

## Developing Intercultural Competence in the Workplace

**40+ Nationalities**  
**From 170 Companies**  
**Based in 40 Countries**

In this room alone! What a great example of cultural diversity!

I think that is testimony to the importance of cultural awareness within the workplace and also in our daily lives, BUT the impact of culture is often underestimated, although we are all aware of it maybe we don't always realize its impact.

Which Pepsico learnt when they advertised Pepsi in Taiwan with the advert "Come Alive with Pepsi" they had no idea that it would be translated into Chinese as "Pepsi brings your ancestors back from the dead."

FORD also learnt the hard way when they introduced the Pinto car in Brazil, which was replaced by a different name when they learnt that Pinto is Brazilian slang for 'tiny male genitals'.

What I would like to focus on is.....

What does it mean?

Why did we at Dubai Duty Free want to develop in this area?

What did we do?

What did we learn?

What does the future hold?

### So, what does Intercultural Competence mean?

Well firstly, Culture is the foundation on which our lives are built. It guides our Priorities, Motivation and Loyalties. It tells us what is right and what is wrong and how to behave. It tells us which group we belong to and in which we feel most comfortable.

People in all cultures have culturally ingrained responses to given situations.

And it is human nature to believe that our own cultural way of life is the norm and the standard by which we judge others - Good v Bad and Right v Wrong. What we often forget is that the person next to us from a different culture is probably doing the same.

You know there are over 62 million websites and in excess of 7000 books written about culture, diversity and cultural awareness & competence, but at the end of the day.....  
Intercultural Competence is about

**Understanding our own cultural norms and how they differ from others,** and this is a crucial step toward 'disabling' our own cultural 'auto pilot'.

**Requires familiarisation with cultural characteristics, values, beliefs and behaviours**

**Involves recognising how and when workplace behaviour is affected by culture and developing skills for managing it**

**So why did we at DDF feel the need to develop our intercultural competence within the workplace?**

Well for a number of reasons, firstly the **growth and diversity** of the population within Dubai

The population of the UAE and Dubai has nearly **quadrupled** over the last 25 years - **Growth** of the country's population has been one of the highest in the world.

And there is also great diversity within Dubai, with 185 Nationalities living and working here and an extraordinarily **high % of expatriates** make up the population, only 18% of the population are UAE Nationals.

**Secondly the growth of passenger traffic within the Airport**

Year	Passenger Traffic
1980	3 million
2005	25 million
2010	60 million
2020	100 million

The Airports Council International indicates that **Dubai International Airport** is one of the fastest growing airports in the world in terms of international passenger movements. Growing from 3 million in 1983 to 25 million this year.

Also the growth of **passenger diversity** within the Airport, there are

**184 Destinations** connecting to Dubai

Over **180 Nationalities** using DIA

**108 Airlines** operate through DIA (Aer Lingus and Virgin will also be operating here early next year)

And **Tourism** has nearly **trebled** in the last 8 years in Dubai - reaching nearly 5 ½ million last year

1996	1,918,470
2004	5,420,724

Also our **Suppliers**

Dubai Duty Free has nearly 650 suppliers worldwide, and in the year 2000 the introduction of the Vendor Support Programme enabled Suppliers and Brands to express themselves in a manner they desired and select dedicated staff which prompted the need for matching staff to the brand and customer profile

Also the **growth and expansion** of Dubai Duty Free

The last 22 years has witnessed growth and expansion within Dubai Duty Free;

A 400 % increase in selling space over the last 22 years  
1400 sq metres in 1983 to 7000 sq metres in 2005

Our team strength has grown from 120 staff in 1983 to 1550 staff by the end of this year

And Sales have grown from 20 million Dollars in 1984 to sales close to 600 million US Dollars in 2005 and by 2009 it will be a one billion Dollar business

And Therefore the

- Country growth and diversity
- Airport growth and diversity
- Our Suppliers
- DDF growth and expansion

Led us at Dubai Duty Free, to make a conscious decision to increase cultural diversity and therefore increase our nationality mix.

### WHAT FOR?

1. To offer a competitive advantage in **customer service**
2. To create a positive, **high morale** work environment
3. Focus on workplace **communication, productivity and efficiency**
4. To **motivate different nationalities** within the workplace
5. To **drive sales**

And I believe a number of things contributed to our success in this focused commitment to develop our cultural diversity

1. The leadership & personal approach of our Managing Director
2. Our Supplier relationships
3. The commitment and buy in from our existing workforce

**So what did we do at DDF to develop intercultural competence within the workplace?**

We firstly wanted to increase our Cultural Diversity and then develop our Intercultural Competence

**Emiritisation** was one area we focused on with regards to the recruitment and selection of UAE nationals within our support departments and frontline and over the last year we have increased the workforce by nearly 70%

We also took a more focused approach to increasing our cultural diversity during our **Local Recruitment** within Dubai which we sourced from the 13000 speculative CVs we receive each year

We also **researched** and **identified** several **Overseas** locations, due to Economics there are certain countries we could not use for the recruitment of frontline staff... and then we took a step by step approach and brought small groups from these locations....after having developed relationships with recruitment agencies as trust and support was key, not only for us as a company but for each and every candidate.

We knew that as we focus on – Merchandising, Technology and getting the right Products, we also needed to ATTRACT and SELECT the RIGHT People and the agents were key in this process with regards to;

- initial screening
- understanding our needs and what sort of people we were looking for

We also ran orientation days at the overseas sites in order to try and prepare the candidates as much as possible with regard to the Country norms & culture, OUR Company & IT'S culture and importantly to discuss the unique environment where we live and work together in close proximity – 24 hours 7 days a week!!

Diversity can bring great opportunity and value to an organization, but it also brought challenges and complexity. These arise because each national group has different cultural norms and values affecting everyday behaviour such as leadership style, work ethic, communication and customer service expectations.

And we realised that this was an area we were missing out on and in order to build cultural awareness we developed a training programme that we called 'Harmony in Cultural Diversity'

Initially we ran 70 workshops and now all new team members go through this programme

This is in addition to the;

- Company induction
- City and Airport Familiarisation tours
- Selling skills and
- Internal and external customer service programmes

The Harmony in C D workshop was then rolled out across all divisions within the Airport and so the message reached 6000 people  
And it built upon the Airport Customer Service programme called '1 Customer 1 Airport' and the Airport wide 'Champions League' which identifies and rewards excellent service.

The Key Objectives of 'Harmony in Cultural Diversity' were to

- increase knowledge and awareness
- create an environment that respects differences
- encourage tolerance and understanding

Its aim was to help

- **Interactions between each other**
- **Interactions with customers** with regards to adaptability and the ability to read into situations and react accordingly.
- **Prepare our existing workforce** for the growth in diversity and the changes that that brings
- **New staff**
- **Managers and Supervisors** on a personal level but also as a leader in such a culturally diverse workforce. FOR EXAMPLE.....
  - Understanding that developing **trust** makes **teamwork** more effective.
  - That people '**hear**' **instructions** in different ways.
  - And with regard to **job satisfaction and motivation, our priorities, loyalties and expectations vary among cultures.**
  - And also highlighting the need for **flexibility and adaptability** in style and approach when managing others.

We realized that people learn in different ways, so sometimes the agenda went out of the window when the group was discussing certain issues that were of great value and which we could never have predicted!!

We were learning about ourselves, what others think of us, including myself when during a discussion about STEREOTYPES, the top 4 words that people felt described the English were Rude, Arrogant, Impatient and Bad Dress Sense.

People were very honest & frank it was sometimes uncomfortable & emotional , but there was always a lot of energy and we had FUN.

It helped our existing team and Managers to understand the **Culture Shock** that we all experienced as new expatriates

- **The honeymoon phase** – everything new and unique, dealing with the practicalities and settling in
- **The emptiness phase** when what was exotic can become frustrating & foreign and we can feel lonely & isolated

And the support we can give to enable people to

- **Readjustment**
- **Adaptation** no longer feel the need to criticise – conform to host country norms and values. Feel a sense of identity

Especially in this unique environment where people live in company accommodation together, they work together, they get the company bus to and from work every day together, they eat together and this close living and working proximity can be very stressful for many and can make a difference in the workplace and ultimately to our customers

### So where are we now .....

We have doubled the number of nationalities and more than doubled the staff strength in the last 5 years.

- **2000** 15 Nationalities – 673 staff
- **2005** 30 Nationalities – 1550 staff

This increase in diversity gave us the ability to start to identify 'best fit' with staff to customer and product profile

For example

- Dedicated staff and Beauty Advisors where we have received a great deal of support from suppliers especially with regards to training and ongoing communication like team meetings
- We currently have nearly 210 dedicated staff made up of over 20 nationalities ranging from 20 years to 51 years of age

Although we know that there are obviously a number of factors affecting some of our key business measures, we believe this focus on building cultural diversity and awareness has contributed to our success

- **Staff Retention – Our staff turnover has remained the same over the last 5 years at 6.7%**

- after 22 years 62 out of the original 100 staff are still working with DDF
- 22% have over 10 years service
- **Customer Penetration stands currently at 43%**
- **And there has been a 30% increase in Positive Customer Comments** over the last year

Our **average growth of sales** is just under 21% with a higher increase witnessed in areas where there are dedicated staff

- Our **average spend per passenger** has increased from just under 31 USD in 2000 to \$40 this year
- And **Transactions** will reach nearly 12 million this year

But it is the intangibles that you feel on a daily basis

The energy on the shopfloor

You walk around the company and you SEE the different physical appearances, colours, heights, you HEAR the different languages, the different humour, the different outlooks and conversations - you go into the staff tearoom and you SMELL the different food

We have Social activities & parties where you see and hear singing and dancing from different parts of the world

We now have company sports teams that range from table tennis to volleyball, cricket to football AND EVERYTHING IN BETWEEN

What I would like do is show you a short video with some of our sales assistants that experience this on a daily basis and let you hear their thoughts

So what does the future hold

Well building cultural diversity and cultural awareness has been a huge learning curve for us and we know this is just the start of a long journey that will keep evolving with

- **The ongoing Growth and Diversity of Passengers**  
Estimated at 100 million passengers by 2020
- **The Ongoing growth of airlines and destinations**

- **The 15 billion dirham expansion of the Airport and Duty Free**

Which will take our selling space from **7000 to 22,000 sq metres**  
And nearly **double our workforce**

(CONCOURSE 1, 2, 3 – 2008ish!)  
Jebel Ali – Phase one 2007

but we know that our commitment to continuously keep improving our cultural awareness will play a key part in our future successes.  
Thank You