

How Cultural Profiles and Cultural Intelligence Shape Organizational Performance: Evidence from Tunisian SMEs

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ABSTRACT

This study examines how the cultural profile of Tunisian SME leaders influences organizational performance through two key mediating mechanisms: Cultural Intelligence (CQ) and intercultural learning processes. A questionnaire administered to 45 executives measured international exposure, cultural orientations, language proficiency, the three CQ dimensions, intercultural learning practices, and four performance indicators: strategic alignment, innovation, operational efficiency, and internal satisfaction. Results indicate that although leaders show limited international exposure, they display strong motivational and behavioral CQ and relatively good language proficiency. Intercultural learning is active but remains weak in error recognition and correction. Performance is generally positive, except for innovation, which constitutes the main shortfall. The analysis suggests that the cultural profile affects performance primarily through CQ and intercultural learning, confirming their mediating role in organizational adaptation and innovative capacity. These findings highlight the need to strengthen cognitive CQ and increase international exposure in order to foster innovation and enhance the competitiveness of Tunisian SMEs.

Keywords: cultural profile, cultural intelligence (CQ), intercultural learning, organizational performance, SMEs, Tunisia.

INTRODUCTION

Globalization and market liberalization continue to reshape economic and organizational dynamics, compelling firms to operate within culturally diverse environments and develop managerial capabilities suited for cross-cultural interaction. Within this context, Cultural Intelligence (CQ) has emerged as a strategic competence enabling leaders to navigate intercultural settings, facilitate collaboration, and enhance organizational innovation and performance. Recent research demonstrates that CQ positively influences sustainable performance outcomes, adaptability, and strategic effectiveness in firms operating across borders (Cai, Cai, & Sun, 2023; Nguyen & Pham, 2022). Moreover, CQ has been shown to mediate the relationship between cultural differences and knowledge sharing, fostering innovative practices in multicultural contexts (Van Greunen, 2022 ; Korzilius, Bucker & Beerlage, 2017).

In emerging economies such as Tunisia—characterized by growing integration into regional and international trade flows—the examination of CQ among business leaders is particularly relevant. Tunisia's SMEs operate in increasingly competitive environments where intercultural exposure, linguistic competence, and managerial adaptability represent key determinants of organizational learning and strategic positioning (Khelil & Abdelwahed, 2022; Zhang, Tansuhaj, & McCullough, 2009).

The objective of this study is therefore to analyze how the cultural profile of Tunisian SME leaders—including number of countries lived in, language proficiency, and international exposure—shapes their CQ, how CQ contributes to intercultural learning processes, and how these mediating mechanisms translate into organizational performance, including strategic alignment, operational efficiency, innovation, and internal satisfaction.

LITERATURE REVIEW

Cultural Intelligence and Intercultural Leadership

Cultural Intelligence (CQ) is defined as an individual's capability to function effectively in culturally diverse settings and encompasses cognitive, metacognitive, motivational, and behavioral dimensions (Ang & Van Dyne, 2008; Earley & Ang, 2003). Recent studies emphasize that CQ is not a fixed trait but a dynamic developmental competence that can be strengthened through targeted training, international exposure, and cross-cultural interaction (Nguyen & Pham, 2022; Chen, Liu & Chen, 2023). In leadership contexts, CQ is regarded as a strategic resource that enhances managerial adaptability, communication effectiveness, and relational coordination in multicultural environments (Rockstuhl et al., 2021).

CQ and Innovation

Growing empirical evidence shows that CQ positively influences innovative behavior, knowledge sharing, and creativity within organizations, thereby supporting organizational performance (Cai, Cai, & Sun, 2023; Van Greunen, 2022). Furthermore, cultural diversity within the firm has been shown to moderate the effect of CQ on innovation—heterogeneous environments can amplify or weaken the innovation outcomes depending on managerial support and absorptive capacity (Korzilius, Bücken & Beerlage, 2017) ; Alon & Higgins, 2022). These findings suggest that CQ serves as an enabling mechanism through which cultural diversity is transformed into innovation potential.

CQ and Organizational Performance

Beyond individual outcomes, the CQ of leaders contributes to strengthening organizational capabilities, including strategic adaptation, operational efficiency, collaboration quality, and sustainable innovation (Cortes & Ooi, 2023; Li & Karakowsky, 2022). In the context of SMEs—particularly those exposed to international markets—CQ acts as a performance lever by enhancing responsiveness, resilience, and internal alignment. Studies in emerging economies indicate that CQ facilitates market expansion, partnership development, and competitive positioning (Khelil & Abdelwahed, 2022).

Intercultural Learning

Intercultural learning is conceptualized as a developmental process integrating theoretical knowledge, experiential engagement, and reflective interpretation (Deardorff, 2006; Spitzberg & Changnon, 2009). This learning process enables leaders to adjust managerial practices, refine decision-making, and encourage organizational innovation. Recent research confirms that intercultural learning enhances knowledge acquisition, cross-cultural sensitivity, and adaptive capacity, particularly in organizations navigating diverse or international ecosystems (Rahimi & Gunawan, 2023).

International Characteristics of Managers, CQ, and Organizational Performance: A Triangular Relationship

Findings suggest that the international characteristics of managers affect organizational performance primarily through CQ and intercultural learning (Ang & Van Dyne, 2008). Firms led by bicultural or multicultural leaders generally exhibit stronger strategic adaptation, higher innovation capacity, and improved operational efficiency. Conversely, monocultural leaders with limited international exposure tend to display lower CQ levels and weaker performance outcomes.

Conceptual Model

The conceptual model of this study is presented in Figure 1. The model proposes a sequential pathway in which the cultural background and exposure of the leader shape the development of Cultural Intelligence (CQ), which in turn enhances intercultural learning processes, ultimately influencing organizational performance outcomes. The model assumes the following relational structure:

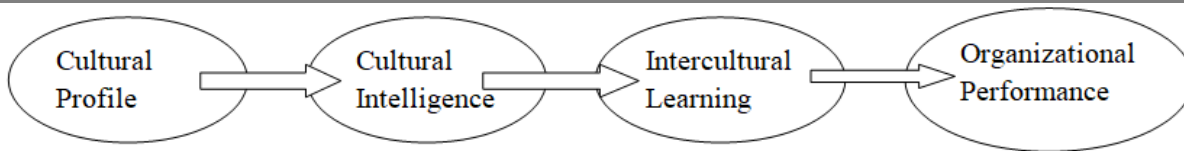


Figure 1. Conceptual model illustrating the relationships between cultural profile, cultural intelligence, intercultural learning, and organizational performance.

This framework suggests that international experience, linguistic proficiency, and multicultural exposure contribute to higher levels of CQ, particularly in its motivational and behavioral components. Enhanced CQ then strengthens intercultural learning by fostering reflection, adaptive behavior, and effective knowledge integration. Intercultural learning subsequently promotes strategic responsiveness, operational efficiency, innovation capacity, and internal satisfaction—components that together define organizational performance within small and medium-sized enterprises.

The model reflects existing theoretical and empirical findings indicating that CQ acts as a mediating mechanism between cultural exposure and organizational outcomes, while intercultural learning represents a secondary mediating layer that translates CQ into managerial and performance effects. This sequential mediation provides a basis for understanding how leaders' cultural backgrounds indirectly influence firm results through psychological and learning-based processes.

Theoretical Framework And Variables Used In The Questionnaire

International Characteristics of Managers

The cultural profile of the leader represents a key variable for understanding managerial behavior and organizational outcomes, particularly in environments with limited intercultural exposure such as Tunisia. Prior research has shown that cultural background, international mobility, and multilingual abilities shape leaders' cognitive and adaptive capacities, influencing how they manage diversity and guide organizational development.

Number of countries lived in (> 6 months) (Q1)

International mobility has been found to directly enhance cultural openness, global awareness, and the acquisition of intercultural competencies. Leaders who have lived or worked in multiple countries are exposed to diverse social systems, communication norms, and professional practices, which strengthens their adaptability and cultural intelligence (Mäkelä, Kalla & Piekkari, 2007).

Cultural profile (Q2: Monocultural, Bicultural, Multicultural)

The cultural profile reflects the degree of exposure to different cultural environments. According to Adler (2002), bicultural and multicultural leaders demonstrate a deeper understanding of cultural contrasts and possess stronger capabilities in managing multinational teams, negotiating across cultures, and interpreting diverse stakeholder expectations.

Exposure to international environments (Q3)

This variable assesses the frequency and intensity of interaction with international or multicultural contexts, whether through professional exchanges, international partnerships, or cross-border markets. Regular exposure reinforces intercultural competence, enhances cultural sensitivity, and increases strategic and innovative capacity (Caligiuri, 2006).

Number of languages spoken (Q4)

Linguistic proficiency facilitates intercultural communication, reduces misunderstanding in cross-cultural interactions, and improves access to global information channels. Neeley (2012) demonstrates that multilingual leaders navigate international business environments more effectively, and in the Tunisian context, proficiency

in French and English is strongly associated with international commercial activity and external market integration.

Cultural Intelligence (CQ)

Cultural Intelligence (CQ), introduced by Earley & Ang (2003) and operationalized by Ang and Van Dyne (2008), refers to an individual's capability to function effectively in culturally diverse settings. CQ has been widely recognized as a key determinant of professional adaptation, international collaboration, and organizational performance in globalized contexts. Recent studies have emphasized its role in innovation, multicultural team management, and organizational learning (Rockstuhl et al., 2019; Moon et al., 2021; Bückner et al., 2022).

In this study, Cultural Intelligence is measured using a five-point Likert scale ranging from 1 = Strongly disagree to 5 = Strongly agree, based on six items (CQ1–CQ6) adapted from validated CQ measurement scales. These items are grouped into three core dimensions: cognitive, motivational, and behavioral Cultural Intelligence.

Cognitive CQ (CQ1–CQ2)

This dimension reflects the knowledge a leader has regarding social norms, values, cultural systems, and behavioral differences across countries and cultural groups. High cognitive CQ allows leaders to understand, anticipate, and accurately interpret intercultural interactions, reducing misunderstandings and enhancing international decision-making (Earley & Ang, 2003; Ott & Michailova, 2018).

CQ1: I am aware of the differences between the customs and values of foreign cultures.

CQ2: I understand how social systems function in other cultures.

Motivational CQ (CQ3–CQ4)

This dimension assesses a leader's interest, confidence, and drive to engage in intercultural interactions, even when they involve uncertainty or discomfort. Motivational CQ is a critical predictor of international openness, creativity, and persistence in multicultural environments (Ng & Earley, 2006; Presbitero, 2016). Recent studies also demonstrate its direct link to organizational innovation and learning (Bückner et al., 2022).

CQ3: I enjoy interacting with people from different cultures.

CQ4: I am confident when I have to adapt to an intercultural context.

Behavioral CQ (CQ5–CQ6)

This dimension measures the leader's ability to adapt their language, communication style, non-verbal cues, and behavior to the cultural context of their interlocutors. High behavioral CQ facilitates intercultural collaboration, improves team cohesion, and reduces conflicts arising from cultural differences (Ang et al., 2007; Rockstuhl et al., 2019). It is particularly associated with operational performance and quality of client interactions in international settings.

CQ5: I adjust my communication style according to my interlocutor's culture.

CQ6: I am able to adapt my behavior in multicultural situations.

Intercultural Learning Process

Intercultural learning is conceptualized as a dynamic process that integrates theoretical knowledge, practical experience, and reflective practice (Deardorff, 2006). In this study, intercultural learning is assessed using five indicators included in the questionnaire (AP1–AP5):

Acquisition of new cultural practices (AP1)

This indicator measures the leader's ability to regularly learn and adopt work methods derived from different cultural contexts. Continuous acquisition of culturally diverse practices supports adaptive behavior and operational flexibility (Venaik & Brewer, 2019).

Reflection on multicultural experiences (AP2)

This dimension captures the leader's capacity to reflect on past cross-cultural interactions, identify lessons learned, and enhance future practices. Reflection is a key mechanism for experiential learning and adaptive management (Deardorff, 2006; Alon et al., 2018).

Recognition of errors in intercultural interactions (AP3)

This indicator reflects the leader's ability to acknowledge mistakes and adapt behavior accordingly. Recognizing errors is crucial for building resilience, improving cultural judgment, and fostering collaborative problem-solving in diverse teams (Spitzberg & Changnon, 2009; Chen et al., 2021).

Efforts to understand the values and expectations of other cultures (AP4)

This indicator assesses the extent to which leaders actively seek to comprehend cultural norms and expectations of their counterparts. Such efforts improve communication effectiveness and facilitate multicultural team management (Nguyen et al., 2022).

Managerial development through multicultural situations (AP5)

This dimension captures how exposure to intercultural challenges enhances strategic, decision-making, and leadership competencies. Intercultural experiences provide practical learning opportunities that contribute to innovation and organizational effectiveness (Spitzberg & Changnon, 2009; Bücken et al., 2022).

Intercultural learning enables the development of transferable competencies essential for leaders operating in international or regionally diverse markets. Leaders with high intercultural learning capacity are better equipped to leverage cultural differences for strategic advantage, innovation, and overall organizational performance (Deardorff, 2006; Venaik & Brewer, 2019).

Organizational Performance

Organizational performance in this study is assessed using four dimensions adapted from the Balanced Scorecard framework (Kaplan & Norton, 1996). These dimensions capture both strategic and operational aspects of firm performance and are linked to the leader's cultural experience, cultural intelligence (CQ), and intercultural learning processes.

Strategic Performance

This dimension evaluates the firm's ability to adapt strategies and make effective managerial decisions. Leaders with high CQ and strong intercultural learning capacity are more capable of formulating and implementing strategies that respond to dynamic international and multicultural environments (Nguyen et al., 2022; Cortes & Ooi, 2023).

Innovation

Innovation reflects the firm's capability to generate new ideas, products, or services. Prior research indicates that leader exposure to diverse cultural experiences enhances creativity and innovative outcomes, as diverse perspectives foster knowledge recombination and novel solutions (Cai, Cai, & Sun, 2023; Van Greunen, 2022).

Operational Efficiency

Operational efficiency measures the quality, speed, and reliability of internal processes, which are critical for sustainable organizational performance. Effective intercultural learning and CQ enable leaders to optimize workflows, improve coordination, and reduce misunderstandings in multicultural teams (Ang et al., 2008; Chen et al., 2021).

Internal Satisfaction

This indicator assesses employee satisfaction, a key factor in retention, engagement, and overall performance. Leaders with high CQ and intercultural competence can foster inclusive work environments, enhance team cohesion, and increase organizational commitment (Nguyen & Pham, 2022; B cker et al., 2022).

Organizational performance is influenced not only by external market conditions but also by the intercultural experience of leaders, their CQ, and the effectiveness of intercultural learning processes. Leaders who actively integrate cultural insights into decision-making and team management tend to achieve superior performance across strategic, innovative, operational, and human resource dimensions (Ang et al., 2008; Deardorff, 2006).

METHODOLOGY

Sample

The study was conducted on a sample of 45 managers of Tunisian SMEs. Participants were recruited based on voluntary participation and sectoral representativeness to ensure a diversity of organizational contexts.

Data Analysis

Descriptive statistics, including means, standard deviations, and frequencies, were calculated to characterize the sample and to provide an overview of the International Characteristics of Managers, Cultural Intelligence (CQ), intercultural learning, and organizational performance of SME managers. The analysis focuses on identifying patterns and trends within these variables, offering insights into how manager-level cultural factors may influence SME performance in the Tunisian context.

Descriptive Analysis

International Characteristics of Managers

Overseas Experience

The international experience of the Tunisian SME managers in this study is generally limited. As shown in Table 1, 40% of the participants have never lived abroad, 24.4% have lived in one country, 22% in two countries, and only 13% have lived in three or more countries. This indicates that a substantial portion of managers has minimal exposure to foreign cultural and business environments, which may influence their cultural intelligence and international managerial practices. Figure 1 further illustrates the distribution of international exposure among the managers.

Table 1. Distribution of Managers by Number of Countries Lived In

Countries Lived In	Frequency	Percentage
0	18	40%
1	11	24,4%
2	10	22,0%
3 or more	6	13,0%

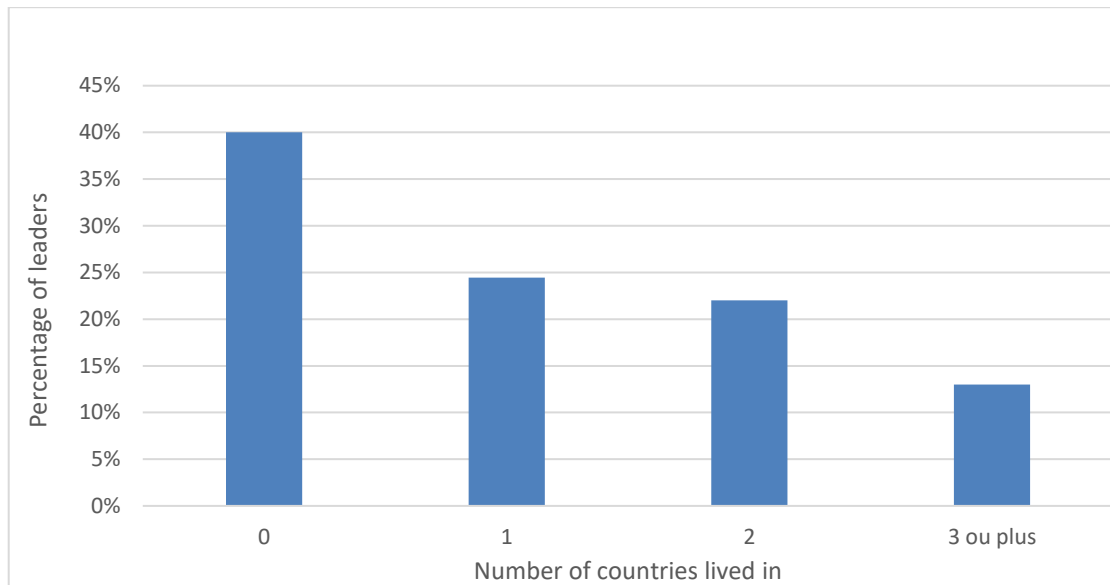


Figure 1 : Distribution of the Number of Countries Lived In

The high proportion of managers who have never lived abroad highlights their limited cultural exposure, which may reduce their understanding of foreign managerial practices and their ability to anticipate the behavior of international partners. Managers who have lived in one or two countries represent a significant minority; however, these experiences are often sporadic and may not be sufficient to develop robust cultural intelligence. The small proportion of truly multicultural managers (those who have lived in three or more countries) suggests that practical experience with cultural diversity remains marginal within Tunisian SMEs, potentially constraining innovation and international competitiveness.

Cultural Profile

According to Table 2 and Figure 2, 44.4% of managers identify as monocultural, 33.3% as bicultural, and 22.2% as multicultural. This distribution indicates that nearly half of Tunisian SME managers possess a predominantly monocultural background, which may limit their exposure to diverse perspectives and reduce their ability to navigate complex intercultural situations. Bicultural managers, representing one-third of the sample, benefit from moderate international experience and are more likely to demonstrate adaptive cultural behaviors. Multicultural managers, though a minority, possess extensive cross-cultural experience, which can enhance cognitive and behavioral dimensions of cultural intelligence, thereby fostering innovation and strategic decision-making in a globalized context.

Table 2 : Cultural Profile

Cultural Profile	Frequency	Percentage
Monocultural	20	44,4%
Bicultural	15	33,3%
Multicultural	10	22,2%
Total	45	100%

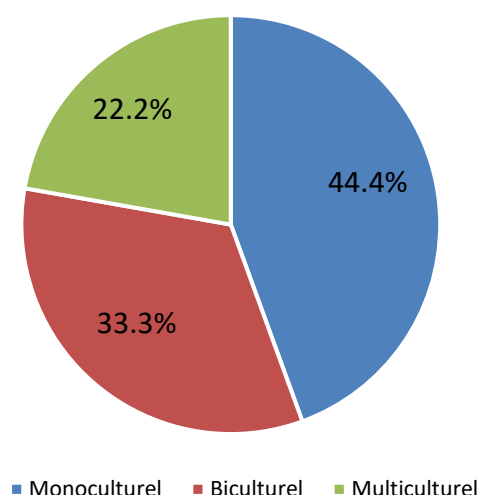


Figure 2: Cultural Profile

The predominance of monocultural profiles indicates that the majority of managers remain anchored in a single cultural framework, which may limit their cognitive openness and the ability to integrate innovative practices from foreign contexts. Bicultural and multicultural managers, although in the minority, are likely better equipped to navigate international environments and leverage cross-cultural opportunities. This distribution reflects the general situation of Tunisian SMEs, which are often focused on local or regional markets, with managers having limited exposure to globalized environments.

Exposure to International Environments

Table 3 illustrates the managers' exposure to international environments. The data indicate that 20% of managers have never been involved in international interactions, 27% report rare exposure, 24% occasional exposure, and only 29% frequent exposure.

These findings suggest that a large portion of Tunisian SME managers have limited international experience. Such limited exposure may constrain the development of cultural intelligence (CQ) and reduce their ability to anticipate and effectively respond to foreign partners' behaviors. Managers with higher levels of international exposure, on the other hand, are better positioned to develop adaptive skills, enhance intercultural learning, and leverage global opportunities for organizational innovation and performance.

Table 3: Exposure to the International Environment

Exposure to the International Environment	Frequency	Percentage
Never	9	20%
Rarely	12	27%
Occasionally	11	24%
Frequently	13	29%

The majority of managers (71%) exhibit low to moderate exposure to international environments. This limitation reduces opportunities for intercultural learning and may hinder the implementation of innovative strategies.

Frequent international interactions are concentrated among a minority of managers, who can nevertheless serve as catalysts for disseminating intercultural practices within their organizations.

Language Proficiency

Table 4 presents the distribution of languages spoken. Eighteen percent of managers speak only one language, 29% speak two languages, 40% speak three languages, and 13% speak four or more languages. Overall, 82% of managers are bilingual or multilingual, and 53% speak three languages or more.

This high level of multilingualism indicates that most managers possess the linguistic resources necessary to navigate diverse cultural and business contexts, facilitating international communication, knowledge acquisition, and the potential for intercultural learning.

Table 4: Distribution of Spoken Languages

Spoken Languages	Frequency	Percentage
1	8	18%
2	13	29%
3	18	40%
4	6	13%

Proficiency in multiple languages represents a significant asset for intercultural communication and the management of international partnerships, even when practical experience abroad is limited. Linguistic competence can partially compensate for the lack of direct international exposure, serving as a foundation for the development of behavioral cultural intelligence (CQ). Nevertheless, language skills alone are insufficient to ensure a deep understanding of cultural differences. Without concrete cultural experiences, leaders may struggle to fully grasp the nuances of foreign practices, which can limit their capacity to innovate or to adapt global approaches effectively within the local context. Therefore, language proficiency, while important, must be complemented by practical intercultural engagement to maximize its impact on organizational performance and cross-cultural adaptability.

The synthesis of the international characteristics of Tunisian SME leaders reveals several important patterns. Overall, actual international experience among the participants is limited, with most leaders having lived in few or no foreign countries. The majority of leaders identify as monocultural or bicultural, indicating a relatively narrow exposure to diverse cultural contexts. Additionally, their engagement with international environments is generally moderate, with only a minority frequently interacting with foreign partners or markets. Despite these limitations, language proficiency among the leaders is relatively high, with most speaking at least two languages and a significant portion fluent in three or more. This linguistic capability provides a foundation for effective intercultural communication and suggests a potential for developing behavioral cultural intelligence (CQ), even in the absence of extensive international experience. Collectively, these findings indicate that while Tunisian SME leaders have moderate resources for intercultural engagement, there remains considerable room to enhance their global competencies to better support innovation and organizational performance.

Cultural Intelligence (CQ)

Cultural intelligence (CQ) refers to an individual's capability to function effectively across culturally diverse settings and is widely recognized as a critical competency for leaders operating in global or multicultural contexts (Ang & Van Dyne, 2008; Earley & Ang, 2003). CQ is conceptualized across three main dimensions: cognitive, motivational, and behavioral. The cognitive dimension reflects knowledge of cultural norms, practices, and conventions; the motivational dimension captures the interest and drive to engage with other cultures; and the behavioral dimension measures the ability to adapt actions and communication according to cultural contexts (Nguyen et al., 2022; Chen et al., 2023).

Mean Scores and Distribution

The mean scores obtained for Tunisian SME leaders are summarized in Table 5, which presents the descriptive statistics (mean, standard deviation, minimum, and maximum) for each CQ dimension. These scores provide insights into the areas of strength and potential gaps in leaders' cultural capabilities (see Figure 3). Understanding

these distributions is essential, as they highlight whether leaders possess the necessary cognitive knowledge, motivational drive, and behavioral adaptability to successfully navigate international and intercultural business environments (Van Greunen, 2022; Korzilius, B  cker & Beerlage, 2017).

Table 5: Descriptive table by dimension (mean, standard deviation, min, max)

Dimension	Mean	Standard Deviation	Min	Max
Cognitif (CQ1+CQ2)/2	3	1	1	4
Motivationnel (CQ3+CQ4)/2	3,5	1	1,5	5
Comportemental (CQ5+CQ6)/2	4	0,8	2	5

Cultural intelligence (CQ) among Tunisian SME leaders was assessed across three dimensions: cognitive, motivational, and behavioral (Ang & Van Dyne, 2008; Earley & Ang, 2003). Scores were calculated as the mean of two items per dimension, using the following formula:

Cognitive CQ (CQ1+CQ2)/2 = 3.0, indicating a moderate theoretical understanding of cultural differences, values, and norms. Twelve leaders scored very low (1–2), reflecting gaps in cross-cultural knowledge that may limit anticipatory skills in international interactions.

Motivational CQ (CQ3+CQ4)/2 = 3.5, showing a relatively strong willingness to engage with different cultures. High motivation likely compensates for cognitive limitations and supports experiential learning in multicultural contexts.

Behavioral CQ (CQ5+CQ6)/2 = 4.0, with 33 leaders scoring between 4 and 5, demonstrating a well-developed ability to adapt behavior, communication, and management style according to cultural demands.

Overall, leaders show strong motivational and behavioral CQ, enabling effective cross-cultural interactions. However, the moderate cognitive CQ highlights the need for targeted interventions, such as training or international exposure, to strengthen theoretical understanding of cultural norms, thereby enhancing innovation, strategic decision-making, and organizational performance in multicultural settings (Nguyen et al., 2022; Van Greunen, 2022).

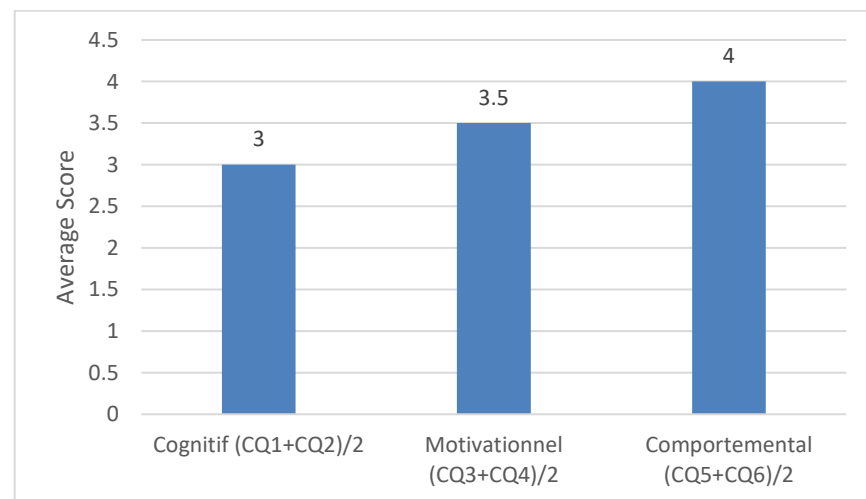


Figure 3 : Average Score of Cultural Intelligence Dimensions.

In-depth Analysis of Cultural Intelligence

The cognitive dimension of cultural intelligence (CQ), with an average score of 3.0, indicates that Tunisian SME leaders possess a limited theoretical understanding of cultural differences, values, and norms. This relative weakness may be attributed to the low international exposure previously observed and the predominance of monocultural or bicultural profiles among the leaders. Such a limited cognitive CQ can constrain the ability to anticipate the behaviors of international partners and to integrate innovative practices derived from foreign

contexts. In contrast, the motivational dimension, averaging 3.5, reveals a genuine desire to engage with other cultures, which serves as a critical driver for intercultural learning. This intrinsic motivation can partially compensate for cognitive gaps by encouraging leaders to participate actively in intercultural situations, professional exchanges, or targeted training programs. The behavioral dimension, the highest among the three (average = 4.0), demonstrates that leaders are capable of adapting their communication, behavior, and work methods according to the cultural context of their interlocutors. This operational competence represents a strategic asset, enabling effective management of multicultural teams and collaboration with international partners, even when theoretical understanding of cultural differences remains moderate. Collectively, these findings highlight a profile in which motivational and behavioral CQ strengths support practical intercultural engagement, yet a deliberate effort to enhance cognitive CQ is necessary to fully leverage innovation and strategic decision-making in globalized business environments (Nguyen et al., 2022; Van Greunen, 2022).

Implications of Cultural Intelligence

The analysis of cultural intelligence (CQ) among Tunisian SME leaders suggests a profile predominantly oriented toward practical application. Leaders demonstrate strong behavioral capabilities, enabling them to adapt effectively to intercultural interactions on the ground, which is critical for managing multicultural teams and collaborating with international partners. However, the relatively low cognitive CQ indicates a limited theoretical understanding of cultural norms, values, and practices, potentially constraining deeper comprehension of cultural dynamics and strategic intercultural planning. The moderately high motivational CQ emerges as a key lever for development, as it can drive engagement in targeted training programs, international assignments, and structured intercultural learning experiences. By leveraging this motivation, leaders have the potential to enhance their cognitive CQ, thereby improving their capacity to anticipate partner behaviors, integrate global best practices, and foster innovation. The combination of strong behavioral and motivational CQ provides a solid foundation for boosting organizational performance, particularly in areas such as team management, employee satisfaction, and operational adaptation. Nevertheless, to fully capitalize on these strengths and stimulate sustainable innovation and strategic adaptability, deliberate efforts to strengthen cognitive CQ are essential. This integrated perspective underscores the need for holistic development programs that simultaneously cultivate knowledge, motivation, and practical skills in intercultural contexts (Nguyen et al., 2022; Van Greunen, 2022; Earley & Ang, 2003).

The following figures present the Cultural Intelligence (CQ) of Tunisian SME leaders. Figure 4 illustrates the distribution of individual CQ scores across the cognitive, motivational, and behavioral dimensions, while Figure 5 shows the average of the three CQ dimensions for each leader, providing an overview of the overall variation in CQ among the leaders. Together, these figures allow for a visualization of how Cultural Intelligence is distributed at the individual level.

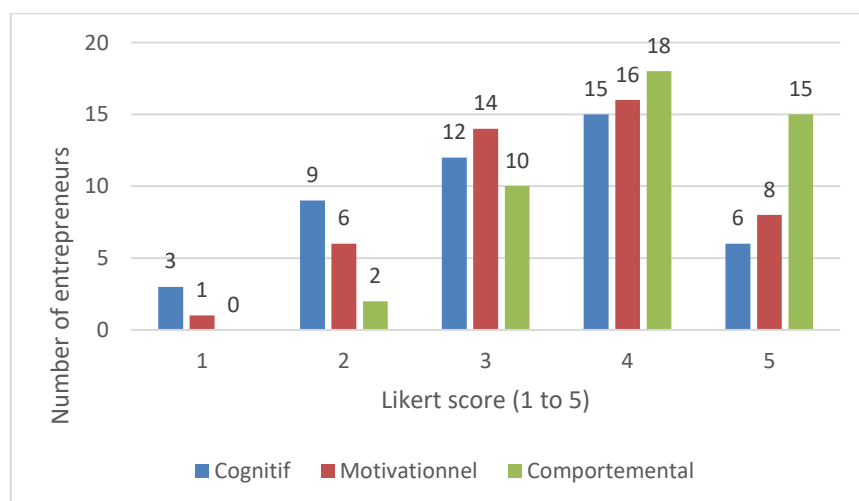


Figure 4: Distribution of Cultural Intelligence (CQ) Scores Among Tunisian Leaders

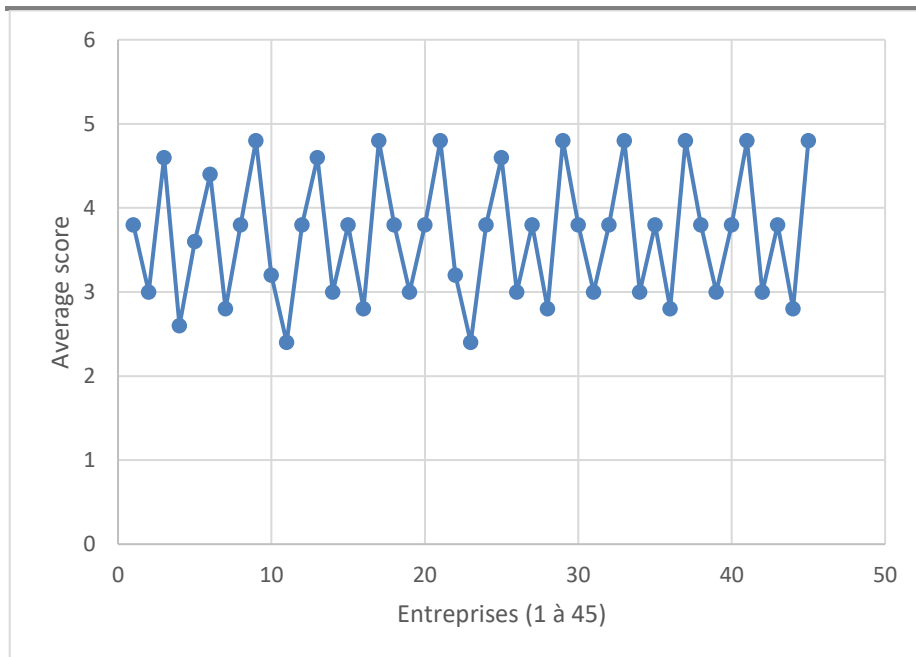


Figure 5: Distribution of Average Cultural Intelligence (CQ) Scores of Leaders

Intercultural Learning

Intercultural learning is a dynamic process that integrates knowledge acquisition, practical experience, and reflective thinking (Deardorff, 2006; Spitzberg & Changnon, 2009). In this study, it was assessed through five indicators (AP1–AP5), capturing leaders’ ability to acquire new practices, reflect on multicultural experiences, recognize errors, understand the values and expectations of others, and enhance managerial skills through intercultural interactions.

The analysis indicates that Tunisian SME leaders demonstrate active engagement in intercultural learning. While their behavioral CQ is high, allowing effective adaptation in real-world interactions, their cognitive CQ remains limited, suggesting that the depth of theoretical understanding may constrain the full potential of intercultural learning. Leaders with high motivational CQ show a genuine desire to engage with diverse cultures, which fuels reflective practices and the integration of new methods derived from multicultural contexts.

Specifically, the responses to AP1 and AP2 reveal that most leaders are able to acquire and apply new cultural practices and reflect on their experiences, enhancing operational flexibility and managerial effectiveness. AP3 indicates that recognition of errors in intercultural interactions remains a challenge for some leaders, potentially limiting the learning transfer to organizational processes. AP4 and AP5 suggest that deliberate efforts to understand the expectations of others and to develop management capabilities through intercultural situations contribute positively to innovation and strategic decision-making within the SMEs. Overall, intercultural learning acts as a mediating mechanism linking cultural intelligence to organizational performance, reinforcing the importance of structured experiences and reflective practices in developing adaptive and innovative managerial capabilities.

The analysis of intercultural learning practices among Tunisian SME leaders, based on five survey items (AP1–AP5), reveals a nuanced picture of their engagement and effectiveness in adapting to multicultural contexts (see Table 6 and Figure 6). Leaders report actively acquiring new ways of working from other cultures (AP1, $M = 3.8$, median = 4), and frequently reflect on their multicultural experiences to improve practices (AP2, $M = 3.8$, median = 4), indicating a solid commitment to experiential learning. Efforts to understand the values and expectations of other cultures (AP4, $M = 4.0$, median = 4) and to develop managerial competencies through multicultural situations (AP5, $M = 4.1$, median = 4) are particularly strong, highlighting a practical application of intercultural knowledge that enhances strategic and operational management.

However, recognition of errors during intercultural interactions (AP3, $M = 3.2$, median = 3) remains a notable weakness, suggesting that while leaders are motivated and behaviorally capable, reflective learning and cognitive processing of mistakes are less developed. This gap may limit the transfer of intercultural insights to broader organizational innovation and decision-making. Overall, the results underscore that high motivational and behavioral engagement facilitates adaptive learning, yet targeted strategies to strengthen error recognition and reflective capabilities could further enhance the impact of intercultural learning on organizational performance.

Table 6. Descriptive Analysis of Intercultural Learning (AP1–AP5)

Question	Question Content	Mean	Median	Min	Max	Observation
Q1(AP1)	I regularly learn new ways of working from other cultures	3,8	4	2	5	The majority of the leaders are engaged in intercultural learning
Q2(AP2)	I reflect on my multicultural experiences to improve my practices	3,8	4	2	5	Regular reflection, although some leaders remain below average
Q3(AP3)	I am able to recognize my mistakes during intercultural interactions.	3,2	3	2	4	Weak point: recognition of mistakes remains limited
Q4(AP4)	I make efforts to understand the values and expectations of other cultures.	4	4	3	5	Intercultural understanding efforts are relatively high.
Q5(AP5)	Multicultural situations allow me to develop my managerial skills.	4,1	4	3	5	Multicultural situations are perceived as opportunities to enhance managerial and leadership skills

Item-Level Analysis of Intercultural Learning

The item-level analysis of intercultural learning (AP1–AP5) offers detailed insights into how Tunisian SME leaders engage with multicultural experiences and develop adaptive competencies. Regarding the acquisition of new cultural practices (AP1, $M = 3.8$), the majority of leaders report actively learning new work methods from other cultures. This indicates a strong commitment to experiential learning, suggesting that leaders leverage their multicultural interactions to improve operational practices. This engagement serves as a key driver for enhancing behavioral cultural intelligence (CQ) and overall adaptability.

Reflection on multicultural experiences (AP2, $M = 3.8$) also shows that leaders frequently contemplate their intercultural encounters to improve their practices. However, some leaders remain below the average, indicating that critical reflection is not yet systematically applied. Deepening reflective practices could strengthen cognitive CQ and improve strategic anticipation, transforming practical experiences into sustainable learning.

Recognition of errors during intercultural interactions (AP3, $M = 3.2$) emerges as the weakest dimension. The limited ability to identify and learn from mistakes is a critical issue because self-evaluation and corrective actions are essential for developing a nuanced understanding of cultural differences. This low score highlights a significant opportunity to reinforce cognitive CQ and enhance strategic effectiveness.

Conversely, leaders demonstrate strong efforts to understand the values and expectations of others (AP4, $M = 4.0$). This high level of engagement facilitates behavioral adaptation and effective management of

multicultural teams, aligning with the previously observed high behavioral CQ. Furthermore, multicultural situations are broadly perceived as opportunities to develop managerial competencies (AP5, $M = 4.1$). Such experiences foster experiential learning and strengthen decision-making and strategic capabilities in diverse environments.

Overall, these results suggest that while Tunisian SME leaders exhibit strong motivational and behavioral engagement in intercultural learning, there remains a need to systematically improve reflective practices and error recognition. Strengthening these areas could maximize the impact of intercultural learning on cognitive CQ, strategic anticipation, and ultimately organizational performance.

Synthesis and Implications of Intercultural Learning

Overall, Tunisian SME leaders demonstrate a high level of engagement in intercultural learning, with an average score of approximately 3.8 across the five measured dimensions. This active engagement constitutes a crucial factor in enhancing organizational adaptability and the practical application of cultural intelligence. Leaders actively acquire new cultural practices, reflect on multicultural experiences, and seek to develop their managerial competencies through diverse interactions.

However, the analysis highlights a notable weakness in the recognition of errors (AP3, $M = 3.2$). The lack of systematic self-evaluation may hinder the transformation of intercultural experiences into sustainable learning and limit the development of cognitive CQ. Without this reflective component, leaders may struggle to fully anticipate partner behaviors or integrate innovative practices derived from cross-cultural interactions.

Strengths are observed in efforts to understand the values and expectations of other cultures and in leveraging multicultural situations for managerial development (AP4–AP5, $M = 4.0–4.1$). These practices demonstrate that leaders are capable of extracting practical and relational benefits from multicultural engagements, which aligns with the high behavioral and motivational CQ previously observed.

The implications for organizational performance are significant. Intercultural learning strengthens behavioral CQ and the motivation to interact with diverse cultures, facilitating innovation, strategic adaptation, and internal satisfaction. Nevertheless, the limited cognitive CQ and insufficient error recognition continue to constrain innovation potential. To optimize the performance of Tunisian SMEs, it is advisable to reinforce reflective learning practices and establish systematic feedback mechanisms that enable leaders to capitalize on their intercultural experiences effectively.

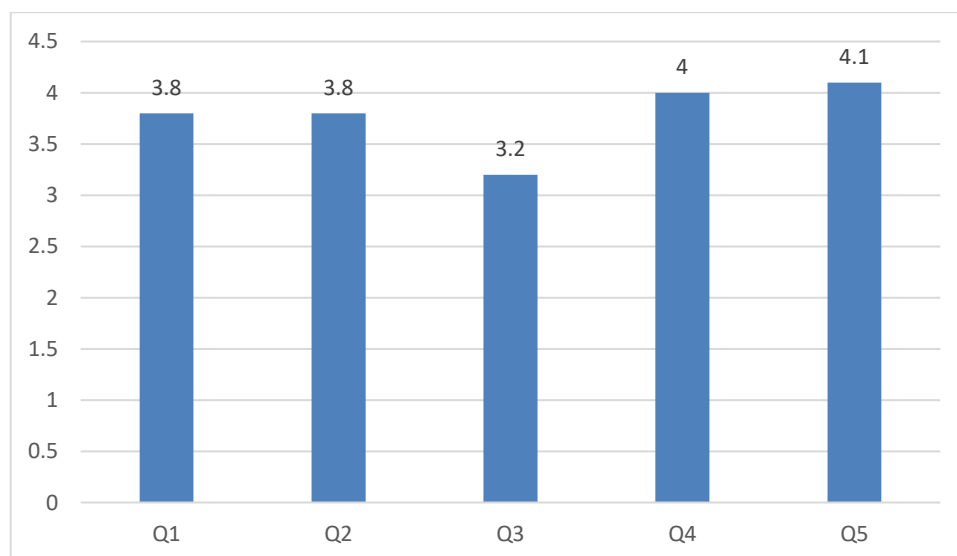


Figure 6: Intercultural Learning Practices and Leaders' Engagement Intensity

Organizational Performance

The organizational performance (OP) of Tunisian SMEs was assessed across four primary dimensions, inspired by the Balanced Scorecard framework (Kaplan & Norton, 1996): strategic performance, innovation, operational efficiency, and internal satisfaction. Descriptive results are presented in Table 7 and Figure 7.

Table 7: Dimensions of Organizational Performance

Dimension	Mean	Standard deviation	Min	Max
Strategic Performance	3,85	0,7	2	5
Innovation	2,8	0,5	2	4
Operational Efficiency	3,8	0,5	3	5
Internal Satisfaction	3,8	0,7	3	5

Strategic Performance: The analysis indicates that leaders generally demonstrate a satisfactory ability to adapt organizational strategies and make effective decisions. High strategic performance reflects the capacity of managers to align organizational goals with market demands, even in contexts with limited international exposure.

Innovation: Innovation scores are relatively lower compared to other dimensions, highlighting a gap in the generation and implementation of new ideas, products, or services. This limitation may be attributed to the predominantly monocultural or bicultural profiles of leaders, as well as the moderate level of cognitive cultural intelligence, which constrains the integration of novel practices from diverse cultural contexts.

Operational Efficiency: Operational processes within these SMEs are largely effective, indicating smooth internal workflows and quality management practices. The high level of behavioral CQ among leaders contributes to operational adaptability, ensuring that day-to-day activities are executed efficiently despite environmental and cultural constraints.

Internal Satisfaction: Employee satisfaction scores are high, suggesting that leaders' interpersonal and behavioral skills positively influence team morale and engagement. The combination of high motivation and behavioral CQ enables leaders to maintain effective communication and strong working relationships, even when cognitive CQ remains limited.

Overall, these findings suggest that while Tunisian SMEs maintain satisfactory strategic and operational performance and high internal satisfaction, innovation remains constrained by limited exposure to diverse cultural experiences and weaker cognitive CQ. Strengthening cognitive cultural intelligence through targeted training, international exposure, and reflective learning can enhance leaders' strategic decision-making and foster innovation, thereby improving overall organizational performance.

Analysis of Dimensions

Strategic Performance (M = 3.85; SD = 0.7) : Leaders report a relatively high capacity to define and adapt their companies' strategies. The scores indicate that most SMEs have a clear strategic orientation, coherent objectives, and effective decision-making processes. This strategic strength aligns with leadership capable of leveraging existing knowledge; however, it may be constrained by limited international exposure and cultural diversity.

Innovation (M = 2.8; SD = 0.5) : Innovation emerges as the weakest dimension of organizational performance. The companies struggle to develop new ideas, products, or services, which can be attributed to several factors: limited international experience of leaders, low cognitive cultural intelligence reducing the ability to understand and adapt foreign practices, and a prevalence of monocultural leaders, which restricts diverse perspectives and the emergence of innovative ideas. This weakness highlights the need for targeted strategies to foster creativity and innovation, particularly through exposure to multicultural environments and intercultural training programs.

Operational Efficiency (M = 3.8; SD = 0.5) : The companies demonstrate well-structured and controlled internal processes, ensuring smooth execution of daily operations. This performance reflects leaders' ability to

apply established management practices and maintain product or service quality, even in potentially complex market contexts.

Internal Satisfaction ($M = 3.8$; $SD = 0.7$) : Employees generally perceive a positive organizational climate characterized by effective management practices and attention to team needs. High internal satisfaction contributes to talent retention and operational stability, though it could be further enhanced through initiatives promoting innovation and intercultural learning.

Summary and Implications

The SMEs analyzed are generally well-structured and exhibit strong operational and strategic performance, while maintaining a satisfactory work climate. However, innovation remains a notable weakness, indicating that these companies could enhance their competitiveness by developing several key aspects: the cognitive capital of their leaders (cognitive CQ), exposure to international and intercultural experiences, and cultural diversity within management teams. The findings corroborate previous observations that organizational performance is closely linked to cultural intelligence and intercultural learning. Firms led by managers with greater international experience and stronger intercultural preparedness are more likely to achieve higher levels of innovation.

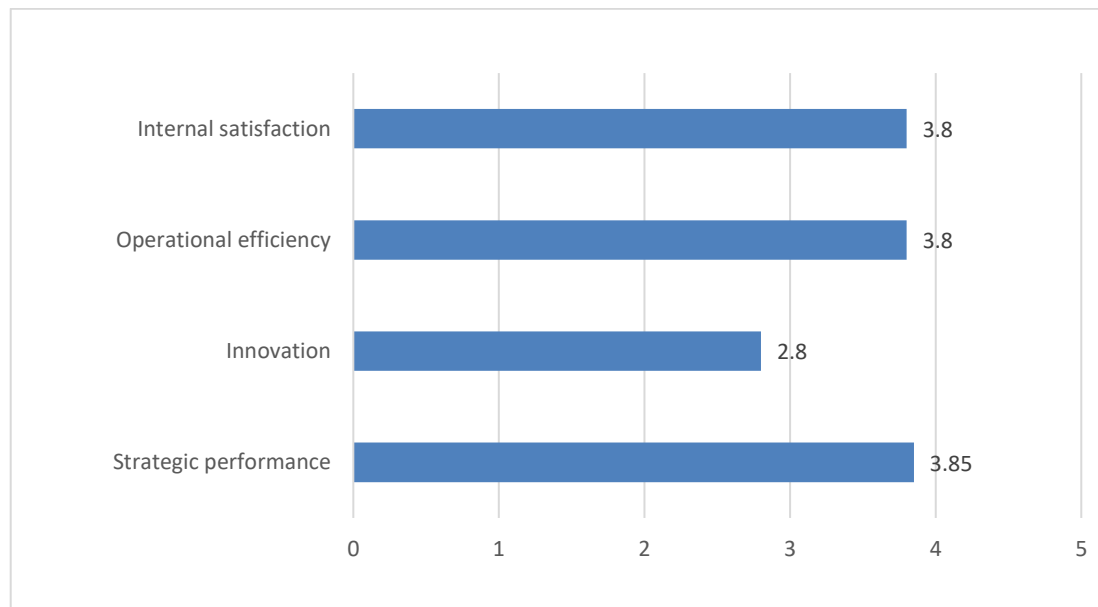


Figure 7: Organizational Performance Dimensions and Comparison of Mean Scores

CONCLUSION

This study highlights a significant paradox within the context of Tunisian SMEs. The findings reveal that business leaders exhibit high levels of motivational and behavioral Cultural Intelligence (CQ), reflecting both a strong willingness to engage with foreign partners and a practical ability to adapt to multicultural environments. However, this potential remains only partially leveraged, as their cognitive CQ and international exposure are comparatively limited. This constraint reduces the depth of their understanding of cultural differences and restricts their ability to translate such insights into organizational or managerial innovation. Consequently, although the firms they lead demonstrate stability, solid structural foundations, and satisfactory strategic, operational, and internal performance, they nonetheless present a marked weakness in innovation, which emerges as the lowest-performing dimension of organizational outcomes. These results underscore the need to strengthen the cognitive dimension of CQ, expand opportunities for international experience, and promote greater cultural diversity within leadership teams, enabling Tunisian SMEs to convert their adaptive capabilities into genuine innovation dynamics and enhanced competitiveness.

Managerial Implications

The results of this study highlight several managerial priorities for strengthening the competitiveness and international readiness of Tunisian SMEs. First, efforts should focus on enhancing the cognitive dimension of Cultural Intelligence (CQ), which remains noticeably weaker than the motivational and behavioral components. While managers demonstrate strong willingness and adaptability in multicultural settings, their limited theoretical understanding of cultural frameworks restricts their ability to interpret cultural differences, anticipate misalignments, and translate intercultural exposure into organizational innovation. Therefore, structured learning initiatives—such as executive training on international management practices, comparative cultural models, and global business norms—should be integrated into leadership development. Embedding case-based learning, benchmarking, and cross-cultural management tools can help deepen analytical capabilities and support more informed strategic decision-making.

In addition to cognitive development, the findings emphasize the importance of expanding international exposure and multicultural experiences. The relatively low international mobility among SME leaders limits access to diverse perspectives and prevents the assimilation of foreign practices that could fuel creativity and growth. Encouraging participation in international trade missions, cross-border collaborations, regional business networks, and foreign market exploratory programs would allow managers to broaden their experiential learning. Partnerships with international firms, multicultural joint ventures, and exchange initiatives involving diasporic or bicultural entrepreneurs can further accelerate the transfer of knowledge and competencies. Such exposure not only strengthens CQ but also expands strategic horizons and enhances competitive positioning.

Moreover, the study reveals that reflection, self-evaluation, and error recognition are underdeveloped within managerial practices, weakening the transformation of intercultural encounters into sustainable learning. To address this gap, organizations should cultivate internal cultures that value critical reflection, constructive feedback, and experiential learning cycles. Implementing mechanisms such as peer learning groups, post-project debriefings, mentoring systems, and structured feedback protocols can encourage leaders to question assumptions, identify improvement opportunities, and refine their managerial approaches. By normalizing reflective practice and reducing the stigma associated with mistakes, SMEs can build adaptive learning environments that support continuous development.

Taken together, these managerial implications suggest that improving the performance and innovative capacity of Tunisian SMEs requires a combined strategy: strengthening cognitive CQ, expanding multicultural exposure, and institutionalizing reflective learning practices. By acting simultaneously on these levers, SME leaders can more effectively translate intercultural interactions into enhanced strategic capabilities, operational improvement, employee satisfaction, and ultimately, higher organizational performance—particularly in the domain of innovation, where gaps remain most evident.

Research Perspectives

The findings of this study open several promising avenues for future research. First, there is a need for more advanced causal analytical approaches to explore and validate the relationships suggested by this work. While the present study provides descriptive insights into cultural profile, Cultural Intelligence (CQ), intercultural learning, and organizational performance, future research could employ regression analyses or Structural Equation Modeling (SEM) to test mediation and indirect effects more rigorously. Such approaches would allow scholars to determine whether intercultural learning acts as a mediating mechanism between CQ and performance, and whether the cultural profile of leaders exerts a direct or indirect influence within this chain of effects.

A second promising direction concerns the development of longitudinal research designs. Given that CQ evolves through exposure, reflection, and accumulated experience, cross-sectional data cannot fully capture how cultural intelligence develops over time nor how it progressively influences organizational performance. Longitudinal studies following SME leaders across several stages of international exposure or intercultural interaction would make it possible to better understand learning trajectories, adaptation patterns, and the temporal mechanisms

through which CQ contributes to strategic, operational, and innovative outcomes. Such research would also help distinguish between temporary adjustments and sustained capability development.

Future research could also expand the analytical framework by integrating moderating and contextual variables. Factors such as organizational culture, industry sector, leadership style, degree of internationalization, market turbulence, or team multicultural composition may either strengthen or weaken the relationship between CQ and performance outcomes. Understanding these moderating effects would allow researchers to determine under which conditions CQ becomes most beneficial and for which types of firms, environments, or managerial profiles. This line of inquiry is particularly relevant in emerging economies such as Tunisia, where SMEs operate under heterogeneous institutional and competitive constraints.

Another relevant research direction involves exploring organizational innovation as a dependent outcome more deeply. Given that innovation emerged as the weakest performance dimension in this study, future work should investigate how targeted interventions—such as cognitive CQ training, intercultural learning programs, cross-cultural collaboration, or exposure to international markets—can stimulate creativity, knowledge recombination, and strategic adaptability. Experimental research, action research, or comparative case studies could offer valuable insights into how intercultural competence translates into innovative capacity within SMEs.

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