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Applying Cultural Intelligence in International Project Management
by Prof Ruta Ciutiene, Dr. André Deschange
Second Edition[1]
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Abstract

In order to succeed and stay competitive in globalized business environment organizations started to incorporate cross-cultural management competencies into project management. Cultural intelligence (CQ) is an ability to proceed effectively and efficiently in culturally diverse situations when the main focus is differences in cross-cultural behaviors. This skill is increasingly becoming beneficial for project managers, as those who have high CQ can quickly adapt their management style in order to handle issues raised from multicultural background (concerning customers, suppliers, associates, etc.). Overall, there are four CQ capabilities: Drive, Knowledge, Strategy and Action. Project managers have to improve all four capabilities in parallel because focusing on only one can cause deeper cultural ignorance instead of leveraging CQ. This paper aims to introduce Cultural Intelligence as an approach for successful cultural differences management in international projects.

Key words: *Cultural intelligence, cross-cultural management, international project management*

JEL code: F23, M16

Introduction

International projects comparing to local projects often have a higher level of complexity and uncertainty. Some of specific characteristics have to be taken into account in order to successfully implement projects in global environment: global stakeholders, cultural diversity, cultural differences, etc. It is becoming a norm that project managers have to develop intercultural skills for smooth interactions with internal and external stakeholders and project

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[1] *Second Editions are previously published papers that have continued relevance in today's project management world, or which were originally published in conference proceedings or in a language other than English. Original publication acknowledged; authors retain copyright. This paper was originally presented at the 4th Scientific Conference on Project Management in the Baltic States, University of Latvia, April 2015. It is republished here with the permission of the author and conference organizers.*

team members (Köster, 2010, pp. 8). According to Livermore (2010, pp. 3) Cultural Intelligence (CQ) is a set of skills that facilitates effective cross-cultural management. Instead of learning the intricacies of the culture and practices of every nation, CQ provides a broad-based model that helps to emphasize an overall understanding of other cultures, and it does not require comprehensive knowledge of specific information about every individual culture. The goal of this paper is to introduce Cultural Intelligence as an approach for successful cultural differences management in international projects. Main method to investigate the topic is to analyze theoretical sources (books, articles, research reports, essays, etc.) and gather insights in order to define how Cultural Intelligence can be incorporated into international project management. To reach the goal following topics are being discussed: Cultural Differences influence on International Project Management; Cultural differences and project team challenges; The concept of Cultural Intelligence; Actions which can be taken into account to apply Cultural Intelligence in international project management.

Cultural Differences influence on International Project Management

Project management has to foster global approach, be flexible enough in order to succeed working with stakeholders, team members from different cultural horizons. Binder (2009, pp. 18) defines international projects as projects with team members from the same company working in different countries. And expands definition of international project by adding global project concept: "Projects managed across borders, with team members from different cultures and languages, working in various countries around the globe". Roux-Kiener (2009, pp. 10) emphasizes that nowadays globalization of projects has become a common phenomenon in project management. Some years ago projects were mostly implemented on local basis with direct contact with stakeholders.

Brünnemann (2013, pp. 4) states that project managers usually have to deal with versatility of cultures at the same time as international project might be set in a specific country or it may be part of a large program spanning across several countries or the project team consists of members from various countries or cultures. As project management face cross-cultural issues it is important to review on what extent culture influence project management. Hall (1976, pp. 16) notes that culture consists of ideas, values, attitudes, norms and patterns of behavior. It is not a genetic phenomenon and it cannot exist without society involved because culture is shared between members of society. Hofstede (2001, pp. 21) defines culture as "The collective programming of the mind which distinguishes the members of one group from another", what means that culture is learned through generations but it has a tendency to change as external environment changes. Scientist states that core element of culture is system of values. Fischer, at. all (2009, pp. 189) agree that culture is a collective phenomenon and that people learn it but not transmit genetically. According to them: "...culture is passed on through socialization processes within specific groups, which require communication of key symbols, ideas, knowledge and values between individuals and from one generation to the next".

The question of how cultures influence project success during project management processes has been raised by practitioners many times but mostly in organizational sciences and not that often in project management studies. Kuusisto (2012, pp. 27) notes that the relationship between project success and different managerial features, such as leadership competency profiles of the project manager (such as cultural awareness), project management structures, the project managers' personality and project type. Influence of cultural differences in projects can unfold in direct or indirect way. Directly, people can face difficulties in basic communication because of different languages. Indirect influence manifests through behavior formed by values, customs, stereotypical assumptions or pre justice about other cultures

In perspective of multicultural project team it is very important to realize that every team member brings his country (national) culture features into the project team. Binder (2009, pp. 2) notes that country culture is beyond organizational culture. The customs and traditions of different nations and regions can bring more diversity to the work environment, reducing the group thinking and improving the collective creativity. Motivation is often increased as many people prefer to work in multicultural environment because of the rich information exchange. Nevertheless, this diversity can sometimes be the source of conflicts and misunderstandings, and project managers must apply some basic rules and practices to take advantage of the cross-cultural communication, and to avoid its pitfalls. As Earley and Mosakowski (2004, pp. 141) states: "Cultural patterns in project environments reflect cultural patterns in the wider society. Project Managers therefore operate within the entwined cultures of their society and of their organization and of their own specific project teams".

Overall, cultural differences mainly influence communication and people's behavior in the international projects what is relevant either working with global stakeholders either with multicultural team members. It is important to emphasize that interactions with person from different cultures can help to discover cultural patterns (if identified adequately) of wider society what can be successfully used, for example, to identify customers' needs or stakeholders apprehension.

Cultural differences and project team challenges

Multicultural project team has many advantages in nowadays fast-paced and highly complex business environment: Ability to adapt to changes faster than a team with homogenous cultural, reflect and react to external environment changes, solve problems with less collective mindset and versatile solutions. On the other hand, cultural differences can cause misunderstandings and become a potential source of conflicts within team members, raise communication problems. It can cause possible loss of time and resources also it can reduce efficiency of the project team. This is the reason why cultural differences should be managed through whole processes of the international project management and project manager (as a leader) should enhance cultural awareness and socio-cultural skills. Multicultural teams can be highly effective if project manager is able to apply cultural differences management approach. In contradiction, multicultural teams can become least effective if not taking into account that cultural differences

have an influence to the project success.

Kloppenborg (2014, pp. 135) defines that international project has more specific needs and there are some additional challenges in managing multicultural teams (which often are virtual project teams[2]) (Table 1). Firstly, it is notable that international project itself is more complex than traditional (local) project; also it correlates with the fact that in many cases project team is multicultural. In international projects stakeholders are international as well, what means that it is more difficult to understand them as behavior is influenced on differences of languages, traditions, business cultures, norms, values, etc.

Table 1.

Increased challenges for multicultural and virtual project teams

International project management needs	Increased challenges for project team
1. Initiate project	1. More unique project needs
2. Understand stakeholders	2. More difficult to understand
3. Build relationship	3. Needs more time to gain trust
4. Determine communications needs and methods	4. More unique needs, reliance on electronic methods
5. Establish change control	5. More facilitating than directing
6. Manage the meeting process	6. Less nonverbal clues, interest way wander
7. Control issues	7. With less group interaction, harder to identify

Source: Adopted from Kloppenborg, 2014, pp. 135

Another aspect of multicultural teams is that in many cases they are distributed in different locations (virtual teams) so it makes communication challenging not only because of cultural differences but because of working remotely. Ware, Grantham (2010, pp. 22) emphasize that in today's globalized business culture flexible work (what includes working remotely) is rapidly becoming the norm. They outline that the most critical skill in a distributed work environment is the ability to establish trust (which in many ways translates into, or is equivalent to, employee engagement). Kloppenborg (2014, pp. 137) defines that building trust in multicultural and especially virtual team takes more time than in traditional project teams. According to McCray (2012): "In terms of national/regional inhibitors, language and the understanding of subtleties in verbal, non-verbal and written communications can be problematic. Also, expectations regarding

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[2] Virtual team is a group of people and sub-teams who interact through interdependent tasks guided by common purpose and work across links strengthened by information, communication, and transport technologies (Gassmann, Von Zedtwitz, 2003).

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the level of open debate, acknowledgement of potential problems, and willingness to veer from the defined process in order to complete work may vary between regions and nationalities".

Koh, Joseph, Ang (2010, pp. 11) outline that conflict resolution is another challenging aspect working with multicultural teams as conflicts by nature are inevitable in any kind of teams but it is more sensitive when culturally based misunderstandings may contribute to more disputes and disagreements. Cultural differences influence personal approach how team members resolve conflicts, for example, in general individuals from cultures with high collectivism (mostly Asian countries such as China) tend to avoid confrontation and withdraw from conflict resolution situations as they put a high value on the harmony in the team. In contrary, countries with high in individualism (such as the United States, Great Britain, Australia, etc.) tend to solve conflicts in confrontational style as for them individual achievement and opinion is highly important.

In conclusion, multicultural project teams are considered as one of the most valuable assets while searching for different and innovative problem solutions, it let project managers combine different experiences, approaches and skills to enrich international project management. Nevertheless, if cultural awareness of project managers and team members is low it might cause misunderstandings and conflicts between team members as a consequence it can decrease teams motivation and interfere with success of the project.

The concept of Cultural Intelligence

The concept of Cultural Intelligence (CQ) was based on contemporary theories of intelligence, for example, definition of general intelligence by Schmidt and Hunter (2000, pp. 3) is: "...the ability to grasp and reason correctly with abstractions (concepts) and solve problems." Ang and colleagues (Ang, Van Dyne, Livermore, 2007, pp. 335) states that Cultural Intelligence was specifically defined to address the phenomenon of globalization focusing on intercultural settings – capability to comprehend, adequately interpret and behave in situations rising from cultural differences. Scientists define that Cultural Intelligence is: "A capability of an individual to function effectively in situations characterized by cultural diversity".

According to Livermore (2010, pp. 19) cultural intelligence is closely linked to the theories and research as it relates to insights from motivational, cognitive, metacognitive, and behavioral studies. What differs this concept from other intelligence theories is that main focus in CQ studies is on behavior that is learned through education and experience and that is not inherent personality characteristics that are difficult to change. This theory acknowledges that personal interests, thoughts, and behavior influence the leader's and team member's individual interaction in a cross-cultural situation. In addition to this concept is based on development of overall perception on other cultures what doesn't require comprehensive knowledge of specific information about every individual culture. Thomas, Elron, Stahl, et. all (2008) define Cultural Intelligence as a system of interacting knowledge and skills, linked by cultural metacognition, that allows people to adapt to, select, and shape the cultural aspects of their environment. CQ is a multidimensional concept comprising mental (metacognitive and cognitive), motivational, and

behavioral dimensions (Figure 1).
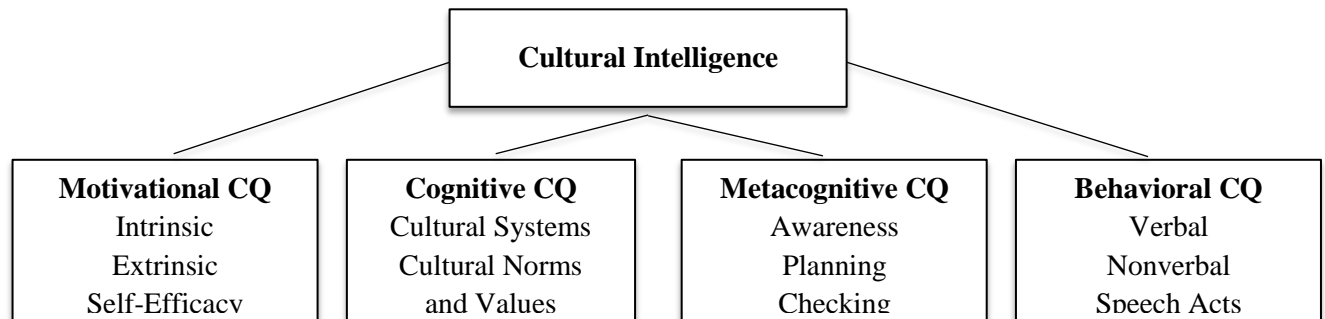
Source: Ang, Van Dyne, et. all, 2012

Fig. 1. **The Four–Factor Model of Cultural Intelligence**

The Motivational (Drive) factor is based on showing the interest, confidence and *drive* to adapt to cross-cultural environment. It excludes the assumption that leaders are all naturally motivated to learn about cultural issues (there's always the risk of resistance). There are different levels of motivation: Intrinsic which is a genuine motivation of a person raising from natural interest in different cultures; Extrinsic manifests when person has some more tangible benefits from engagement; Self-Efficacy is the confidence that person is able to behave effectively in cross-cultural encounters (Van Dyne, Ang, Livermore, 2010, pp. 4-5). The factor, on the one hand, defines the ability to view cross-cultural interactions in a different way, on the other hand, make every effort to gain new experiences from people from other cultures. This is of central importance in solving problems (Earley, Peterson, 2004).

The Cognitive (Knowledge) factor determines the understanding of cross-cultural issues and differences as a *dimension of knowledge* in the concept of Cultural Intelligence. This factor is addressed mostly to emphasize typical approach to intercultural competency (Van Dyne, Ang, Livermore, 2010, p. 5-6). The factor defines the understanding of cultural norms, values, such components of cultural systems as religious beliefs, language and communication rules, customs, etc. influences his/her behavior (Earley, Peterson, 2004).

The Metacognitive (Strategy) factor is aimed to unveil *strategic approach* in making sense of culturally diverse experiences. It determines whether person can use his/her cultural knowledge to make strategic decisions, takes into account awareness of how cultural differences influence peoples behavior; Planning on how to prepare for cross-cultural encounters by approaching people, situation, topic; Monitoring and checking if the plans and expectations were fulfilled and whether the strategic approach was appropriate (Van Dyne, Ang, Livermore, 2010, pp. 7). This factor is crucial in applying the Cultural Intelligence model because it helps to adapt and adjust actions of communication strategy from understanding cultural issues to evaluating the actions taken and improving strategy in a long-time perspective (Earley, Peterson, 2004).

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The Behavioral (Action) factor represents *action dimension* as the ability to appropriately adapt verbal and non-verbal communication to a cross-cultural situations. It refers to leaders knowledge when these actions need to be taken and when not so it shows the flexibility and the highest level of cultural awareness (Van Dyne, Ang, Livermore 2010, pp. 8). In other words, behavioral intelligence focuses on what individuals do rather than what they think or feel. It is essential because it reveals the primary attributes of sustaining a relationship (Earley, Mosakowski, 2004).

Assessment of CQ

Individual can make a self-assessment of CQ using The Cultural Intelligence Scale (CQS). Individual who uses the CQS has to evaluate his/her own behavior in 20 statements that are provided in the questionnaire, the evaluation shows how capable person is to interact in culturally diverse environment. These statements are separated into four categories: Motivational CQ, Cognitive CQ, Metacognitive CQ, Behavioral CQ. For example, results from CQ-Metacognitive and CQ-Behavioral statements help to predict task performance: Those who have the capability to make sense of inter-cultural experiences (such as making judgments about their own thought processes and those of others) make higher quality decisions and perform at higher levels in multi-cultural work settings. Those who have the capability to adapt their verbal and nonverbal behavior to fit specific cultural settings have a flexible repertoire of behavioral responses that enhances their task performance in culturally diverse settings. In sum: the higher the CQ-Metacognitive and the higher CQ-Behavioral - the higher the performance. CQ-Motivational and CQ-Behavioral can help to predict three different forms of adjustment: Those who are interested in experiencing other cultures and feel confident that they can interact with people who have different cultural backgrounds (CQ-Motivational) are better adjusted in culturally diverse situations. Those who have a broad repertoire of verbal and nonverbal behavioral capabilities (CQ-Behavioral) feel better adjusted in situations characterized by cultural diversity. This pattern of relationships applies to the three types of adjustment: general, work and interactional. In sum: the higher the CQ-Motivational and CQ-Behavioral - the higher the adjustment (Cultural Intelligence Center, 2005). Livermore defines (2010, pp. 2): "The CQS is a questionnaire that is administered at two levels: an individual assessment and a peer assessment. Thus, the CQS considers an individual's own perception of their accomplishments and gauges how others rate one's level of cultural intelligence. The CQS can be used to assess capacity to fill a position overseas, to conduct diversity training, and even just for personal development".

Livermore (2010, pp. 1) defines the importance of cultural intelligence: "Cultural intelligence can enhance performance in a number of ways: reducing the time it takes to complete a job, decreasing frustration and confusion, and ultimately increasing revenue". From his point of view, according to him, there are five main reasons why every manager should consider enhancing cultural intelligence skills while operating in global environment:

– *Understanding different customers and stakeholders as* knowledge of local culture is essential

to effectively approach customers and stakeholders in emerging international markets.

– *Management of multicultural teams*: Communication with diverse employees, both in the local workforce and abroad, is crucial to an organization's ability to succeed. Employees and clients are located around the globe, and cultural intelligence helps the leader to adapt policies and strategies to apply to various cultural groups.

– *Recruiting and developing talent*: There is strong competition for good employees, and many companies now recruit globally. In addition, cultural issues can make it difficult to retain employees from different nations and ethnicities. CQ increases an organization's ability to find, grow, and retain cross-cultural talent.

– *Adapting the leadership approach to different cultures*: Cultures respond differently to various leadership styles, and CQ is necessary to tailor the leadership approach to be the most effective in a given culture. For example, in Germany managers involve employees in decision making, while in Saudi Arabia managers are more effective if they make independent authoritative decisions. Person with higher levels of CQ, you're more likely to develop trust and effectively lead multicultural groups and projects at home or dispersed around the world (Livermore, 2010, pp. 1-2).

– *Negotiation.* Being able to negotiate effectively across cultures is cited as one of the most important competencies needed in today's global workplace. Individuals with higher CQ are more successful at cross-cultural negotiations than individuals with lower CQ. When faced with the ambiguity of intercultural communication, with high CQ more likely to persist and invest great effort in reaching a win–win despite the absence of cues that help you negotiate effectively in a more familiar environment (Imai, Gelfand, 2010, pp. 84).

Advantages of CQ are reasonable but in order to apply it as an method to manage cultural differences in project management there's a need to discuss actions how it could be incorporated and what kind of approach organization should apply according to it's own specifics.

Applying Cultural Intelligence in international project management

This part of the article is dedicated to discuss what actions could be taken in order to incorporate CQ approach in international project management. The main purpose and benefit of CQ incorporation would be enriched cultural differences management and more effective intercultural interactions between project managers, project team members, stakeholders.

Thomas, Elron, Stahl, et. all (2008) outline that to reach this purpose, individual level of personal adjustment has to be raised. This means that if person feels uncomfortable in culturally diverse situations and communicating with people from different cultural background, his/her personal adjustment is low. If personal adjustment is in a high level multicultural communication will not cause more stress than communication with people from same culture. Another aspect is how

person can handle interpersonal relationship with culturally different people. This defines ability to maintain and develop good relationship with person from different culture as the nature of relationships is to gain mutual benefits from communication. Finally, one of the most important attribute which is relevant to project management is how each person is capable to accomplish tasks and achieve goals while interacting with people from different cultural backgrounds, in what extent cross-cultural setting influence the successful performance of a person. This approach is more targeted to reveal individual perspective of interaction but if each team member or project manager would take into account these levels of interactions the overall communication would be improved. Especially when gaining trust and build relationship in multicultural teams is often a challenge.

Similar point of view is being expressed by Smith (2014), who defines that CQ acumen can be gained through a phased program of awareness, knowledge, and skills. In her opinion, organization can increase employees' CQ by implementing organizational training focused on cultural differences awareness, which enables employees to perceive what level of cultural awareness they possess. This level of self-awareness is kept as crucial for the cultural dexterity in order for leaders, managers, and other employees to be able to use effective communication and problem solving skills in culturally complex environment and that actions would be culturally appropriate. Enhanced culture-specific knowledge should follow the baseline awareness. In business environments, people tend to recognize only visible part of a culture. However, the most important aspects of culture – opinions, viewpoints, attitudes, philosophies, values, and convictions – are unseen. Specific training is necessary to understand some of these underlying values that may drive behavior. Numerous corporations have used online training modules and group facilitation to help provide these insights. The acquisition of enriched communication skills supposed to complete the training. Global mindset and ways of conducting business and communicating shift depending on one's cultural programming. This final phase should be interactive, allowing employees to improve via cross-cultural encounters simulation exercises, real-time coaching and feedback (Smith, 2014). Livermore (2010, pp. 8) has similar approach on what kind of actions need to be taken in order to incorporate CQ in project management.

According to him, if organization decides to incorporate CQ in their management system, senior leaders have to see cultural intelligence as a priority, define goals for CQ development. Entities should be aware what benefits organization gain from it because cultural intelligence increases both individual and business success in multicultural situations. The scientist suggests mindset on developing CQ in organization: "Entities have to incorporate cultural intelligence in decision making, and they have to adopt a CQ training plan. Training should be "hands on" and interesting to increase motivation, and it should be targeted to the specific job needs of the employee. As part of the training, employers can engage employees in developing an individual plan to develop cultural intelligence. The employers can offer language and skills classes and coaching and training opportunities to fulfill the individual plan. An organization should reward its employees for developing and practicing cultural intelligence". Overall, Livermore (2010, pp. 3) suggests that the learning process should be viewed as a cyclical progression. Cultural drive provides the motivation to pursue cross-cultural knowledge. The knowledge forms an

understanding of basic cross-cultural issues. This understanding is the foundation for the development of strategy, which enhances the ability to engage in action. Positive results from action generate motivation to begin the cycle again. Ideally, each time that the cycle is repeated, one's cultural intelligence skills will become more effective, and the CQS score will increase.

From all theoretical insights about how to build a foundation for CQ enhancement in organization there can be a process of different steps defined. In the case of this article the design of actions will be more universal because there is no specific organization analyzed. According to that author uses the framework of The Four–Factor Model of Cultural Intelligence, actions were divided into four steps (Figure 2) to sustain the sequence of four factors of CQ: Drive (motivation) interest and confidence in functioning effectively in culturally diverse settings; Knowledge (cognition) knowledge about how cultures are similar and different; CQ Strategy (meta-cognition) making sense of culturally diverse experiences an creating strategy for encounters in the future; CQ Action (behavior) capability to adapt behavior appropriately for different cultures.
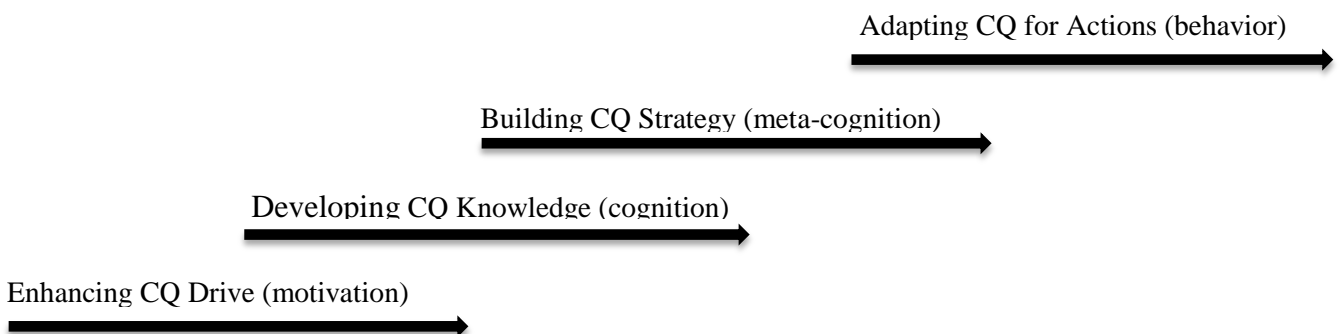
Adapting CQ for Actions (behavior)

Building CQ Strategy (meta-cognition)

Developing CQ Knowledge (cognition)

Enhancing CQ Drive (motivation)

Fig. 2. **Steps to incorporate Cultural Intelligence to project management**
Source: Authors construction based on Ang, Van Dyne, et. all, 2012

The first step: Enhance CQ Drive (Figure 3) is to raise the awareness in organization on how cultural differences influence project management, what are pros and cons, how CQ can be useful for every individual and bring benefits for organization. Raised awareness will bring support from top-level management. When the decision to incorporate CQ into project management is made it is very important to set goals for it and design the approach. The form of how CQ should be incorporated to project management can differ from one organization to another. Following aspects should be considered before creating a model for CQ incorporation:

- Form of activities: training, workshops, coaching, peer-to-peer coaching, e-learning, etc.
- Content of activities: cultural sensitivity, conflict solving, cultural differences identification, etc.
- Time to hold activities: on-the-job, off-the job.
- Recourses: time, human, financial, etc.
- Approach to individual development: individual training (distributed according individual

needs), team training (collaborative methods).

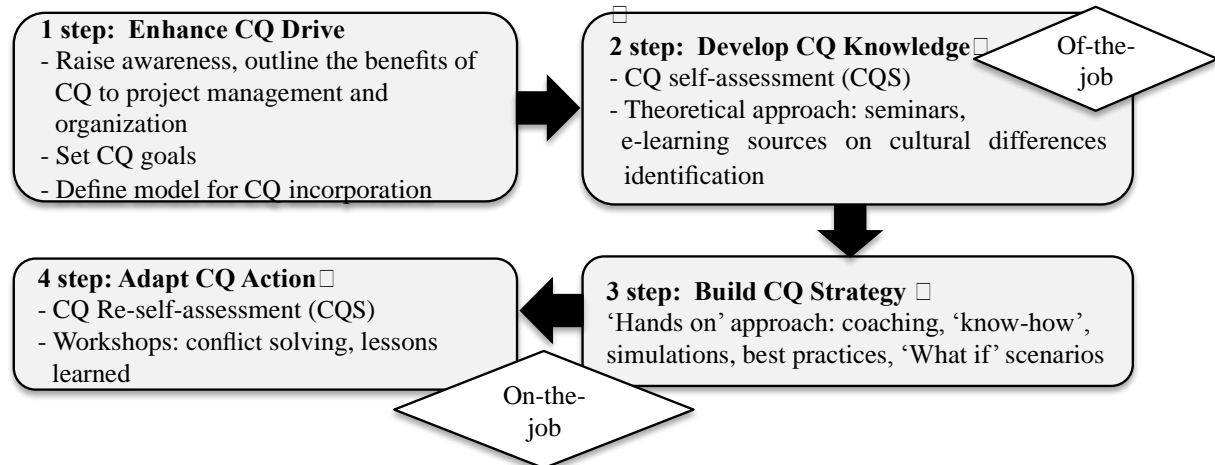– Project team structure: virtual, distributed, outsourced, remote, on-site, etc.

1 step: Enhance CQ Drive
- Raise awareness, outline the benefits of CQ to project management and organization
- Set CQ goals
- Define model for CQ incorporation

2 step: Develop CQ Knowledge
- CQ self-assessment (CQS)
- Theoretical approach: seminars, e-learning sources on cultural differences identification

Of-the-job

4 step: Adapt CQ Action
- CQ Re-self-assessment (CQS)
- Workshops: conflict solving, lessons learned

3 step: Build CQ Strategy
'Hands on' approach: coaching, 'know-how', simulations, best practices, 'What if' scenarios

On-the-job

Fig. 3. **Steps and actions to incorporate Cultural Intelligence to project management**
Source: Authors construction based on Ang, Van Dyne, Livermore, et. all, (2012), Smith (2014), Livermore (2011), Earley, Mosakowski (2004)

Second step: Develop CQ Knowledge. This stage of CQ incorporation is more based on theoretical approach which would be applied for project managers and team members to gain basic knowledge about cultural diversity, cultural differences. It is very important to outline that teams which have to work remotely could use the same material as teams on-site so e-learning can be blended with seminars. This stage would be dedicated to satisfy individual knowledge needs and wouldn't be connected to specific tasks (more of-the-job approach) in order to form baseline awareness about cultural differences management.

Third step: Build CQ Strategy. From this stage trainings should become more practical with 'hands on' approach. Every organization has it's own project management methodology and approach so this stage would be dedicated to justify the individual knowledge about intercultural encounters with real tasks (on-the-job approach). Building CQ strategy would be based on coaching for project managers and team members, sharing best practices from their experience, creating 'what if' scenarios for the future collaboration and simulating culturally diverse situation, discussing. Concerning virtual teams there are many communication tools as webinars to hold coaching sessions remotely.

Fourth step: Adapt CQ Action. Crucial part of this phase in re-self-assessment because this is main tool to measure if CQ has been developed. This phase would be dedicated to ensure that knowledge is being used during cross-cultural encounters and determining biggest challenges during workshops to discuss lessons learned, give feedback, gain knowledge about conflict solving from real time situations arising from tasks related to international project management.

Conclusions

Cultural Intelligence (CQ) can be applicable in international project management as a cultural differences management approach in project managers', project teams' perspective or both. The most significant advantage of CQ is that it doesn't require to have knowledge in all characteristics of many different cultures what makes theory more practical as in some situation individual cannot predict how many different cultures he/she is going to encounter (because of such diverse societies). It represents holistic approach to cultural differences management by evaluating how individual behaves and how he/she supposed to behave in culturally diverse situations overall, instead of getting to know some specific cultures in detail. According to the analysis of scientific sources it has been found that in most cases, theories of cultural differences and behavioral sciences show patterns of behavior of specific cultures but don't take into account the aspect of personality. In the approach, represented by CQ theory, there is acknowledged that personal interests (motivation), perceptions and personal culture of communication has notable influence in what extent person is capable to develop his intercultural skills. Self-assessment of CQ (using Cultural Intelligence Scale) helps to show individuals' strengths and weaknesses in cross-cultural interactions by assessing his/her ability to adjust and helping to predict performance in multicultural environment.

In order to apply CQ in international project management it is very important that the influence of cultural differences and benefits of CQ to project management would be escalated to gain necessary support from top-level management and employees who will be incorporated in the process. It would raise the motivation to develop intercultural competences (The first step: Enhance CQ Drive). Second phase should be based on CQ self-assessment for finding strengths and weaknesses in cultural interactions, evaluate which areas need to be improved (Second step: Develop CQ Knowledge). In order to diminish weaknesses and build a base for CQ knowledge more theoretical approach according to individual needs can be applied (because some employees might already have the basic knowledge).

According to scientists, next phases should be aimed to define action plan for cultural encounters that raise from tasks in project management ('hands on' approach), conduct workshops for knowledge sharing, coaching and simulations to find solutions for possible problems (Third step: Build CQ Strategy). Last phase of actions (Fourth step: Adapt CQ Action) should include re-self-assessment in order to monitor the improvement and apply knowledge in everyday tasks, share lessons learned with colleagues.

Overall, CQ development should be perceived as cycle of actions that create incentives to one another. Cultural drive enhances motivation to pursue new knowledge, knowledge forms the basic understanding about cultural diversity, this understanding is the base to build a strategy for cultural interactions that is followed by certain actions (when individual is facing cultural encounters). There can be several cycles to achieve high CQ and each of them should start and end with self-assessment in order to monitor the improvement.

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