

ASSISTING CULTURAL DEXTERITY: THE ROLE OF TRAITS

Thought Leadership



Introduction

Globalization in business is not a new concept, but today, more teams and markets are becoming increasingly global. Leaders and managers face daily challenges in working with teams in diverse cultural environments. Cultural dexterity goes beyond awareness of cultural differences; it involves learning to harness these differences to drive innovation and achieve business results.

Expatriates often encounter unpredictable situations while immersed in a new culture. However, changing demographics and the rise of remote work are increasing opportunities for all employees to collaborate with people from different cultural backgrounds. Now more than ever, employees must account for others' worldviews when addressing challenges in the workplace. Formal interactions with people from different cultures may involve unwritten rules that can lead to misunderstandings. In everyday situations, the impact of small decisions can accumulate: When should you email a colleague versus making a phone call? When is it appropriate to address someone formally or informally? And, more subtly, when is direct or indirect communication expected?

This research builds on our previous studies on the disciplines (combinations of behavioral competencies) and enabling traits essential for effective inclusive leadership (Andres & Polonskaia, n.d., 2020). To continue this investigation, the Korn Ferry Institute conducted three studies focusing on how traits underlie cultural dexterity. These studies explore multiple aspects of cultural dexterity, including everyday social adaptation, the success of expatriates, and cross-country collaboration.

Key findings across the studies include:

- Openness to Differences is important to understanding how people adapt and collaborate with others from different countries. While most leaders acknowledge the business case for diversity and claim to “value differences,” many, in our experience, are not fully open to the diverse perspectives they say they value—often shutting down the very voices they have hired into the organization.
- Though certain traits are important and higher scores are linked to better situational adaptation, there is no evidence that a minimum level of any enabling trait is required to adapt to situations. In other words, while traits set us up for success as inclusive leaders, we can learn to exhibit inclusive leadership behaviors in spite of them.
- Although the traits predicting engagement are largely consistent across different populations (e.g., expatriates, people with culturally diverse coworkers), Assertiveness uniquely drives engagement among expatriates.

The results highlight the benefits of developing traits and the importance of context to understanding cultural dexterity.

Know It: Cultural Dexterity

Definition: The ability to adapt to and make the most of cultural differences to improve collaboration and performance.

Cultural Dexterity: What Makes a Difference?

Cultural dexterity manifests in different ways at work. We identified three approaches to investigate the following question: Which traits differentiate people with high cultural dexterity? Specifically, the objectives of our three studies were to understand the underlying traits that:

1. drive Situational Adaptability,
2. drive success for expatriates, and
3. differentiate those who work across cultures.

Study 1: What Drives Situational Adaptability?

Takeaway: *Situational Adaptability is a key competency for effective leadership and is most strongly shaped by traits such as Openness to Differences, Empathy, and Curiosity. People can actively cultivate high Situational Adaptability through intentional efforts—even if they don't naturally possess these traits—highlighting their potential for personal growth in diverse work environments.*

Situational Adaptability involves adapting one's approach and demeanor in real time to match the shifting demands of different situations (Lewis et al., 2021). It notably predicts job performance across various positions, particularly in roles involving people management.

This skill reflects the need to adapt leadership styles and remain relevant in a variety of situations. It is valuable for adapting to different social demands, as using the same approach across different circumstances and groups would not necessarily be effective. Those with high scores in Situational Adaptability tend to have a participative leadership style, meaning they are hands-on leaders who engage with employees. They create a climate where team members are given authority and accountability, unnecessary rules that interfere with effective work are minimized, and teams have high trust (Kerr & Hezlett, 2021).

Know It: Situational Adaptability

Definition: The ability to adapt approaches and demeanor in real time to match shifting demands of different situations.

Given its role in social adaptation, we focused on the traits that drive Situational Adaptability to understand the everyday correlates relevant to cross-cultural dexterity. We also wondered whether certain levels of traits may be required to effectively adapt in different workplace situations. Our analyses sought not only to identify the traits underlying Situational Adaptability but also to evaluate how these traits can lead to success.

Approach and Method

Traits were measured using Korn Ferry's psychometric-based self-assessments. These state-of-the-art assessments use forced-choice item response theory methodology to limit the effects of impression management and faking (Lewis et al., 2021). The criterion (Situational Adaptability) was measured differently in two samples.

Sample A consisted of assessment data collected between 2018 and 2023 from over 160,000 leaders across more than 3,000 client organizations. We analyzed the data set to examine the top trait correlates with Situational Adaptability. Models controlled for the impact of job level, work engagement¹, and geographic region in predicting Situational Adaptability. This sample included all management levels (32% senior leaders, 31% first-level supervisors, 24% mid-level managers, 13% senior executives/CEOs), from all geographical regions (29% Europe, Middle East, and Africa; 25% North America; 23% South America; 21% Asia Pacific); the majority, however, were from the United States (24%), Brazil (12%), and India (8%). The leaders represented many industries, including consumer goods and services (17%), finance (16%), industrials (14%), and health and life sciences (14%).

¹ Our work-engagement measure is described in more detail in Lewis et al. (2021). In all three studies, we first utilized individual multiple regression models, using each trait as a predictor while controlling for additional listed variables. Next, we employed a single regression model using elastic net methodology (Zou & Hastie, 2005) to identify key drivers of the criterion while controlling for both the listed factors and all 20 traits. This method applies penalties to shrink regression coefficients or set them to zero (0) if they are irrelevant. This acts as a predictor selection method that can handle many correlated variables. While we examined variable importance, this methodology does not report traditional statistical significance.

Sample B consisted of trait self-assessment data collected between 2019 and 2020 from over 370 mostly senior leaders employed in the U.S. across seven client organizations. This data set was matched with Behaviorally Anchored Rating Scale (BARS) interview ratings that assessed Situational Adaptability when considering diversity, equity, and inclusion. This sample serves to replicate analyses in Sample A, using an alternate measure of the criterion. It consisted of 73% senior leaders and 16% senior executives/CEOs. Of the sample, 87% were employed in the U.S., with the top industries including industrials (46%), finance (29%), and the public sector/education/not-for-profit (10%).

Finally, we conducted follow-up analyses to evaluate whether certain levels of traits were required to adapt to workplace situations².

Key Findings

In sample A, Openness to Differences, Empathy, Curiosity, Tolerance of Ambiguity, Trust, and Adaptability were identified as the highest correlates with Situational Adaptability (r 's = .21 to .26). Models controlling for work engagement and other factors re-emphasized the role of Openness to Differences, Empathy, Curiosity, and Adaptability. Note that all of these are building blocks of traits in The Inclusive™ Leader model, highlighting their enabling potential.

In sample B, Openness to Differences was the highest correlate with BARS interview Situational Adaptability ($r = .26$), followed by Adaptability, Situational Self-Awareness, and Confidence (r 's = .15 to .16). Models reinforced the role of Openness to Differences as the top predictor of Situational Adaptability, with Confidence as the second key predictor.

Taken together, these results underscore the relationship between Openness to Differences and the multiplicity of traits that may help align and support Situational Adaptability, which may be an indicator of cultural dexterity.

² We used necessary condition analysis to evaluate whether certain trait levels are needed (if not sufficient) for achieving high scores in Situational Adaptability (Dul, 2012). This analysis examines whether high Situational Adaptability scores can occur alongside low trait values, and to what extent. Effect sizes were calculated using the CR-FDH technique, which allows data points above the ceiling line, to determine whether traits limit high scores.

Know It: Openness to Differences

Definition: A desire to consider and explore diverse perspectives, thoughts, and experiences of people from various backgrounds.

In both samples, follow-up analyses revealed that those with low scores on traits underlying The Inclusive™ Leader model—particularly, Openness to Differences—were less likely to score high on Situational Adaptability, though it was still possible. Necessary condition analyses for each trait did not exceed an effect size of .13, indicating that a given value of traits is not required for high Situational Adaptability. Overall, our results showed no evidence that specific levels constrain the relationship between traits and Situational Adaptability; for example, it would be inaccurate to say that a certain level of Openness to Differences is required to adapt to situations. Overall:

- Openness to Differences is key to Situational Adaptability across multiple samples, although other traits, such as Empathy and Curiosity, are important as well. We can infer that Openness to Differences—a desire to consider and explore diverse perspectives, thoughts, and experiences of people from various backgrounds—is essential for cultural dexterity.
- When developing competencies, it is important to recognize that even if a person cannot leverage their predispositions, they can make progress in other ways. Traits aren't everything—understanding one's predispositions and limitations can help navigate around them. For example, an employee who knows they are low in Openness to Differences might schedule more time to connect intentionally with colleagues from different backgrounds.

Study 2: What Differentiates Successful Expatriates from Non-Expatriates?

Takeaway: *For expatriates, Assertiveness is more essential for engagement and success than for those working in their home countries. While traits related to Striving, such as Need for Achievement, matter for everyone, the ability to take charge and direct others is especially critical for those adapting to a new environment. This underscores the importance of cultural dexterity and the unique traits that support it.*

When considering cultural dexterity, expatriates who work effectively outside their native country might be seen as masters of a new culture. We wanted to understand which traits help expatriates get ahead in the workplace. Given the need for cultural dexterity, immersion in a new culture may require different antecedents for success.

Approach and Method

We used the same Sample A from Study 1³ to evaluate what differentiates successful expatriates from non-expatriates. We ran separate models predicting work engagement for 5,000 self-identified expatriates and 28,000 non-expatriates to measure the impact of traits on engagement, controlling for job level and geographic region. This model helps us understand which factors differentiate those who are engaged at work. Comparing the two models allows us to determine whether the key drivers are the same for expatriates and non-expatriates.

Know It: Expatriates

Definition: Employees who work in a country that is different from their home country.

Key Findings

Overall, results confirmed that traits related to Conscientiousness⁴, such as Need for Achievement, are key to success at work (e.g., Barrick, Mount, and Judge, 2001) for both expatriates and non-expatriates. Notably, the expatriate models identified Assertiveness as a top positive driver of engagement. Traditional regression models showed Assertiveness correlated with engagement for both expatriates (beta coefficient = .14) and non-expatriates (beta coefficient = .10). However, the elastic net model, which included all traits, identified Assertiveness as the third most important trait for expatriates, contributing to 30% of prediction, while it was less important for non-expatriates, contributing to 11%.

Know It: Assertiveness

Definition: The degree to which an individual enjoys taking charge and directing others.

This finding shows that Assertiveness—the degree to which people enjoy taking charge and directing others—is more important for the engagement of expatriates than for non-expatriates. Other traits are more associated with guiding success for non-expatriates.

The experiences of expatriates at work suggest that taking charge is more important to success when living in a new context—guiding situations and actively seeking to change them. In fact, this may be key to cultural dexterity for those living outside of their typical culture.

³ The sample size is smaller because 1) not all participants reported expatriate status, and 2) not all participants reported work engagement.

⁴ Striving is one of the key super factors in Korn Ferry's trait model. It is highly similar to Conscientiousness in other Big Five models of personality.

Study 3: What Differentiates Those Who Work Across Cultures?

Takeaway: *Employees working with colleagues from different countries tend to have higher Openness to Differences but lower Assertiveness and Credibility compared to those who only work with colleagues from the same country. This suggests that cultural dexterity requires a willingness to embrace diverse perspectives, even if it means being less assertive or consistent in actions.*

Finally, we asked whether people working with colleagues from different countries differ from those working solely within the same country. With remote work increasing, employees at global companies may collaborate more often with peers, direct reports, and managers from other regions. However, many employees still work only with local colleagues, whether by circumstance or choice. We wanted to understand how traits influence those who work in situations requiring greater cultural dexterity.

Approach and Method

We identified nearly 140 participants from 120 client organizations with trait assessment data collected between 2018 and 2024, who had raters from different countries in Korn Ferry's multi-rater assessments. We compared them with 220 participants who had all same-country raters⁵. This sample consisted of senior leaders (36%), mid-level managers (20%), senior executives/CEOs (18%), first-level leaders (13%), and individual contributors (7%). They were mostly employed in the U.S. (74%) in various industries, including consumer goods and services (23%), finance (13%), high/advanced technology (13%), and industrials (10%).

⁵ In 5 million cases of multi-rater demographics, the rater's country of work was identified when available from self-report or email country code, as well as the country of work for all other managers, direct reports, peers, and others who rated the participant. We identified 4,000 participants who had at least two raters from a different country than theirs, where those raters represented 30% or more of their total raters. This allowed us to select people who likely work extensively with colleagues from different countries. The same number of participants with at least three raters all from the same country (much more common) were selected at random. Finally, these two groups of participants were matched with trait assessment data when available.

We ran logistic regression models predicting to which group participants belonged (those with raters from different countries versus raters from the same country), when controlled for geographic region and job level. This helped us understand what drives belonging in these groups, controlling for other factors.

Key Findings

We found two key differences:

- When controlling for geographic region and job level, those with different country raters had higher Openness to Differences than those with only same-country raters.
- However, those with different country raters were lower on Assertiveness and Credibility.

Know It: Credibility

Definition: The degree of consistency between a person's words and actions.

These factors distinguish those who work with colleagues from other countries from those who do not, but they do not necessarily lead to success for these individuals. People work closely with colleagues for a variety of reasons, including where they live and work (e.g., global companies), how they work (e.g., remote work), and their interest in collaborating with certain individuals. These situations are not always within an employee's control—for example, when a company assigns someone to work on specific projects with specific colleagues. While Openness to Differences is key to understanding those who work in situations that require increased cultural dexterity, other differences exist.

High scorers in Credibility—the degree of consistency between a person's words and actions—mean what they say and tend to show greater personal integrity. Adapting to different cultures can make it challenging to follow through on commitments. They may also be less interested in taking charge of others, reflected by lower Assertiveness scores.

Developing Cultural Dexterity

We can learn a lot from employees who have opportunities for cultural dexterity. Openness to Differences is key to understanding cultural dexterity, while other traits play important supporting roles. Assertiveness is uniquely essential for the engagement of expatriates; however, those who work with raters from other countries were lower on Assertiveness and Credibility. This study highlights differences in those who fully experience living in other countries other (expatriates) and those who collaborate across regions.

Our unique dispositions help define who we are, and high-quality assessment tools can leverage them for development (see Korn Ferry's FYI® Traits and Korn Ferry's FYI for Inclusive Leader). For people or organizations looking to develop cultural dexterity, our research shows that being responsive to the demands of a changing society is most achievable when habitually and proactively embracing different ways of working and communicating. Developing Openness to Differences may enable Situational Adaptability, success in expatriate roles, and effective work with people from other cultures.

Still, context matters, and cultural dexterity can be developed without specific enabling traits. Our research shows little evidence that someone must have a minimum amount of any one trait to start developing competencies that fuel inclusion. This finding gives hope that one can develop cultural dexterity by focusing on inclusive leadership behaviors and learning from the vast array of the differences around us.

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About Korn Ferry

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