



“ Forward Together ”

Training - Marketing - Project Management - Consultancy

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Cultural Intelligence in Business

Profile: Rauf Mirza

- ❑ **Qualifications:** BSc Biological Sciences, Institute of Marketing Diploma
- ❑ **Career:** 20 years in Pharmaceutical Sales and Management. Companies included various multi-nationals including world top-10 corporations.
- ❑ **Current:** Founder/Director of 'Acumen TMC'-specialising in *Training, Marketing, Management, and Consultancy*. Extensive involvement in EM regeneration and strategy, E&D training, business coaching, etc.
- ❑ **Public Sector:** Chairman of SPORT ENGLAND West Midlands Regional Board, Non-Exec Director- Stoke-on-Trent Primary care Trust, College Governor for 5 years. Founder/Director of 'MBA'- Minority Business Association-Staffs.
- ❑ **Regeneration Projects Experience:** SportAsian Club; The Sahara Project; Founder/Director of M.B.A. (Minority Business Association-Staffordshire); Advising on BME strategies and policy/LAA/Young people, Social Marketing, etc..

Cultural Intelligence in Business

ILM Regional Event, Stafford. February 10th. 2009



- ❑ **Cultural Intelligence: Culture-** background, definition. Values, Cultural Programming.
- ❑ **Scope & Applications:** Private Sector, Public Sector, Healthcare, International Trade, Customer Services , etc.
- ❑ **Demographics, UK Labour Market, Economic Landscape**
- ❑ **Cultural Intelligence in Practice: - Examples:**
Healthcare, Diversity Marketing: Consumer data, the Asian Factor, Commercial targeting of cultural groups.
- ❑ **The Business Case-** benefits to companies
- ❑ **Q & A**

Training
Project Management Marketing

Culture – What is it? Definition?



Culture provides a lens through which we observe and interpret the world



Refined understanding of the arts, beliefs, institutions and other intellectual achievements of a society; customs and civilization of a particular race or nation. Usually passed down generations.

Cultural Diversity

Waterline of Visibility



“ Globalisation is creating new customer segments in different cultural, social and regional settings. Capitalising on the emerging business opportunities requires a workforce with diverse styles, outlooks and approaches. Effective management of diversity will differentiate winners from losers.”

Sir John Bond.
Chairman, HSBC
Holdings plc



Cultural Intelligence

Applications

**Equality
& Diversity**

**International
Trade**

**Diversity
Marketing**

**Cultures in
Healthcare**

**Customer
Services**

CSR

**Organisational
Culture**

Knowledge about Cultures (facts & cultural traits) + **Awareness** (of you & others) + Specific **Skills** (behaviours) = **Cultural Intelligence**

Know how to REALLY communicate with your Customers



Economic Landscape -Demographics

- ❑ **Birmingham** could become Britain's first 'ethnic majority' city by 2010. Ethnic population of Birmingham is >30 per cent and forecast to grow to 50 per cent in the next 20 years-But ...< 20% of staff in Professional, Financial, & Business Support sector are from BAME groups.
- ❑ **Demographics:** white population increase by 2010 much less than of EM. In the **London** Boroughs of Brent and Newham ethnic minorities now make up the majority of the population
- ❑ **Younger BAME Population: Schools-** majority entering primary schools during last 5-7 years in most cities were from non-white ethnic groups.
- ❑ **Universities Degrees:** 26% of ethnic minorities aged 18-24 now have, or are studying for a degree compared to 14% of the white population.
- ❑ **Changing Talent pool:** Staff & Skill shortages mean traditional sources of labour are drying up.
- ❑ **Workforce:** By 2011 only 20% of the workforce will be white, male, able bodied and under 45 years of age. (*Source: Institute for Employment Studies.*)
- ❑ **EU Migrants**

Economic landscape -EMs



90% of employers believe that managing and valuing diversity is morally and socially right and good for business. Yet only 17% can demonstrate any commitment in their business objective*.

WHY?

Some Reasons: **FEAR**, “**We’ve got a Strategy**”, **CYA**, The **COST**

“**I’ve got other really important things to deal with**”

“**It will paralyze us**” “**Yes, but What do I do**” “**Who can I hand this to?**”

To treat me equally, you might have to treat me differently.

* Source: CIPD

Discrimination in the workplace

The Contribution of Ethnic Minorities to SMEs (CEMESME),

(funded by the EU, carried out a survey among 300 SMEs in UK)

- ☐ Discovered that:- they have made little progress in employing people from black and minority ethnic backgrounds.
- ☐ **35.5% have no ethnic minorities in their workforce at all**
- ☐ **90% have <10% of managers from an ethnically diverse background.**
- ☐ **Multiracial companies?:- 80% have an entirely white workforce.**
- ☐ **Attitudes towards customers and suppliers?-.....**
- ☐ **>40% of those surveyed admitted that they have no strategies in place to facilitate business relationships with black and minority ethnic suppliers.**

Cultural Intelligence in HEALTHCARE

(Social Marketing)

- ❑ **Mental Health-** reporting and diagnosis still major issue in NHS.
- ❑ **Physical Activity, Fitness-** poorer levels among BAME, burden on health economics. **How to change behaviours?**
- ❑ **Disease Management:** e.g. Diabetes- South Asians most at risk yet poor level of targeted services, education, patient support, screening, etc.
- ❑ **Smoking:** better awareness but still access to local Stop Smoking services is patchy among BAME. **Asian Quit Helpline.**
- ❑ **Targeted Engagement:** What are the most effective channels of Engagement / Communication? **Asian TV channels: CHD/ heart attacks- emergency help Ads.**
- ❑ **Appropriate service delivery:** What/Who are the most effective means of Delivery. Consultation on Service Design? Do you have skilled multi-cultural/ multi language Staff?
- ❑ **Sexual Health:** how do you overcome cultural taboos to deliver effective services?
- ❑ **Lifestyle changes** –how best to affect this? Why Asian women/men don't attend Parenting classes?

Cultural Intelligence in HEALTHCARE

Faith Issues in Healthcare - Attitudes & Beliefs

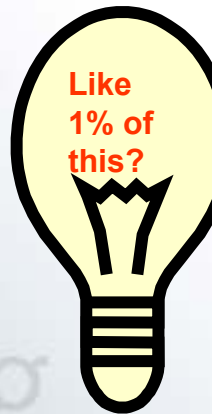
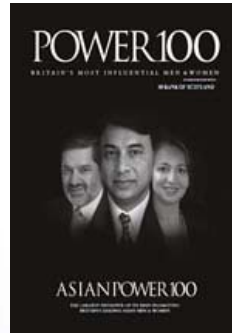
Contraception- *British law v Faith, Parental rights, infanticide*
Abortion - *West v East*
Circumcision — *female and male, Somalian women*
Homosexuality — *HIV/AIDS , West v East*
Organ Donation & Blood Transfusion
Death/Life after Death / Post mortem /Rituals
Suicide
Pain relief..*modern medicine v cultural/Faith beliefs, Epilepsy, Suffering from God?*
Euthanasia /Life support ..*faith guidance*

Diversity Marketing

UK Asian community is a huge and untapped market!

Examples:

- ❑ **Bollywood** phenomenon. **Movies**- ‘Bend it like Beckham’ – aimed at Diverse audience = Box office success. ‘Goodness Gracious Me’.
- ❑ **Asian Media**- explosion in magazines, papers (national & local), TV channels, radio- providing cultural/consumer links for business, enterprise and cultural exposure.
- ❑ **Music**_ fusion of east/west e.g. Punjabi version of “shake that ass”- aka Renault car TV ad.; Punjabi MC popular with young “whites” music listeners (Top of Pops charts) = reverse fusion.
- ❑ **“Brown Pound”** – value c.£32billion; higher disposable incomes, upwardly mobile, higher educational achievements, **Asian Rich List**
- ❑ **High self-employment rates**: London: EM businesses=13% of turnover (c.£60billion). 75% of independent retailers. Sectors- transport, retail, restaurant, finance, IT, Communications, Legal.



Diversity Marketing- Ethnic

Consumer Survey findings.....



- ❑ 77% said **marketing by mainstream brands** had no relevance to them; 63% believe that consumer brands are not aware of how to market to individuals from ethnic backgrounds. 60% would be more inclined to purchase a product if they noticed it was advertised to multi cultural consumers.
- ❑ 55% of Asians stated they **don't drink alcohol** and spend more money on soft drinks and fruit juices.
Asian – 52% Ribena, 40% Tropicana
Caucasian – 23% Ribena, 13% Tropicana
- ❑ 32% of Asians state **Nike** is one of the brands they buy most compared with only 20% in the mainstream market. Asian consumers spend 44% more on clothing per month than other consumers. (Asian market for clothes= £1.26 billion/year)
- ❑ Asian consumers spend £28 per month on electronics compared to £14 for other consumer.
- ❑ **Mercedes** sells a high percentage of its top range luxury cars to Asians.*

*Source: Media Research Consulting

Diversity Marketing.....examples

- ❑ **Internal Markets**; food, clothing/fashion, cultural, music, cinema, etc. Started in 50, 60s early “settlers” in inner cities-common needs but few if any suppliers = enterprise opportunities. Same pattern seen with Eastern European- Polish, etc.
- ❑ **Vauxhall Cars**- Indian family in Meriva and Zafira family cars Ad.
- ❑ **Lloyds TSB**-Asian Jewel Awards-annual. **Halifax Bank**- diverse Ads
- ❑ **HSBC**- set up Multi-Cultural Banking Unit and South Asian Banking unit (first). See Cultural expertise in TV Ads.
- ❑ **Marks and Spencer's** sell more chicken tikka masala prepared meals than any other choice of convenience meal.
- ❑ **Haymarket Publishing** opening up operations in India.
- ❑ **BBC** setting up in India own production/creative units (Mumbai)
- ❑ **Madam Tussauds**- unveiling statues of Salman Khan and Amitabh Bachan, following Sharukh Khan (aka-“King Khan”) and Ashwarya Rai. Visitor figures for MTs will increase by drawing in Indian/ Asian people.

Diversity Marketing-in Action!



Example of Impact

Anjum Anand's BBC show *Indian Food Made Easy*, & Book....

- ❑ ASDA customers have been inspired to try cooking themselves
- ❑ **Sales Impact?** Comparing Year on year sales on Indian ingredients:
 - many ingredients sales on over 100 Indian cookery essentials have soared.

Asafoetida (a spice sometimes called Devil's Dung) up 170%

Chana dal (yellow split pea) up 110%

Garam masala up 150%; **Curry Powder** up 110%.

- ❑ ASDA claims : real demand for real ingredients to make world dishes from scratch, now they know what the ingredients are and how to use them.
- ❑ ASDA now giving full ingredients in each curry dish & growing certain Indian vegetable in Britain!
- ❑ Result= Expand Market...bring customers in from world food shops.

The Business Case-Benefits of Diversity & Inclusion

Diversity is not about political correctness or 'do-gooding' – it is about understanding that if you embrace diversity then ultimately you will be more profitable as a business

Alan Leighton- Chairman of Race for Equality + Royal Mail

Everyone Get's a Seat **Ford Motor Company Diversity Statement**

Diversity is directly linked to key business issues. In our eyes, a world-class company is one that truly understands every community in which it operates. It can respond quickly to consumer need by offering the range and choice that suits every taste, level of spend and specialist requirement.

Our ability to meet those needs is directly linked to our workforce. The more diverse it is, and the more we understand and support each other, the better our team, effectiveness, creativity, products and service. By developing our position as an employer and brand of choice, we can attract and retain the very best talent from every section of the community. It will enhance every aspect of our business – our ability to source the right materials; to build partnerships with our suppliers; to design vehicles that exceed customer expectations, and of course, to make Ford a great place to work.

The Business Case



- ❑ Access untapped reserves of **talent**
- ❑ Open up **new markets**
- ❑ Improve **operational efficiency**: reduced costs, lower turnover, improved efficiency and service delivery, minimise litigation
- ❑ Promote new sources of **ideas**, creativity and problem solving
- ❑ Enhance **reputation** and loyalty both internally and from external stakeholders and customers
- ❑ Build **brand loyalty** and distinctiveness by valuing all customers and employees as individuals

Do it because it's Worth It !!

Summary & Key Messages

- ❑ Demographic Changes are Real.... **Prepare Now! Act Now!**
- ❑ Ethnic Minority Communities will provide significant Growth potential in UK economy. Tap into the “Brown Pound”.
Use the Talent Pool here.
- ❑ Recognise that consumers are diverse also.
- ❑ Cultural Intelligence provides:- better, more focused & targeted Services, improved impact/outcomes, **More Opportunities**
- ❑ Supplier Diversity-public sector contracts now consider this
- ❑ Implement TRUE Equality and Diversity policies and practices.
Actively engage under-represented group.
- ❑ Be Serious..... Avoid Lip Service!!

Q & A





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