercultural competences and the overall IC was investigated with regard to gender, age, achieved level of education, size of enterprise, position in the hierarchy, and frequency of encountering representatives of other cultures. If p-value is lower than 0.05, there is a correlation between signs. If the value of correlation coefficient is negative with regards to gender, it means that women manifest agreement (higher scores of IC) more than men, with age it means that with higher age groups, the agreement increases, and as to education, agreement rises with higher education level achieved by respondents. If p-value is higher than 0.05, it means that the responses to questions are independent of the individual categories.

Hypothesis  $H_3$  was evaluated by Cramér's V test of correlation coefficient, which is used to find out the values of two nominal variables. V may achieve values from 0 to 1. Since this relates to the dependence of qualitative variables, the direction of the relation cannot be determined. Dependence is higher with the value of the coefficient being closer to +1, and lower with the coefficient being closer to 0. Distribution of one variable is not conditioned by the categories of the second variable. Cramér's V coefficient is calculated as follows:

$$V = \sqrt{\frac{\chi^2}{n \cdot (m-1)}}, m = \min(R, S) \quad (2)$$

where value  $x$  is obtained from the Chi-square test of independence, and  $n$  is the total sum of values. For the given coefficient, it holds that value 0 indicates independence of the statistical signs (no relation) and value 1 indicated full dependence. This coefficient also enables to find out the dependence of the respondents' answers and the individual intercultural competences, as well as the overall IC from the point of view of the field/industry.

## 2.2 Results

The results of the research were obtained through detailed analysis of the questionnaire (QIC), which attempted to find out the level of the individual intercultural competences of employees in Slovak enterprises who are in direct contact with the representatives of different cultures. With regard to the previously quoted theoretical background to the problem, as well as the conducted empirical studies, the authors attempted to provide a view of the issue from the perspective of corporate practice. Within the research, in total, the respondents provided answers to 57 questions, which are further analyzed in detail with regard to the hypotheses and assumptions that were set for this research.

### Evaluation of the identification part of the questionnaire

The research which assessed the overall level of intercultural competence, as well as the levels of the individual competences – affective, behavioral, and cognitive, among employees of Slovak enterprises, was conducted in spring 2018, and addressed 657 respondents in total. The object of the research is intercultural competence, while the subject is the employees of Slovak enterprises who are in direct contact with representatives of different cultures.

The stratified random sampling method was used to identify the basic sample of enterprises, while 657 enterprises were selected from the web portal finstat.sk, which provides lists of enterprises ranked by size and field of industry. All selected enterprises were addressed with the online questionnaire and asked to forward the questionnaire to employees who are in direct contact with interculturality and diversity within their working responsibilities. 583 correctly filled-in questionnaires, which represents 89% return ratio, were obtained from the respondents. For the purposes of

the research, and in order to ensure the representativeness of the sample according to gender, age, and the field of industry, 236 correctly filled-in questionnaires were used for the research analysis.

As to the gender of respondents, there were 129 men and 107 women. The structure of the sample of respondents according to age and the achieved level of education is shown in Tab. 2.

The structure of our sample according to age and the achieved level of education was as follows: the majority of respondents were between 35-44 of age (68), followed by the group of 25-34 (58), and between 45-54 (56). The lowest number of respondents were in the group between 18-24 (16) and 55-65 of age (38). Most respondents have achieved the university education level (164), and high school education with final certificate (66), and only three respondents fell into the category with high school education without a certificate, with the same representation of the group with post-graduate education.

With regard to the size of an enterprise, the majority of respondents were from medium enterprises (93), followed by large (72), small (52), and micro enterprises (19). The sample of respondents was further analyzed by the characteristics of their enterprise, i.e. according to the field of industry, and by the region in which the enterprise is located. Most respondents work in the service sector (130), and trade (52), least work in agriculture (8). As to the location of the enterprise, the majority of enterprises respondents work in reside in the Bratislava (64) and Banská Bystrica (62) regions, while least respondents are employed in enterprises residing in Trnava (5) and Nitra (11) regions.

The questionnaire also asked about the position of the respondents in the enterprise from top management to a regular employee/subordinate. The majority of respondents (69) reported to be at the lower managerial level, and the lowest number of respondents (48) were top managers. The sample was divided rather proportionally, which gave a good platform for the conclusions of the research, aimed at all internal stakeholders, i.e. at managers and employees of Slovak enterprises.

Frequency of intercultural encounters is another question the research focused on. The majority of respondents are sometimes in contact with representatives of other cultures,

which was defined as once in a week or several times a month (33.90%). This group is followed by respondents who only encounter interculturality seldom, i.e. once in a month or several times a year (23.73%), very often, i.e. several times a week (20.76%), and every day (19.92%). Only an insignificant proportion of respondents have no contact with people from other cultures (1.69%).

The last question of the QIC identification part asked about the type of stakeholder group from other culture(s) the respondents encounter most often. Respondents who participated in the research claimed that the most frequent encounter with other cultures is by meeting the customers of their enterprise (39.41%), and their foreign business partners and

partner organizations (28.81%). Colleagues (1.69%) and management (5.08%) from other cultures represent a very small percentage of encountering intercultural diversity by our respondents.

The representativeness of the research sample, according to selected criteria – gender, age, and the industry field, was tested by Chi-square test, and in all three cases, was confirmed ( $p\text{-value}_{\text{gender}} = 0.966$ ,  $p\text{-value}_{\text{age}} = 1.000$ , and  $p\text{-value}_{\text{field}} = 1.000$ ), as shown in Tab. 3.

Since the sample of our research proved to be representative in all three selected criteria, the conclusions and recommendations of our research could be directed towards Slovak enterprises of all sizes and types.

**Tab. 3: The sample representativeness test**

Statistical testing					
Gender		Age		Field of industry	
Chi-square	.002 <sup>a</sup>	Chi-square	.056 <sup>a</sup>	Chi-square	.005 <sup>a</sup>
df	1	df	4	df	4
Asymp.Sig.	.966	Asymp.Sig.	1.000	Asymp.Sig.	1.000
a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 106.7.		a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 15.6.		a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 8.0.	

Source: authors; based on the outcomes of IBM SPSS 19

**Tab. 4: The achieved levels of intercultural competence**

	Affective competence		Behavioral competence		Cognitive competence	
	Frequency	Percentage	Frequency	Percentage	Frequency	Percentage
High	15	6.4	37	15.7	66	28.0
Middle	38	16.1	107	45.3	126	53.4
Low	183	77.5	92	39.0	44	18.6
Overall IC						
	Frequency		Percentage			
High	13		5.5			
Middle	103		43.6			
Low	120		50.8			

Source: authors; based on the outcomes of IBM SPSS 19

### Evaluation of the research part of questionnaire

The globalization processes of the contemporary society significantly influence the business practice. Within all corporate activities, the encounters with different cultures is virtually inevitable. Knowing, understanding, and respecting the otherness is thus one of the key prerequisites to achieving high levels of intercultural competence.

The main objective of the research was to find out the level of intercultural competence, and highlight its importance among employees of Slovak enterprises who come in direct contact with representatives of other cultures. Tab. 4 evaluates the levels of the individual competences (affective, behavioral, and cognitive), as well as the overall IC or the respondents.

Based on the obtained data, we can state that as many as 77.5% of respondents have achieved low level of the affective IC, where the mean value of the achieved points was 38 (Tab. 5). It may be concluded that within their work, Slovak employees do not invest energy or direct their attention towards intercultural issues in intercultural encounters and situations are not of their primary interest. They do not deliberately seek and attempt to function in new cultural environments. Thus, Slovak employees appear unable to fully utilize their skills, feelings and emotions in directly facing intercultural challenges.

Better results were obtained in behavioral competence, where 45.3% of Slovak employees achieved the middle level, while the mean value was 38 points (Tab. 5). This competence reflects the ability of Slovak employees to act appropriately, i.e. manifest proper verbal and nonverbal behavior when interacting with representatives of other cultures. In intercultural encounters, it is essential to act appropriately, and be able to adapt one's behavior to what the situation requires.

The best results were in cognitive competence, where as many as 53.4% of Slovak employees achieved the middle level, with the mean value being 38 points (Tab. 5). It can thus be concluded that Slovak employees do possess average knowledge of the values, norms, rules, or practices in other cultures. This is a very important finding, as knowledge of other cultures and their norms greatly influences one's thinking, and thus their attitude

towards otherness, as well as behavior in diverse environments. This represents a good platform for better interaction with people from other cultures.

The overall intercultural competence of Slovak employees, however, proved to be low (possessed by 50.8% of respondents), or middle (43.6% of respondents). Slovak enterprises are able to communicate and cooperate with representatives of other cultures; however, the employees may find it difficult to adjust their actions and behavior to what the intercultural situation requires. They are not able to function effectively in intercultural environments, and even though they can understand the problems which occur during the interaction with other cultures, the solutions and actions taken may be considered inefficient.

Tab. 5 shows mean scores achieved in the individual ABC competences, as well as the overall IC of the employees of Slovak enterprises.

The research into IC of Slovak employees has revealed that the average scores in all three ABC competences was the same (38 points). However, since the score distribution in the individual competences was different (Tab. 2), this number does not indicate the same value of all three ABC competences. The affective competence is at a rather low level, the behavioral competence achieved the very bottom margin of the middle level, and the cognitive competence is clearly at the middle level. In no competence do Slovak employees manifest high scores. The overall IC is also low, although achieving the very top margin of this level. This means that even though the knowledge of the other cultures possessed by Slovak employees is sufficient (middle value of C), the employees are not motivated enough to enter or experience intercultural encounters (rather low value of A), or use their acquired knowledge in interacting with other cultures, mainly as to the ability to adapt their actions and behavior (middle/low value of B).

By applying the Spearman rank correlation coefficient test (Tab. 6), we have proved that correlation between the individual ABC competences is statistically significant, as the p-values are lower than 0.05. Independence between the ABC competences was also tested, while in all cases, moderate dependence was proved. This means that the respondent who scores higher in one competence, e.g.

**Tab. 5: Achieved average values of individual competences and the overall IC**

	Affective competence	Achieved average value
High	50-54	51
Middle	45-49	46
Low	16-44	36
<b>Total</b>		<b>38</b>
	Behavioral competence	Achieved average value
High	45-54	45
Middle	38-44	40
Low	16-37	34
<b>Total</b>		<b>38</b>
	Cognitive competence	Achieved average value
High	42-54	42
Middle	35-41	38
Low	16-34	34
<b>Total</b>		<b>38</b>
	Overall intercultural competence	Achieved average value
High	139-162	146
Middle	116-138	124
Low	48-115	104
<b>Total</b>		<b>114</b>

Source: authors; based on the outcomes of IBM SPSS 19

affective, also achieves a higher level in other competences. The dependence between the individual competences and the overall IC is moderate, and has the same direction. This leads to a conclusion that developing, and thus increasing the level of, the individual ABC competences also increases the level of one's overall IC. It is a very positive finding, and can be referred back to if an enterprise wishes to implement certain type of intercultural training for its employees.

It was very interesting to find out that all competences are independent of gender and age of respondents (p-value is higher than 0.05) although a general view of this issue may suggest otherwise. Moderate and direct dependence, however, was proved with the achieved level of education, which suggests that with higher level of education, the respondent also has higher scores in the individual ABC competences, and thus has higher overall IC.

With regard to the size of enterprise, it was found out that the affective competence

is independent of the size (p-value is higher than 0.05), while behavioral, cognitive, and the overall IC are moderately and directly dependent on the size of enterprise. This enables us to claim that the size of enterprise in which employees work may slightly influence their level of intercultural competence, more specifically, if the enterprise is larger, the IC of its employees is higher. This, however, does not apply to affective competence.

Spearman rank correlation coefficient test was also applied in finding out the dependence of the ABC competences on the employee's position in the hierarchy, as well as the frequency of intercultural encounters. With the position in the hierarchy, weak to moderate indirect dependence was discovered; specifically, the higher the employee's position in the hierarchy of their enterprise, the higher ABC competences, as well as the overall IC this individual manifests. Similarly, with the frequency of intercultural encounters with representatives of other cultures, weak indirect

**Tab. 6: Spearman rank correlation coefficient between the individual competences**

Spearman coefficient		competence A	competence B	competence C	overall IC
competence A	correlation coefficient		.500**	.362**	.589**
	Sig. (2-tailed)		.000	.000	.000
	N		236	236	236
competence B	correlation coefficient	.500**		.468**	.679**
	Sig. (2-tailed)	.000		.000	.000
	N	236		236	236
competence C	correlation coefficient	.362**	.468**		.637**
	Sig. (2-tailed)	.000	.000		.000
	N	236	236		236
overall IC	correlation coefficient	.589**	.679**	.637**	
	Sig. (2-tailed)	.000	.000	.000	
	N	236	236	236	

Source: authors; based on the outcomes of IBM SPSS 19

Note: \*\*Correlation is significant at the 0.01 level (2-tailed).

dependence for the ABC competences, and moderate indirect dependence for the overall IC was discovered. This indicates that the more frequently the employees meet with people from other cultures or encounter interculturally diverse situations, the higher overall IC, as well as the individual ABC competences they prove to possess.

In evaluating the field of industry, it was not possible to determine the direction of the relation; therefore, Cramer's V test was used to determine the dependence of the individual competences (Tab. 7).

Cramer's test proved that the affective, behavioral, and the overall IC are independent of the industry field (p-value is higher than

**Tab. 7: Cramer's V correlation coefficient of dependence of competences on the industry field**

Cramer's V coefficient	Monte Carlo Sig. (2-sided)			
	competence A	competence B	competence C	IC
Pearson Chi-Square	.647 <sup>a</sup>	.414 <sup>a</sup>	.006 <sup>a</sup>	.686 <sup>a</sup>
Fisher's Exact Test	.757 <sup>a</sup>	.497 <sup>a</sup>	.006 <sup>a</sup>	.722 <sup>a</sup>
Cramer's V	.647 <sup>a</sup>	.414 <sup>a</sup>	.006 <sup>a</sup>	.686 <sup>a</sup>

Source: authors; based on the outcomes of IBM SPSS 19

Note: a. Based on 10,000 sampled tables with starting seed 2,000,000.

0.05) in which the enterprises operates. It can be stated that the AB competences, as well as the overall IC of the Slovak employees is not affected by the enterprise's field of industry. On the other hand, weak dependence was discovered with cognitive competence, which means that the knowledge of employees of other cultural norms, rules, and values is influenced by the industry field.

### 3. Discussion

The research into intercultural competence and its individual components, i.e. the affective, behavioral, and cognitive competences, conducted on a sample of employees of Slovak enterprises in spring 2018, has revealed several interesting findings, and its results clearly show the direction which the development of employee intercultural competence should take in the near future in order to increase the efficiency of business operations of individual enterprises.

It should be highlighted at this point that our questionnaire of intercultural competences was greatly influenced by the Self-assessment CQ questionnaire developed by scholars at the Michigan State University (Van Dyne & Ang, 2006), which means it followed a very similar structure and orientation of questions related to the individual competences, however, since the original CQ questionnaire assessed cultural intelligence of an individual from a rather general perspective, its content was adjusted and adapted to serve the purposes of a workplace. As to the evaluation of the QIC results, the same pattern and ranges for different levels (high, middle, low) of individual competences were used as it was in the original CQ questionnaire, which ensured reliability of the results and a possibility to relate our research to previously conducted researches into cultural intelligence, intercultural competence, and other related phenomena.

An interesting comparison and trends show when our research is related to measurement of cultural intelligence by the CQS (Van Dyne et al., 2007; Benčíková, Malá, & Minárová, 2013), and intercultural competence (Braskamp et al., 2014; Kempen & Engel, 2017). While in the previous researches (CQS, Global Perspective Inventory, German Short Scale), where the responses were based on a perception of the individual respondents, the perceived affective competence and motivation was

most developed in all studied samples, the behavioral competence was seen at the middle level, and the intercultural knowledge (cognitive competence) was evaluated as lowest by the respondents. Our research, in which the questionnaire followed the pattern of the CQ self-assessment (Van Dyne & Ang, 2006), produced slightly different results, where the affective competence in fact proved to be at the low level and the cognitive competence at the middle level. No significant differences were observed as to the behavioral competence. This suggests that in general, the perceived level of the individual ABC competences does not correspond with the reality, i.e. respondents do not view themselves objectively when asked to evaluate their levels of the individual intercultural competences, and therefore the reliability of the results appears to be higher in our research, where the direction of the responses towards higher competence is not obvious from the way the questionnaire is constructed and the questions are phrased. Therefore, our QIC appears to be a reliable way to test one's intercultural competence by providing an objective evaluation of the individual's intercultural knowledge, affection, and skills.

The fact that Slovak employees manifest rather low scores in all ABC competences, as well as in the overall IC, opens up a question if enterprises sufficiently prepare their employees for numerous intercultural encounters the contemporary globalized business world is providing. In order for an enterprise to achieve more efficiency, and thus profitability, in international markets, low level of intercultural competence is insufficient, and may suggest lack of awareness of the need to improve and develop IC of the enterprise's employees. Our research proves that Slovak enterprises should consider development of IC of their employees, mainly the affective one, i.e. attitudes and respect towards otherness, which, although perceived as developed, is in reality lagging after the cognitive aspect of Slovak employees' intercultural profile. As indicated by the results of the Spearman test, increasing one of the ABC competences has a direct effect on increasing the other two competences, as well as the overall IC. The dependence between the individual competences and the level of education has been proved, which suggests that with higher education level, Slovak employees

possess higher IC. These two conclusions lead to an assumption that training any of the three ABC competences as the lowest educational level possible, e.g. within high school education, will in fact produce higher level of the overall intercultural competence of employees in Slovak enterprises.

## Conclusion

Intercultural competence of employees is undoubtedly one of the most essential assets of a 21<sup>st</sup> century enterprise. Development of IC is highly inevitable in today's globalized society, where interculturality is shown both in diversity of different local cultural, ethnic, generational, religious, or gender groups, but also in blending of various national cultures and subcultures, which is increasingly seen not only within the external but also the internal stakeholder groups of an enterprise.

Our research has pointed out the low level of intercultural competence, as well as low/middle levels of its individual components: affective, behavioral, and cognitive competence, of employees of enterprises in the Slovak Republic. In none of the competences did Slovak employees score high. This means that there is a necessity for IC development in Slovak enterprises, which may be performed through targeted training provided by outside institutions, experts, or within an enterprise. We have also proved that although one's level of intercultural competence may be perceived as higher, as it was with affective CQ, i.e. motivation to experience interculturality, in reality, the qualities and skills that the particular competence encompasses are underdeveloped and need further enhancement.

Based on our findings, several recommendations have been formulated that will facilitate reliable assessment and development of intercultural competence of employees in Slovak enterprises of all types, sizes and field of industry.

Firstly, Slovak enterprises now have an opportunity to assess the overall intercultural competence, and its individual components, by applying our QIC, which proved to be a reliable tool in assessing the targeted issue. The questionnaire will be available in an online self-assessment form, the outcome of which will be an individual IC profile for each participant, based on the results of their assessment. Thus the employees of the enterprise will be provided

with this tool (QIC), and, as a result, with a detailed profile-like description of their IC with recommendations for their improvement or their potential within the enterprise. The combination of the three competence levels (high, middle, and low) in three ABC competences (affective, behavioral, and cognitive) produces 27 different profiles, each being independently and thoroughly elaborated. The online tool along with the given profiles are currently under construction and will be available to Slovak enterprises in 2019. The QIC tool and the 27 IC profiles are a part of the proposed CQ algorithm, provided to Slovak enterprises, which is elaborated in eight relatively independent, yet consequent phases in the process of developing intercultural competence of the corporate employees as follows: enterprises must clearly define the vision and the goals of what an interculturally competent enterprise represents for them (1). Only after the goals are clearly determined, the management may perform the internal IC analysis in order to identify the existing and potential cultural groups and relations between them, as well as existing stereotypes, prejudices, or biases (2); followed by the analysis of how IC is perceived by different groups of external stakeholders (3); the assessment of employees' intercultural competence by the proposed QIC (4); and the evaluation of the assessment (27 profiles) in order to identify benefits and limitations for the enterprise (5). Following this, the enterprises will be offered tailored training of intercultural competences that they wish to improve (6), via training courses that will be oriented very specifically on enhancement and development one, two, or all three ABC competences. As our research has proved, by enhancing just one chosen ABC competence, the other two improve as well, and so does the overall IC of an employee. Therefore, the further recommendation for enterprises is to enable intercultural training for their employees, especially in such situations where intercultural diversity is experienced or expected. As noted within the identification part of our QIC, the most frequently encountered stakeholder group from a different culture is customers. This supports an assumption that virtually all Slovak enterprises need certain type of intercultural training in order to deal with their customers appropriately, respect their cultural values, and correctly predict their culture-based wishes and needs.

Intercultural training in its different forms, is currently being developed by the authors of this paper and has an optimistic ambition of being provided to Slovak enterprises on a large scale. As to education of future employees of Slovak enterprises, the level of which according to our research has a direct relation to one's level of IC, we strongly recommend that intercultural training become a part of general education from high school to doctoral levels of Slovak educational institutions.

After the training process in an enterprise has been completed, the management is advised to evaluate what impact the training has had on the corporate processes (7), and decide if new standards need to be determined, or goals should be redefined in order to step into further improvement (8). Thus the cycle of building an intercultural competent enterprises may start over again; that is if the enterprise is not yet satisfied with the level of IC achieved when compared to the previously defined vision and goals.

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## Abstract

**INTERCULTURAL COMPETENCES IN SLOVAK BUSINESS ENVIRONMENT****Dana Benčíková, Denisa Malá, Jaroslav Ďaďo**

*The paper highlights the importance of intercultural competence (IC) in business environment, and presents outcomes of a research into the level of IC among employees of Slovak enterprises. In the contemporary business world, intercultural competence and its individual components: affective, behavioral, and cognitive competences, become an inevitable asset for enterprises, due to high globalization of virtually all corporate processes and activities. Even though the available literature on research into this cultural phenomenon reports a rather high perception of one's own IC, namely its affective component, as proved by our research, the main objective of which was to measure IC of Slovak employees, the actual level of overall IC, and especially its affective component, in Slovak enterprises is rather low. The research, the detailed description of which is the primary focus of this paper, was conducted in spring 2018 on a representative sample of Slovak employees in enterprises of all types, sizes, and fields of industry, and has proved that by increasing one of the three components of IC, the overall IC of an individual will increase. Therefore, it may be stated that training of intercultural competence has a high potential in corporate environment, and may produce great benefits for enterprises who deal with interculturality in their operations, and encounter people of other than their home culture, may it be their external or internal stakeholders. The outcomes of the research also suggest a need, and provide a platform for, both the assessment of IC of employees, and a targeted intercultural training in Slovak enterprises, which would be tailored according to the individual needs of each enterprise.*

**Key Words:** Intercultural competence, employees, Slovak enterprises.

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