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Cultural Intelligence in Team Leadership
- Insights from an AI-assisted HR management learning game
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This thesis aims to build professional competence on cultural intelligence and explain how it helps to form a productive cross-cultural team as well as finding out the possible cross-cultural challenges international students may face in the Productive Leadership game situations. The cross-cultural topic of the game had not been previously studied, yet many previous local studies had.

The study was conducted as qualitative research, with action research as the chosen approach. The literature review introduces selected theories and concepts connected to cross-cultural team leadership. These include themes such as cultural intelligence, interpersonal skills, team leadership, roles, and development.

Based on the study and literature review cultural understanding is a significant element in cultural adaptation. The main findings of this study indicate that the game is applicable and functional in a cross-cultural environment. It is useful for cultural understanding especially for more hierarchical top-down cultures because of its low power distance nature.
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1 INTRODUCTION

This thesis is about cultural intelligence in team leadership, some challenges occurring in a multicultural team environment and possible solutions for them. People skills and the ability to learn in diverse teams are more and more important competencies in future work. At this time of change, even the thoughts about future work create uncertainty as much as it creates enthusiasm and innovations. Global networks, artificial intelligence, smart machines and the internet of things will make our lives different in ways where just imagination is the limit. Change is everywhere and to lead the change we need to understand human behavior, groups, and cultures. Learning with AI is one driver reshaping the way we think about future work skills. (Institute for the Future for University of Phoenix Research Institute, 2016)

Motivation The topic is based on the authors own interest and experience in effective interdisciplinary and multicultural teamwork. Furthermore the author’s never-ending curiosity towards novel ways of learning and new technology. Authors internship in Belgium at the European Project Semester gave valuable insights on team building and problem-solving in various situations, which raised the interest to study the subject further. Cultural understanding is discussed in chapter three. The study aims to understand how cultural intelligence supports to emotional wellbeing in multicultural teams and its purpose is to research possible cross-cultural challenges in The Productive Leadership -game, which is a first artificial intelligence (AI) assisted learning game analyzing and aiding human resources. This study is fist international research of the game.

Commissioning company Playgain Ltd., founded in 2015, is a startup company and a game lab producing educational games for businesses. They had their big breakthrough when a digital learning game The Productive Leadership game was launched. The game is unique, and the world’s first HR learning game is creating a robust simulation to analyze the balance between productivity and wellbeing of work life in the long run. It provides immediate feedback to the player to identify and eliminate mistakes. With the evidence-based theory, gamification and AI it simulates leadership challenges and provides a practical strategic tool for executives and HR management and aims for better management skillset and good HR practices. All in all, it aims for better management models.
The Productive Leadership simulation is a challenging yet safe environment for trial and error in tricky work-life situations. Therefore, ideal for learning as the reinforced deep learning will eventually guide the player to the ideal balance between wellbeing and business performance. Work-life-balance initiatives are considered to be vital to employees’ wellbeing as they affect their work behavior and attitude. (Kesti, Architecture of Management Game for Reinforced Deep Learning, 2018)

The goal of this research is to gather information from international students in a Productive leadership learning game environment, where teams tackle complex work-life situations. This empirical part is discussed in chapter four. As differences are a potential source of problematic situations at the workplace, understanding cultural variances can ease the tension to feel safe in the work environment. Google’s nearly 200 teams covering research Project Aristotle found psychological safety as one of the base areas for team success. Psychological safety refers to being able to express oneself freely and being comfortable taking risks while trusting others support without the fear of humiliation. (New York Times, Charles Duhigg, 2016) Since many organizations today work collaboratively in cross-cultural teams, cultural intelligence becomes more and more important work skill to build trust.

In summary, this research aims to build authors professional ground on cultural intelligence, and how it helps to form a productive cross-cultural team as well as finding out the possible cross-cultural challenges international students face in the Productive Leadership game situations.
2 RESEARCH METHODOLOGY

In this chapter I introduce how the research was conducted, explaining analyzing and data collection methods and implementations. The study was conducted as qualitative research, with action research as the chosen approach. The literature review introduces selected theories and concepts connected to cross-cultural team leadership. These include themes such as cultural intelligence, interpersonal skills, team leadership, roles, and team development.

This thesis aims to offer some insights into:
How cultural intelligence helps teams in conflict situations?
What are the possible cross-cultural challenges in the learning game?

The purpose of the first question “How cultural intelligence helps teams in conflict situations?” is to build up authors professional knowledge on cultural understanding and teamwork skills. Literature review and content analysis are discussed in the Cultural intelligence in teamwork chapter. Content analysis can be used as interpreting textbook materials by organizing and describing them. (Eriksson & Kovalainen, 2008, p. 90) Theories in this chapter form the foundation to the cross-cultural team leadership related to the empirical part of the study.

For the empirical part in chapter four, the data is collected through a participatory method in action research and from individual reflections. Technically action research is not a research “method” instead, an approach that takes involvement and participation to research departure. There are several ways to collect data in action research and the methods range from observations to interviews, focus groups and participant-written cases. Action research enables the participants to express their views as collaborators of the process. (Eriksson & Kovalainen, 2008, pp. 201-202)

Qualitative research is an inquiry of understanding a social or human problem, therefore used in business research. The popularity if business-related researches built on its ability to present situations in a personal and accessible format. They are often practical and normative where their aim may be towards avoiding specific problems or finding a fruitful concept to perform. It can be used to gain a better understanding of business practices. (Eriksson & Kovalainen, 2008, p. 116)
Data analysis is typically done collectively with the research group, and collective analysis provides the seeds and ideas for development. For action research to be successful the research community's and the client's involvement is critical as they are the experts of the particular area. (Eriksson & Kovalainen, 2008, pp. 201-202)

Learning café as a workshop method was used to motivate participants to begin a Human Resource Management learning process and to gather data for the research quickly and efficiently. Learning café is a co-operative method which enables useful and flexible data collection, and where participants can acquire new knowledge, learn and perform creative and innovative problem-solving. (Ørngreen & Levinsen, 2017) Twenty-six students participated in the workshop with eight different nationalities: Vietnamese, French, Dutch, German, Finnish, Korean, Japanese and American. Participants were either third-year international business students studying in Finland or exchange students. Individual reflection papers were collected for participants further learning as well as feedback for the commissioning company.

Thematic analysis is considered as one of the most common approaches with qualitative data analysis. It enables disclosing themes within data. (Eskola & Suoranta, 2000, p. 174) Some themes were introduced already in the workshop presentations and further examined from the collected workshop material, videos and graphics from the presentations.

The learning game’s complexity was challenging and rewarding for the research participants; hence the research conducted as a part of a Human Resource Management course to which content it duly suits.
3 CULTURAL INTELLIGENCE IN TEAMWORK

3.1 Cultural intelligence

In this literature review chapter, I introduce some of the key concepts or theories related to cultural intelligence linked to cross-cultural team leadership. These include interpersonal skills, cultural diversity, and cultural strategic thinking. According to Livermore most pressing issues why cultural intelligence CQ is needed are diverse markets, multicultural personnel, attracting top talents and profitability with cost savings. (Livermore, 2015, p. 13)

3.1.1 Interpersonal skills

Individuals along with organizations benefit from better interpersonal skills of executives. In individual level less stressful work interactions, personal adjustment and better confidence leads to more willingness to interact and therefore more experience in encounters with others. In organizational level communication and its quality increases consequently leads to better human resource management and fewer personal conflicts. Further leading to improved relations with customers, suppliers thus better contracts. (Guirdham, 1990, p. 12) People with high interpersonal intelligence has a better ability to understand other people: their moods, temperaments, motivations, and desires. Intrapersonal intelligence is the person’s self-awareness, an accurate model of oneself which helps to operate in life. (Goleman, Emotional Intelligence, Why it can matter more than IQ, 1997, p. 39)

Many studies show that certain personality traits and experiences effect on cultural intelligence. Extroversion, agreeableness, conscientiousness, emotional stability and openness to experiences are The Big Five personality dimensions that everyone can check about oneself from free online tests to help recognize the traits that are most likely to shape one’s CQ. (Livermore, 2015, p. 132) Perceiving and understanding personal traits may help to enhance interpersonal skills and forward CQ.
Guirdham presents primary interpersonal skills as follows:

*Interpreting other people’s behavior* includes speaking the same language, noticing and understanding the meaning of others’ speech and actions. Grasping what is meaning under the surface, what are the motives, intentions, emotions, and attitudes. This happens mostly unconsciously, unaware even, as the process is so necessary when coping with others. There is a pitfall here since people tend to overinterpret and judge too quickly. Especially in multicultural environment stereotypes, accent and being influenced too much on first impressions should be avoided.

Most people would increase their understanding of others by better self-awareness and self-control. Active listening is one of the most critical skills to increase the proportion of information picked up; hearing and seeing the message and resisting the temptation to judge and assume. Anxiety and lack of self-confidence can result in planning what one wants to say at the same time while trying to listen. It is a quite common and fatal mistake, and it will only lead to interruptions while the speaker is still giving useful data. As it tends to escalate is can cause loss of focus and dissatisfied end for the conversation and even dislike of the other person. (Guirdham, 1990, pp. 80-81)

*Presenting oneself* refers to controlling impressions of sometimes misinterpreted attitudes, emotions, and motives. The tone of voice, gestures and bodily movements cannot be accurately understood by others in all situations, thus understanding how they are usually interpreted control over them can be attained and intentions made more explicit. *Communicating* means getting the message through, believed and accepted. For example, in defensive climate message is quickly rejected or ignored. Therefore excellent communication needs an atmosphere where environment and psychological “noise” is reduced to people to listen and for common understanding.

*Persuading and using power* are communication skills to influence others’ behavior, attitudes, beliefs, and opinions. People have different persuasive styles when trying to influence others; one way to analyze which Guirdham explains is the “friendly helper,” the “tough battler” and the “logical thinker.” “The positive approach is essential in influencing, and that is “friendly helpers” tool along with being supportive and persistent. However, like with all the styles, there are strengths and weaknesses, “friendly helpers” can be rather impractical and too trusting. “Tough battlers” are willing to take risks and are enterprising but can come up by arrogant or dictatorial and opportunistic. While the “logical thinkers” weaknesses are nit-picking and putting too much faith in logic, they are thorough, fair and orderly. None of the styles is better than other, and the ideal
influencing style would be a combination of all while emphasizing on different elements of styles in changed situations. Using more of the logical thinker’s style would help improving the behavior and therefore the attitude of a person who has a wrong idea of the facts of the situation. A friendly helper would be most effective when the main problem is emotional, lacking self-confidence of deciding, while a hard resistance situation may call for tough battler dominance. (Guirdham, 1990, pp. 230-231)

Working in groups and meetings refers to decision making and problem-solving in groups. Teamwork is such an elementary interaction at workplace understanding group processes in addition to the communication as mentioned above, persuasion and using power skills are the key to productive work in groups. People must learn how to adjust to the individual differences between others as well as to the changing situations, keeping in mind that most of our social life, our interpersonal relations are influenced by the norms of our culture.

Effective group work skills also include:
- Understanding and being aware of role behavior.
- Being able to consider the pressure of norms and conformity affecting the people in groups,
- Dealing with varied interactions: competitive and collaborative behavior, conflict and groupthink.

Leading and facilitating groups and meetings refers to the knowledge of leadership traits and styles and an understanding of how to vary the approach accordingly based on the task and work motivation of followers. Matching the expectations of leader and follower, taking responsibility and supporting the group as well as evaluating the outcomes. Leadership is more and more considered as a communicative achievement. Encouraging participation and openness in communication are critical factors in building trust, but the leader must as well be able to deal with conflict and set goals which reward co-operative efforts instead of plain competitiveness. (Guirdham, 1990, pp. 11, 319)

Team development and team leadership will be discussed further in cross-cultural teams’ chapter.
3.1.2 Understanding cultural diversity

In the world of a globalized workforce, cultural diversity is becoming a normal facet of work and acknowledging cultural differences in the first place will soothe the interaction with others. Culture is a sense of commonality; a set of values and beliefs, rules and codes, norms and customs which binds people together. Asking questions about the world and finding one’s place in it is very human, and because we are social beings, we turn to others for the answers. Culture is the collective answer to: “What is our place in the world? Who are we? How should we live our lives?” As we respond to these questions individually, we carry the knowledge of our culture; the way we perceive the world, define ourselves in relations to others. (Trenholm & Jensen, 2004, p. 365)

Geert Hofstede defines culture as “the collective programming of the mind that distinguishes the members of one group or category of people from others.” Culture consists of the patterns of thinking that we transfer from one to another. The world is seen behind cultural sunglasses, and people from other cultures are seen as unique and different, and then people with the same national characters are seen as normal. In cultural matters, there is no “normal” position, Hofstede states. Cultural awareness leads to understanding that own values and beliefs are not collective neither the only truth nor correct way, but others can be just as valid.

One of the well-known culture definitions by Kluckhohn runs as follows:

“Culture consists in patterned ways of thinking, feeling and reacting, acquired and transmitted mainly by symbols, constituting and distinctive achievements of human groups, including their embodiments in artifacts; the essential core of culture consists of traditional (i.e., historically derived and selected) ideas and especially their attached values.” (Kluckhohn, 1951, p. 86)

In anthropology, culture is studied within ethnic groups and tribes, and in management and sociology, the focus is in nations and organizations. Social and national cultures from earlier years of life are rooted more profound in our mind that the occupational and organizational cultures we learn at work. (Hofstede, 2011) Traditionally, learning the country-specific dos and don’ts and exposing people to different cultural values has been a common feature in intercultural training and management education. To work effectively, adapt quickly and avoid cultural misconduct abroad by understanding others through their beliefs and value system is considered essential. “Group orientation” for example, or individualism vs. collectivism, has much focus in different academic
books by such authors as Geert Hofstede and Fons Trompenaars. Thinking of being part of a team, group and family is highly relevant in group-oriented cultures, and they prefer activities and recognition within the whole group, whereas individual-oriented cultures people are more inclined towards individual assignments and rewards. (Earley, Ang, & Tan, 2006, pp. 45-46)

What can be done to aid the process in adjusting to a different culture? Geert Hofstede’s cultural dimensions model has become a paradigm to understand cultural differences. Effective team management should highlight what are shared areas in different cultures, value and appreciate diversity, understand values, beliefs and norms. The view and approach to the cultural dimensions naturally vary based on background and international experiences of a person, hence with educational training and understanding flexibility to go up and down the cultural scale increases. (Earley, Ang, & Tan, 2006, p. 46) Hofstede’s model highlights six dimensions between cultures based on their values perspectives: Power Distance, Individualism vs. Collectivism, Masculinity vs. Femininity, Uncertainty Avoidance, Long Term vs. Short Term Orientation and Indulgence vs. Restrain. The dimensions are a way of understanding the complexity of cultures, and it is a framework of making sense of differences. In short in workplace situations:

*Power distance* in the workplace refers to interpersonal power between the leader and the follower as perceived as less potent of the two.

*Individualism vs. collectivism* explains the difference between individual and collective and the dependence of the individual on the group.

*Masculinity vs. Femininity* refers to the level of competitiveness and determination that a person expresses in the pursuit of success in a corporation.

*Uncertainty avoidance* at work refers to how much an individual avoids situations and decision making in uncertain or changing circumstances.

*Long Term vs. Short Term Orientation* refers to whether saving for future and success comes later or success now is valued

*Indulgence vs. Restrain* relates to the gratification of human drives connected to enjoying life and having fun (Hofstede, 2011)

*Cultural assimilation* training deepens specific cultural knowledge. It first started as a cross-cultural simulator for Navy personnel in 1962 to provide knowledge of essential differences between home and other culture. (Earley & Ang, 2003) The cultural-values-awareness approach is a beneficial starting point for cultural thinking. Values alone are not directly correlating to people’s actions in
one-to-one encounters and people from individual-oriented cultures may enjoy teamwork as well group-oriented might need recognition from individual efforts. Therefore, cultural assimilation developed by several cultural psychologists has had widespread attention from trainers and academics. It is a method to train employees in cultural scenarios trying to interpret the situations. Typical scenarios often employ critical cultural collisions, where participants are to feature and interpret the behavior in conflict situations. Cultural assimilations provide basic cultural scripts and can cover a variety of social situations and appropriate actions to them, hence providing country-specific cultural knowledge. (Earley, Ang, & Tan, 2006, p. 46)

3.1.3 Cultural strategic thinking

The benefits of being culturally aware are countless in global interactions. Understanding of country-specific practices, value, and beliefs; the information a person has of culture: language, economic environment, social etiquette and the ways cultures differ, is called cultural knowledge. Strategic thinking is a skill to develop ways to gain new cultural understanding; a more general level of thinking “thinking about thinking.” These two combined is cultural strategic thinking (CST) which helps to prevent interpreting other culture’s behavior and intentions from a limited perspective to avoid inappropriate actions. Since mastering many different cultures and languages is quite impossible to possess cultural strategic thinking can prepare our minds to understand what is happening in varied cross-cultural encounters. (Earley, Ang, & Tan, 2006, p. 44)

Cultural strategic thinking’s importance is in cross-cultural adaptation and adjustment. Individuals with high skills have characters such as:

- Sensitivity to new cultures and openness
- Ability to identify similarities between cultures and draw distinctions by using reasoning skills
- Ability to progress strategies for acquiring knowledge relevant to adapting cultures
- Capability to engage active and dynamic thinking in interactions; planning, checking and learning from those cross-cultural exchanges
- Ability to resolve the cultural dilemma in confrontations (Earley, Ang, & Tan, 2006, p. 51)
Need for closure means the urgency of how soon a person would like to have a defined knowledge of an issue. Reading situations too hastily and interpreting what is happening has consequences in interactions with people, especially when different cultures are involved. People with a high need for closure have several characteristics that limit cultural strategic thinking. They may acquire less information that is needed and use stereotypes and fewer explanations on the behavior they observe or use information selectively and oversimplifying. In cross-cultural encounters, premature closure can affect since the tendency of relying on previous experiences is high and limiting the input of new knowledge of new situations. While staying open for different possibilities and engage active and fluid thinking enhances cultural strategic thinking. Individuals with high strategic thinking use acute sense making by distinguishing significant from irrelevant and actively seek for cultural information relevant for the situation to deal with the condition and finally adopt an intentional, deliberate, strategic goal and future-oriented thinking. (Earley, Ang, & Tan, 2006, pp. 52-54)

MAPS model for developing cultural strategic thinking

On a personal level, cultural strategic thinking can be enhanced with maps model introduced by Earley, Ang, and Tan (2006). First a short vignette of a young Chinese business executives exhibits of cultural strategic thinking:

The scenery is taking place in the corporate headquarters in Seattle where a young business executive from China is attending a meeting. As she sits there listening to her U.S. colleague's presentation on business process development, it reminds her about another organizational change she had participated in her previous post in Beijing. She starts to see links and connections between the currents and the experience; therefore, she would think about how this is going forward. However, at some point of the meeting, she starts to suspect this change or the explanation her colleague is trying to say might be something that she does not quite understand or see clearly. She will now concentrate harder on what the colleague is saying. The U.S. colleague will then show a Kaplan and Norton’s Balance Scorecard, a strategic management tool that in essence balances the financial and the nonfinancial insights, which then triggers her mind to a chain of memories. Yin and Yang is an ancient Chinese philosophy of two opposite yet complementary elements of the universe. (Earley, Ang, & Tan, 2006, pp. 54-60)
To explain how the Maps model can be used to solve a challenging cultural situation, the story can be divided into four steps:

Step 1: Making sense and Monitoring

The Chinese executive was oriented to the process, i.e., was focused and attentive during the meeting. She made noticed when she seemed to lose the connection and was not sure if her assumption was right. Although she was not sure what information she was lacking, and it made her feel she did not see the scorecards consistency, she was monitoring the event. We can then see that this kind of observation is strategic thinking. While in the situation, she was able to sense there was more to the matter than the actual presentation appeared to convey.

Another thing she did she was engaged in constant sense-making. Her thinking was effortful, deliberate and goal-oriented throughout the meeting. Her sense-making and monitoring skills helped her to realize the differences between her previous experience in a familiar situation to the current one. Because being attentive, she was able to access the situation correctly and therefore forestall premature closure and continue looking for new knowledge. (Earley, Ang, & Tan, 2006, p. 55)

Step 2: Activating thinking and reasoning skills

The ability to transfer proper knowledge from previous experience to achieve better insights is called analytical reasoning skill. The executive retrieved her cultural understanding of yin and yang in a way that she could form inclusive associations of what she already knew and what she had just learned. This kind of high thinking process, forming an understanding analogy, can significantly help in cross-cultural problem solving, yet it can be a difficult thing to learn. According to cognitive psychologists, using parallels, i.e., comparing one thing to another is hard to reason. Most people will often overlook even quite obvious connections therefore unable to integrate and link ideas in a novel and creative way. Earley, Ang, and Tan assert that analogical reasoning and creative thinking abilities are not only for those who are gifted in that way, but it can be trained. (Earley, Ang, & Tan, 2006, pp. 55-56)
Step 3: Prioritizing options

According to a study by a group of Northwestern University professors when people are making decisions and prioritizing options, they ask themselves either in a clear, explicit manner or indirectly, implicitly: “What does a person like me (your identity) do (rules) in a situation like this (situational recognition)?” We can suppose that the executive had to define these three issues, even though it was not explicitly discussed in the vignette. She had to specify that she was attending a meeting of organizational change. Therefore, she was able to match the features of similar situations she had been before. As a strategic thinker, she later had to abandon this categorizing in the progress when she gained new information. Secondly, is this content identity is considered from a broad professional, and personal history point of view, which will affect the ease to face a new situation and the ways analogies can be found. (Earley, Ang, & Tan, 2006, pp. 57-58)

Step 4: Problem-solving

Last and fundamental step for developing cultural strategic thinking is a two-step approach to problem-solving. The challenge in cross-cultural problems is that the issues are often poorly structured and ambiguous, therefore cannot be solved by applying rules and principles. When complete information is lacking, and the existing cultural knowledge may be irrelevant there is no single answer to the problem. Another feature in cross-cultural problems is that they tend to be dynamic and will need the ability to adapt to the changing conditions. In the vignette, she created a problem space, i.e., a mental representation of the problem to understand the organizational change presented to her. She had a mental model of the problem consisting of knowledge about the structure, procedural knowledge and a general view of the problem. She then challenged her mental model and tested her thinking. Generating and trying out solutions in mind is key to successful adaptation and adjustment in different cultures. (Earley, Ang, & Tan, 2006, pp. 58-59)

3.2 Working in cross-cultural teams

This chapter introduces some fundamental concepts of teamwork related to cross-cultural teams. These include some insights to team development and dynamics, employee experience and leadership. Teamwork is essential for change. Even the most talented individuals will not have the
time to expertise themselves to absorb all the sifting information, whereas the team can be an enormous advantage. (Kotter, 1996, p. 194)

Active cooperation in teamwork requires a common mission and vision. Adding to that processes need to be clear and precise enough for all team members to know their primary tasks and responsibilities as well as their coworker’s. Everyone should be on the same page to avoid misunderstandings in roles and responsibilities in organizational and employee changes. Working in teams is not always plain steady development. (Järvinen, 2011, p. 41) Understanding the team stages and dynamics may help in challenging and disappointing situations which are an inevitable part of team life.

3.2.1 Team development and understanding groups

Modern-day multicultural corporations have an increasing need to be agile, adaptable and able to respond quickly to changing circumstances in fierce competition. Professionals in multicultural corporations mostly work in teams to accomplish challenging projects; consequently, understanding of team and group development is essential. Tuckman’s *developmental sequence in small groups* (Tuckman, 1965) is one of the well-known models to clarify how process-oriented team leadership is. In his study, he reviewed fifty-five publications dealing with different group settings, and as a result, he proposed his four-stage team development model. A group can stay active and healthy if it can deal with arising issues in all its development stages: *forming, storming, norming, and performing*.

*Forming* is the initial stage of orientation where the group is established; members are recruited and affiliated. The members are polite and follow each other with excitement, positive expectations yet with uncertainty while trying to position and establish ground rules. Team building initially occurs, and trust can be founded with successful communication. (Komives, Lucas, & McMahon, 2013, p. 314) Tuckman notes that this stage can be rather short, even a meeting where team members are introduced to each other’s and the leader has a dominant role while the different roles are still unclear. Overcommunication can be considered as a positive thing in culturally diverse teams, where most of the members are not using their native language to communicate. Cultivating an environment where questions are encouraged to ask and reframing thoughts to clarify meanings is useful.
The second stage is *storming* were differences in opinions, conflicts, and disagreements start to emerge. The leader’s authority and differences in working styles can be challenged. Storming is a crucial stage for the team to mature and discuss options to find a clear vision. Conflict can turn out to be positive and productive. If the group’s purposes and goals are not precise; hence the members do not agree on a shared goal, then at this stage, there is a vast possibility to the group to fail. Another reason for failing at this stage is focusing on one’s task and forgetting the supportive roles towards others. Some groups with already established trust in forming step might go through storming rather quickly founding favorable patterns to work. (Komives, Lucas, & McMahon, 2013, p. 315)

Once the consensus and resolution on key differences are reached, and a hierarchy is established the group will enter the *norming* stage. The group will have a common culture and practices, e.g., flexibility in meeting times if tasks are volunteer-based or maybe they are given and pointed to people. (Komives, Lucas, & McMahon, 2013, p. 315) People are not focusing on different personal trails but the strengths of their fellow team members. Team members start to know each other and trust each other to be able to ask for help when needed.

In the fourth stage, which is *performing* members reach a cohesion, are clear on their tasks, and they progress towards the shared goal. Performing is a mature stage, build on a strong foundation of the previous stages, where work gets done, and results are delivered. Time-limited groups may need to get to performing stage quickly to be able to reach their target by using team-building steps in forming stage, encouraging diversity in storming stage and establish transparent group processes and common purpose to perform effectively. Ongoing groups, on the other hand, need to stay renewed and revisit the stages, e.g., when new members are joining (forming), when challenges to groups purpose arise (storming), and when new processes are needed to replace the old dysfunctional ones (norming). (Komives, Lucas, & McMahon, 2013) According to Tuckman groups that reach the performing stage are high-performing teams, yet not all teams reach this level.

Tuckman and Jensen added adjourning to the group development model in 1977. *Adjourning* is the fifth stage, the closure stage, which, e.g., all project teams will end up. Groups exist over different times, and even long-term groups may be disbanded through organizational changes. Adjourning stage is challenging to enter because of the finality and the closure. Project teams should cherish and recognize the accomplishments as well as reflect what went well and what needs improvement.
As the celebration is important to long-term groups too, depending on the reason why the group adjourns, there may be senses of loss and anger which makes this stage challenging. Nevertheless, it still is essential to go through adjourning as a learning experience and a possibility to acknowledge members accomplishments. (Komives, Lucas, & McMahon, 2013, p. 318)

**Group dynamics**

*Roles* Experts agree that to build a capable team; roles need to be different and maintain a balance of complementary and duplication. Group interactions should be most effective when specific roles complement rather than competes with one another. Most essential and recognized roles are task leader, social leader, information provider, tension releaser and devil’s advocate, which should also be able to back up for each other. It would be advisable to think primary and secondary roles for the occasions where a group member is absent or not up to par. (Trenholm & Jensen, 2004, p. 343)

*Norms* Establishing norms is crucial to understand the expectations for all the group members. Norming creates the group identity and the patterns and behavior of how a member distinguishes themselves from other alike groups in the organization. Excellent communication of common standards reinforces members to perform well. Most teams have “opinion leader-members” who are influential enough to change the norms, and good leaders would seek them out if in need of change in the internal standards of a workgroup. (Trenholm & Jensen, 2004, p. 344)

*Cohesion* Established roles and norms are essential, but only Cohesion makes group work enjoyable and satisfying. It is the group identity and a sense of belonging. Cohesion refers to the degree to which the group members like to work together and remain in it. There are pitfalls of becoming too cohesive too. When a group becomes too tight-knot, there is a tendency to create a phenomenon known as groupthink, where critical thinking is in danger to endorse group agreement. Groupthink may result to become overconfident and slackness to make a careful analysis of facts and alternatives. Experts recommend maintaining effective group relations by developing healthy communication patterns that reflect complementary roles, clear norms and a reasonable amount of cohesion. (Trenholm & Jensen, 2004, p. 344)
3.2.2 Leadership and employee experience

Modern agile workplace deals with networks of teams, and understanding of teamwork and how they are structured is influential. Customer-focused organizations seek to meet diverse needs with cross-cultural teams, constituted of different worldviews and personalities. Leadership is considered as a highly influential factor as the ethics and behavior of the VIPs in the organization can have a significant impact on the company on many levels. How the stakeholders, clients, and employees are treated to influence the trust and reputation of the company. (Schoeman, 2014, p. 48)

Employee experience refers to what people feel and encounter during their journey from onboarding to departure from the company. Leaders too should have possibilities to work on their leadership skills and drive for positive employee experience; and like any employee they should be rewarded for good performance, to be able to get feedback and coaching. Every employee and supervisor need feedback from their performance to be able to maintain the best possible performance. When driving for positive employee experience, it is essential that followers can be inspired voluntarily. (Deloitte Human Capital Consulting, 2017)

As culture and engagement are essential matters employees nowadays are interested more and more in the overall experience as a productive, engaging and enjoyable work environment. Employers need to answer the call by developing an integrated focus on the entire employee experience bringing together all the tools and practices that can create a more significant impact on the people at work. Some challenges that companies face are for example an employee experience is not set as a priority for the HR leaders; there is no team to design and deliver the employee experience. HR managers find it challenging to obtain enough resources to perform to the practices at the workplace, consequently allocating the problem to the annual employment survey. (Deloitte Human Capital Consulting, 2017)

Companies approach culture and engagement needs to focus on employee experience; holistically taking care of worker satisfaction, commitment, wellness, and alignment. The traditional way of HR is to work with employee engagement, culture, rewards, and learning and career development separately, but in a highly competitive global environment, it is critical to understand and improve employee experience with the eyes of the employee who sees work as an integrated part of their
life. A strong employee experience also generates a strong customer experience. (Deloitte Human Capital Consulting, 2017)

Deloitte points out that HR needs a senior leader and a team assigned to coordinate integrated employee experience and orchestrate the functions of engagement, learning, career development, organizational design, analytics, and culture. Embracing design thinking is essential to study, listen and learn employees' daily actions and to improve them for performance, engagement, and productivity. The involvement and accountability of senior leaders are crucial since day-to-day management has an overall impact on employment brand. (Deloitte Human Capital Consulting, 2017)

Organizational psychologist Pekka Järvinen argues that corporations concentrate on somewhat adverse marketing in recruitment when they fiercely try to attract talents and retain top performers. He mentioned in his recent article in Talouselämä that the reality is a little lost when we start to think that work is singlehandedly creative, fun and takes all over the world for traveling. There is no such paradise, and some tasks at work may be rather dull. In particular, he criticizes the idealization of fun “buddies,” excitement and bubbly creativity, and emphasizes that leaders should understand their position and value. “It is a significant role for someone to see the big picture, motivate others, organize, see that everything is fair and equal, and be able to give feedback.

Moreover, in that way providing the framework for the teamwork. Never underestimate the significance of the leader’s role for the other members of the group.” (Katankaista, 2018) He mentioned that critical feedback, routine and problematic situations are part of work life which some might have forgotten. It is a good thing that hierarchy and top-down management without listening to employees is mainly in the past, and workplace wellbeing is emphasized, yet if we go to the other end where leaders prefer being friends with everyone, giving constructive feedback and working through problematic situations may become difficult to deal. (Talouselämä: Mirva Heiskanen, 2018)
3.3 Results and analysis

This chapter attempts to answer the first research question “How cultural intelligence helps in team leadership?” Cultural adaptation, expatriate and intercultural performance are appealing study fields when trying to achieve effective intercultural teamwork and finding out what issues relate to functioning successfully in a cross-cultural environment.

Personality traits with cross-cultural experiences yield positively to cultural intelligence. Especially intercultural experiences and working in multicultural teams enhance creativity and flexibility in all probability when compared to homogeneous groups. The individual will benefit most from various experiences abroad rather than living in one or two places even for a more extended period. Similarly, the variety of areas bring the most benefits from travel and intercultural interactions along with putting on the effort to adapt to the more dominant culture. Formal education positively effects to CQ as well, where individuals are more inclined to engage with diverse ways of perceiving the world critically. The key is in the university level learning process which requires discipline to learn new concepts, integrating them with understanding and experience and being able to synthesize to one’s life and work. Therefore, cultural analysis, interpretation, and engagement may be easier to perform. (Livermore, 2015, pp. 133-135)

Certain personality traits and experiences abroad affect an individual’s ability to manage in an intercultural environment. Seeing the world with the eyes of others and empathizing seems to be crucial when coping with other cultures, whereas overinterpreting and judging are pitfalls to avoid. Self-awareness and self-control increase the ability to understand others.

The results of Livermore’s cultural intelligence research reveal promising outcomes for leaders who enhance their CQ. Firstly, intercultural adjustment; to adapt and adjust to living conditions different from own traditions, values, and assumptions, is positively affected by CQ. Day-to-day emotional and psychological adaptations can be frustrating and get to the best of us, but several studies expose a connection between high CQ and working across borders with better productivity and stamina, therefore less likely to experience burnout from their expatriate work. The ability to interpret what happens within the shifting expectations and demands of other culture derives from the experiences and reference points CQ leader has composed, consequently services productivity and ability to focus for excellence. (Livermore, 2015, p. 136)
Another remark was the ability to make informed decisions and using good judgment requires a solid understanding of local customers and assessing situations with commonsense attitude can lead to a disadvantage in a culturally diverse context. One of the biggest challenges identified in the research was understanding customers and circumstances, where culturally intelligent leaders appear better equipped for making strategic decisions, particularly in crises. Negotiations progress when able to present accurate and checking for possible cultural misinterpretations. (Livermore, 2015, p. 137)

Effective group work skills and understanding of roles, norms and different interactions may help to adjust to differences and changing situations. Knowledge of group processes added with good communication skills enhances decision making and problem-solving as well as leadership skills such as how to vary approach based on task and motivation of others.

Leadership performance is one key element to discuss in this context since CQ predicts effectiveness in cross-cultural situations; the way multicultural teams are led to their goals and corporations are strategically managed. Livermore indicates few leadership performance areas of importance: trust building, sales and services, creativity and innovation, and technical proficiency.

Trust is quite subjective and primarily based on intuitive interpretations. Therefore, it can mean very different things between cultures. The ability to build trusting relationships with colleagues, among multicultural teams, customers, vendors and partners around the world leads to effective performance. (Livermore, 2015, p. 137)

Understanding of team development and group dynamics supports to create a trusting team. Common culture and practices are formed in the norming stage of team development, and it will glue the team together. An effective team trusts one another to do their best performance and can innovate and express themselves freely without fear of embarrassment. They can ask for help, share expertise and experiences, however listening to other opinions.

Driving growth in new markets and better serve diverse customers succeeds better when leaders have high CQ. Compelling sales pitches require cultural understanding since diverse cultures find different things appealing. Higher CQ will help to sell ideas, products, and services overseas with enhanced ability to understand what is compelling in other cultures. Research also reveals the correlation between CQ and creativity. Motivating team members from different cultural background
to work towards a common goal require a certain amount of creativity. (Livermore, 2015, pp. 137-138)

Consequently, creativity and innovation are the desired strengths for global leaders. Lastly, technical proficiency is seen in many corporations as the most significant aspect of recruiting individuals to leadership roles. Technical proficiency and track records refer to the level of impact a person has, and the more diverse the environment is the more challenging job it is to get people inspired and influenced. (Livermore, 2015, pp. 137-138)


4 EMPIRICAL RESEARCH

This chapter aims to introduce the research presented in this thesis. First providing a background of the learning game and brief overview of the research area. Further, the chapter will discuss findings and reflection on the overall action research.

4.1 Game-based learning in a cross-cultural environment

Leadership simulation is a challenging but yet safe environment for trial and error in tricky work-life situations. Therefore, ideal for learning as the reinforced deep learning will eventually guide the player to the ideal balance between wellbeing and business performance. In the game, e.g., the Nash equilibrium can be seen where one cannot change strategy for the better while another variable remains stable. It shows the idea of seeking more of the win-win situation rather than win-lose by changing the game as both staff wellbeing, and business profit prosper. (Kesti, Architecture of Management Game for Reinforced Deep Learning, 2018)

Gamification engages people by a rewarding psychological system which motivates to succeed, even to compete with other players to make optimal management decisions and to be a better leader. The game demonstrates how AI and human manager can complement each other’s; both have their share of weaknesses and strengths. Main differences being predicting future and situational and emotional issues, where AI can predict the consequences to overall profit and wellbeing in the long run, but lacking emotional and situational intelligence. (Kesti, Architecture of Management Game for Reinforced Deep Learning, 2018)

4.2 Collecting and analyzing data

In this study, most of the data collected through reflection papers from players and in a learning café workshop. The individual reflection papers were analyzed by exploring the learnings and searching for similar themes and discrepancies in cultural thinking. In the learning café exercise, the analysis started with group discussions and summarizing the raised themes in the last round of
the workshop. Therefore the analyzing was part of the workshop when themes introduced in the last presentations. Presentations recorded, transcribed and inspected themes by color-coding.

4.3 Action research

Plan, starting with the game

The Productive Leadership game used in this research required the students to study different problem situations happening in the HR manager’s daily work. The game played in monthly cycles, and one game round corresponds to one year. While playing the participants learn good HR practices in various challenging situations with the assistance of AI. The game provides constant verbal and emotional feedback from the employees as well as monthly feedback on finances and employee wellbeing. Participants were third-year international business students and exchange students from Oulu University of Applied Sciences taking Human Resource Management class during the spring semester.

The kick-off and familiarizing to the subject were at the start of the school semester in January 2019 during Human Resource Management class at Oulu University of Applied Sciences. Introduction to thesis research and game instructions were sent via email in the beginning. Email instructions and video tutorial were sent to all participants along with usernames and passwords to the game — a guest lecture from the CEO of Playgain Ltd. Marko Kesti was arranged in the following week. The participants then learned about the science behind the learning game with thorough instructions to the game for the students to get started with their AI-assisted learning path. The kickoff meeting was to ensure adequate competences for all to start the simulation game successfully. Students had two weeks to play and learn HRM skills from three different scenarios of the game and write a short individual reflection paper.

In the game, the students planned the whole year accordingly among dealing with presented problems and challenges occurring in three different life-cycle stages of a business. 
Cash cow introduces challenges the company would face in the mature stage including a decline in work performance, working conditions, depressed working spirit, a new employee in the team and “one more month to make a good year.”
Recession deals with slightly tougher problems for example bullying, layoffs, addictions, and issues at working conditions and management.

Growth stage faces new strategy challenges, new product or service launches, losing an offer, work processes, and new job tasks.

**Act, learning café workshop**

After playing the game for two weeks and gaining awareness and understanding about leadership in different HR situations workshop was arranged. Learning café was chosen as the facilitation method. By having to work out the work-life situations in groups, the participants would learn more thorough. Also, the possibility to use material and knowledge from the game produced higher quality conversations.

The objective of the workshop was to collect ideas of cross-cultural leadership differences and how to tackle tricky work-life situations deploying cultural intelligence. Another purpose, as it was part of HRM lectures, was to build a common understanding of good HR practices in those situations.

Groups were arranged by nationalities of three to five participants from which one acted as a host. Nationalities present were Vietnamese, French, Dutch, German, Finnish, Korean, Japanese and American. Altogether 26 participants and six groups. Twelve of the participants were third-year international business students studying in Finland and 14 exchange students.

An ideal set for the workshop discussion was that everyone should feel empowered, listened and valued. Everyone should have their say and be encouraged to disagree if they felt so. The workshop had three rounds with questions to lead the conversation. In the first stage, the group decided their host who would stay in the table during the circulating rounds.

Each round was about fifteen to twenty minutes. The round one questions were:
What do you expect to happen in this work live situation?
What is good team leadership in this situation?

During round two, which were performed twice, the host introduced the first-round ideas and asked if there are similarities or differences to the other culture. Round two questions:
If different culture, then: What cultural differences will most likely influence decision making?

Round three gathers the original group back together and discuss the themes starts with questions: What connects all the experiences? Themes arising?

![HR leadership workshop](image)

**Picture 1 HR leadership workshop**

After each presentation was a short discussion on the actual themes and open questions, themes arise from the workshop: communications, listening, quick reaction and intervention, motivation; especially team spirit. The discussions seemed to follow similar ideas presented already in the individual written reflection papers about the game and brought up more group discussion on the comparable experiences.
4.4 Results and analysis

In the learning café, the groups focused on six different workplace scenarios selected beforehand from the learning game they played previously. They were able to use their knowledge gained from the game itself and look for more information if needed. The situations were then analyzed through different workplace problem types adapted from Järvinen, P (2011): Individual, communal, change and crises, and co-operational.

4.4.1 Individual and person originated situations

There were three different scenarios which may refer to person originated situations: Bullying at work, drug addiction, and recurrent sick leaves. Relationship conflicts revolve around personalities and are the most dysfunctional and destructive. They are considered the most stressful and psychologically exhausting to individuals. (Robbins & Judge, 2018, p. 258)
The focus group suggestions for these types of situations were quick interference and checking for reliability. Face to face meetings and intervention where decisions were made quickly came out in some comments. “Power authority to decide” was mentioned with high power distance cultures.

“Employees did not give negative comments, which was surprising since Finland is considered to be low power distance country. In the Netherlands (low power distance and high on individualism) would have their say and opinion ready.”

4.4.2 Group and communal situations

Three game scenarios fit the communal stress problems: Lost team spirit, a team lost a client and recurrent sick leaves. Different scenarios may occur under several headlines since for example process conflict related to argument how to get work done can get personalized and transfer into relationship conflict. (Robbins & Judge, 2018, pp. 258-259)

Focus group suggested that these types of conflicts should try to resolve by ad-hoc and development meetings for better team spirit. Also, the development of roles and processes were considered crucial for even workload distribution. Leadership training measured significant for team leadership. The cultural differences emerged particularly with the lost client scenario, where the individual’s responsibility for the situation got different weight with diverse cultures. “If you do not deliver results you will lose your job.” Taking care of grievances was more or less needed in these types of game situations, yet it was unfamiliar and welcome learning of possible cultural collisions. Listening to employees and arranging team meetings was mentioned ineffective in Asian cultures since the innate “holding back real intention and being a passive character” would not bring out the desired and authentic outcome.

4.4.3 Change and crises situations

Layoffs are a change and crisis situation, where open communication and keeping employees up to date stated crucial. Also, the company’s responsibility to help individuals appeared as plans to relocate, offer retirement and rearrange jobs. Taking care of teams and arranging meetings to listen
to employees and even arranging healthcare assistance such as psychological help was mentioned. In a certain sense, the layoff situation was thought as practical and necessary financial action: “what can the company afford.” The cultural aspect here was mostly on the directness how the employee would address grievances to the supervisor. Again, the power distance effected how focus group reacted to “listening and taking care of employees” where low power distance cultures appreciated, and high-power distance found it unnerving and took it as a cultural learning experience. In the picture below are four of the focus group countries and their differences in Hofstede’s dimensions. For example, Japan has a higher power distance showed in the results as did Netherlands low masculinity and high individualism.

Picture 3, Research group countries six dimensions (Hofstede Insights, 2019)
5 CONCLUSIONS

In this chapter, I aim to summarize the main points of interest and answer the research questions. The main objectives of the thesis were to define cultural intelligence and its importance in a team environment and find possible cross-cultural challenges in the Productive Leadership game. Based on the study and literature review cultural understanding is a significant element in cultural adaptation.

While it is possible to understand only for so many cultures, cultural intelligence, and strategic thinking can be learned. CQ can help to find similarities in cultures and enhance reasoning skills. Personal traits have an impact on cultural adaptation; consequently studying should start from an individual’s personal growth and leadership. Understanding oneself and own culture should stand as a starting point.

Overall the student’s experiences about the Productive Leadership game were positive, and they found the game helpful and as an efficient way of learning. “Easy and inventive way to learn.” Mainly since the game was performed at the beginning of the HRM course a lot of new and even surprising information were gained. “I did not know that there were many problems which human resource manager had to tackle which seemed small, but had the potential to become a huge problem for the company’s productivity and profit.”, “The game introduced real-life problems that I truly never thought of before.” One matter to criticize was to arrange the game learning later in the course when already more knowledge would have been gained at the lectures.

Based on the results the game is applicable and functional in the cross-cultural environment. Leadership actions were considered somewhat universal, and most European students did not find significant cultural differences. Although students with international experience already have experience in adapting to another culture therefore possibly possess open-mindedness and tolerance towards different cultures. Lack of work experience might have influenced the discussions “I did not have experience in working life, so I could not give any reflections on a cultural perspective.”

Some recommendations from the group showed that the game was not adapted to different cultures and multicultural team environment at least in few game rounds would have been preferred. The
game was considered useful for cultural understanding and adaptation; especially it gave insights of low power culture to people from more hierarchical top-down cultures. Individualism versus collectivism showed in the results as some preferred more collective decision making. Listening, paraphrasing and even to some extent overcommunicating would be helpful in intercultural interactions based on the results.

Challenges and reflection on learning

The study contributed to my personal learning quite a lot. I have deepened my knowledge of cultural understanding and dealing with complex work-life situations. Especially I value the blunders I have made during the process and with the process. I highly appreciate the compulsory thesis writing as part of the studies since it has helped me to overcome my report writing aversion, and the discipline needed towards finalizing it has given me confidence.

The workshop exercise had two attempts, and with the first group engaging the focus group and commitment were challenging. The workload without any reward, except the possibility to learn in a novel AI, assisted way, was not nearly enough to encourage the first-year students to learn this advanced subject. Even the third-year students would have preferred some HR theoretical background before the actual game-based learning.

I found that choosing the facilitation method needs to be done group size and time limitations in mind carefully. A relatively large group like it was with the first try, would have required, for example, rearranging to small groups for getting used to the game and getting started concretely. Playing the game together is an icebreaker by itself but using different methods to get all on board and involved, especially if not familiar with each other’s, is not just a nice way to start but beneficial for the outcome.

Proper planning of the process and schedule is valuable, yet it needs to be flexible enough. I had many changes along the way, starting from changing the subject and commissioning company to minor time management issues. At some point, I started using the Pomodoro technique to motivate myself to write and stay focused. In Pomodoro, a clear decision is made to concentrate on one task only without interruptions for 25 minutes.
Limitations

The workshop was the initial first trial with international business students. Many players played only a few rounds, and a limited amount of game rounds is not enough to discover all reactions and possibilities in the game scenarios. Some mentioned game being too hard to understand, yet others felt confronted with the consequences of actions straight away. HRM was a new subject to most participants and most had no previous work experience in their home country, i.e., experience in HR practices. Some reflections were done in groups not individually.
REFERENCES


