

Cultural Intelligence and Organizational Capabilities: An Appraisal of Jordanian Commercial Banks

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Abstract

The purpose of this research is to identify relationship between cultural intelligence and organizational capabilities in Jordanian Commercial Banks. The research method is descriptive- correlation. Statistical population included the supervisory and regulatory functions in these banks which totaling (524) employees, and the sample size of (368) employees was determined based on the Cochran formula. The sampling method used is proportional stratified random sampling. Data collected were used from two questionnaires with these items: cultural intelligence questionnaire of Ahn & Ettner and organizational capabilities questionnaire of Al-Ajami. For appointment of questionnaires validity, of the method content-related validity, and to assess scale the reliability of the questionnaires, Cronbach's Alpha coefficient was used. It was estimated 0.94 and 0.78 respectively. Results situation of cultural intelligence and organizational capabilities was above the average level. The findings indicated that there is a significant positive relationship between cultural intelligence and its dimensions with

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organizational capabilities, there is a significant positive relationship between cultural intelligence and its dimensions with marketing capabilities, there is a significant positive relationship between cultural intelligence and its dimensions with technological capabilities, and there is a significant positive relationship between cultural intelligence and its dimensions with managerial capabilities in Jordanian commercial banks. Under the light of the results achieved, the study presented a number of recommendations, the most important recommendations include: Individuals in the Jordanian commercial banks should to have awareness of cultural diversity, a high level of understanding of the differences between the diverse cultures and the ability to analyze cultural elements in the work environment, which leading to enhance what possesses these banks of resources, capabilities and competencies that needs to improve its performance and to achieve its objectives and its mission.

Keywords: Cultural Intelligence, Organizational Capabilities.

الذكاء الثقافي والقدرات التنظيمية: تقييم للمصارف التجارية الأردنية

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ملخص

الغرض من هذا البحث هو تحديد العلاقة بين الذكاء الثقافي والقدرات التنظيمية في البنوك التجارية الأردنية. وكان منهج البحث هو الوصفي - الارتباطي. تكون مجتمع البحث من الوظائف الإشرافية والتنظيمية في البنوك المذكورة التي بلغ مجموع موظفيها (524) موظفاً، وكان حجم العينة (368) موظفاً استناداً إلى معادلة كوكران، سحبت بالطريقة العشوائية - الطبقيّة التناسبية. وقد استخدمت البيانات التي تم جمعها من خلال استبيانين أثبتت أنهما: استبيان الذكاء الثقافي من (Ahn & Ettner) واستبيان القدرات التنظيمية من (العجمي). وللتأكد من صدق الاستبانات استخدمت طريقة صدق المحتوى، أما الثبات فقد تم حسابه باستخدام معامل كرونباخ ألفا، وكانت قيمتهما (0.94 و 0.78) على التوالي. وكانت أبرز النتائج هي حصول الذكاء الثقافي والقدرات التنظيمية على تقدير فوق المتوسط. كذلك أظهرت النتائج وجود علاقة ايجابية ذات دلالة معنوية بين الذكاء الثقافي وأبعاده بالقدرات التنظيمية، وهناك علاقة ايجابية ذات دلالة معنوية بين الذكاء الثقافي وأبعاده مع القدرات التسويقية، وهناك علاقة ايجابية ذات دلالة معنوية بين الذكاء الثقافي وأبعاده التكنولوجية، وهناك علاقة ايجابية ذات دلالة معنوية بين الذكاء الثقافي وأبعاده مع القدرات الإدارية في البنوك التجارية الأردنية.

وفي ضوء النتائج المتحصل عليها قدم البحث مجموعة توصيات أهمها: يجب على الأفراد في المصارف التجارية الأردنية أن يكونوا على وعي بالتنوع الثقافي، ومستوى عال من فهم الاختلافات بين الثقافات المتنوعة والقدرة على تحليل العناصر الثقافية في بيئة العمل، مما يؤدي إلى تعزيز ما تمتلكه هذه البنوك من موارد، وقدرات وكفايات التي تساهم في تحسين أدائها وتحقيق أهدافها ورسالتها.

الكلمات الدالة: الذكاء الثقافي، والقدرات التنظيمية.

1. Introduction

Today we live in a world of intense competition in all areas, where a free trade across the international business world created more competition in an environment characterized by complexity and environmental uncertainty, resulting in a higher commercial and consumer awareness among individuals and intensification of competition on the markets and consumers, in addition to the attention to environmental issues in business organizations. So that, the organization cannot take successful strategic decisions without taking in consideration the fact of its internal resources and its efficiency in the management of these resources.

The motives of the individual towards achievement his needs determines the type of behavior who chooses to reach the gratification of their needs. As the gratification the needs of multicultural individuals it is more difficult ones if the workers in the organization of one culture, there are needs that human learns through the environment and culture that previously lived there and now he lives at his workplace. Therefore, we can say that the cultural intersections gradually fade as a result of increasing the survival period of multicultural individuals together in the workplace, and replaced by cooperation, coordination, respect and acceptance of each other. So that, the ability of individuals to discover unfamiliar cultures and absorbed leads to improved organizational performance. (Al-Noori, 2014: 18)

This prompted the business organizations to use distinct methods to investment their resources in the way which achieve their objectives and work on the integration of these resources with each other to shape which known as organizational capabilities which led the organizations to acquire strategic capabilities. Sothat, the pursuit of permanent organizations towards success and excellence it requires us to constantly improve their capabilities to suit their customers' needs and expectations, this requires the existence a contemporary technological infrastructure in business organizations to achieve superiority over competitors in the short and long term.

The overall purpose of this study is: Identification of relationship between cultural intelligence components and organizational capabilities in Jordanian commercial banks

Theoretical Background

Cultural Intelligence

Culture generally refers to the shared beliefs, values, and norms that help distinguish one group from another. Challenges associated with cultural interaction tend to grow as difference in values increase or intensity of the context becomes stronger. Intensity of contact is influenced by elements such as duration of the interaction and what is at stake with the interaction. (MacNab, 2012: 68)

The rapid pace of globalization, along with a reduction in barriers to international trade and investment, has changed the manner in which entrepreneurs conduct business. Given the importance of global complexity and national culture on the internationalization of small firms and cultural competencies to deal with such complexity are vital (Charoensu kmongkol, 2014: 1).

Competitive Intelligence is a continuous and evolving process by which businesses assess the behavior and capabilities of its current and potential competitors to assist in maintaining and developing a competitive advantage. It involves discovering, analyzing, and using intelligence from publicly available, non-proprietary information sources and converting it into knowledge on a continuing basis. This, in turn, assists companies in their strategic planning activities. Furthermore, as intelligence is developed in a systematic and formal basis, it allows top managers to make better informed decisions regarding future events (Adidam, et..al, 2009: 666-667). Recently, the concept of cultural intelligence has been proposed as an important capacity in cross-cultural management. Based on experience, education, and personality, different people achieve different levels of CQ; the more advanced one's CQ, generally the more effective the person is in new cultural environments. (MacNab, 2012: 68)

Cultural Intelligence is a globally recognized way of assessing and improving effectiveness for culturally diverse situations. Also, Leading organizations in business are adopting CQ as a key component of personnel development and competitive advantage. (www.culturalq.com)

Research demonstrates several consistent results for individuals and organizations that improve CQ, including: (www.culturalq.com)

- More Effective Cross-Cultural Adaptability and Decision-Making.

- Enhanced Job Performance.
- Improved Creativity and Innovation.
- Increased Profitability and Cost-Savings.
- Cultural intelligence is proven to reduce attrition, improve innovation, and make multicultural teams more effective.

It can measure the application of the cultural intelligence of an individual which works with multicultural in individuals in business organizations through four components, (Strategic Component (Met cognitive), Cognitive Component, Motivational Component and Behavioral Component), the following is an explanation of these components: (MacNab, 2012: 69)

- 1) Strategic Component (Met cognitive) is related to an individual's process of gaining and using cultural knowledge. An example of met cognitive would include questioning cultural assumptions when operating in new cultural environments or questioning one's stereotypes; it involves applied self-awareness.
- 2) Cognitive Component refers to the "head", self-awareness, and knowledge. It has been suggested that this aspect of CQ should be the first developmental step in training.
- 3) Motivational Component refers to the "heart", perseverance and appropriate goal setting related to cultural interaction. An example of this component is not giving up too soon in relation to increased challenges and stress associated with intercultural activity.
- 4) Behavioral Component refers to "action", the ability to adjust or adapt behaviors suitable to the cultural environment. Action includes an aptitude to determine where new behaviors are needed and how to execute these effectively. An example of this component is adjusting one's specific manner of communicating to more effectively interact with host nationals.

Cultural intelligence is related to emotional intelligence, but it goes a step further. People with high emotional intelligence can pick up on the emotions, wants, and needs of others. Those with high cultural intelligence are attuned to the values, beliefs, attitudes, and body language of people

from different cultures; and they use this knowledge to interact with empathy and understanding.

People with high cultural intelligence are not experts in every culture; rather, they use observation and intelligence to read people and situations, and to make informed decisions about why others are acting as they are. They also use cultural intelligence to monitor their own actions. Instead of making quick judgments or relying on stereotypes, they observe what is happening, and they adapt their own behavior accordingly.

Therefore, we conclude that cultural intelligence is someone's ability to adapt to different cultures and to understand people's values, beliefs, attitudes, and behaviors. Culturally intelligent people can then use this information to communicate, collaborate, and negotiate with people from diverse backgrounds. (www.mindtools.com)

Organizational Capabilities

Recent information security literature recommends organizations employ an overall information security strategy that integrates “people, processes, technology, and operations capabilities” to ensure effective defenses across the organization. Additionally, today’s global connectedness and rapidly advancing information technologies have made technology-driven security solutions inadequate to meet information security challenges. In order to face the challenges and to take advantage of new opportunities brought forth by information technology advances, we suggest organizations shift the focus from a technology-based information security strategy to an organizational-based approach that considers a core set of organizational capabilities. Therefore, the identification and understanding of organizational capabilities is essential to logically recognize the relationship between information security strategy implementation success and organization performance. (Hall, et al., 2011: 156)

Resource and capability management (RCM) attempts to identify a firm’s critical capabilities, to understand their connections to organizational performance, and to act to maximize their positive impact. RCM is defined as the “comprehensive process of structuring the firm’s resource portfolio, of bundling resources to build capabilities, and of leveraging these capabilities to create value for customers and owners”. (Degraevl, 2011: 251-253)

Considerable research has underlined the importance of organizational capabilities in achieving and sustaining new product competitive advantage. Organizational capabilities, appropriately defined, can meet the conditions, articulated by the resource-based view of the firm, for being a source of sustainable competitive advantage. (Akroush, 2012: 345)

Organizational Capabilities are defined as intangible assets consisting of competencies along with dynamics of integrating and deploying those competencies with inimitable resources across organizational boundaries to operate business. Competencies refer to differentiated knowledge, skill, ability, distinctive organizational processes, and other characteristics needed to perform a specific task. So that organizations need to have a clear understanding of the minimum essential capabilities required for effective information security strategy and build the ones indispensable for creating business value. (Hall, et al., 2011: 156)

Also, organizational capability is the firm's ability to manage people to gain competitive advantage, which represented in: (www2.bc.edu)

- Focuses on internal processes and systems for meeting customer needs.
- Creates organization-specific competencies that provide competitive advantage since they are unique.
- Ensures that employee skills and efforts are directed toward achieving organizational goals and strategies.

Hypothesis A: Cultural Intelligence positively related to Organizational Capabilities.

It can measure business organizations possession for organizational capabilities and their ability to enhance these capabilities within the organization through three dimensions, (Technological Capabilities , Managerial Capabilities and Marketing Capabilities), the following is an explanation of these dimensions:

- 1) Technological Capabilities are defined as the integrative processes designed to apply the collective knowledge, skills, and resources of the firm to the production process. Such capabilities include R&D capabilities, manufacturing/production capabilities, design capabilities, and technological complementarities. In addition, quality

control and quality assurance capabilities are necessary to insure the production of high quality new products. Such capabilities aim to enhance product quality, providing organizations with a means of achieving higher quality processes. As a direct consequence of this, customer satisfaction is improved. (Akroush, 2012: 346)

Cultural Intelligence positively related to Technological Capabilities.

Hypothesis 2

- 2) Managerial Capabilities are defined as possessing the ability to create a strategic vision and identity for the company, communicate these throughout the organization, and encourage the workforce to achieve them. Recent theoretical developments suggest that organizational capabilities evolve over time, and several organizational and environmental levers contribute to their founding, development, maturation and alteration. Managerial decisions are acknowledged as some of the most critical antecedents of capability transformation. Suitable strategic choices help firms overcome the constraints of their existing resource endowments by guiding the development of extant skills and by facilitating the emergence of new capabilities. The literature suggests four main managerial capabilities: reinforcement of the organizational culture, strategic vision, obtaining employee potential, and flexible design. (Erdil, et..al, 2010: 32)

Cultural Intelligence positively related to Managerial Capabilities. :

Hypothesis 3

- 3) Marketing Capabilities is a broad term which includes different sets of marketing-related capabilities such as market research capabilities, marketing management capabilities, marketing mix capabilities, and marketing complementarities. As a particular type of marketing capability, marketing mix capabilities include sales force capabilities, distribution capabilities, and advertising and promotion capabilities. (Akroush, 2012: 346)

Hypothesis 4: Cultural Intelligence positively related to Marketing Capabilities.

Therefore, measuring overall firm performance might reveal surprising conclusions in analyzing the relationships between various business processes and firm specific resources. Furthermore, the firm still having resources and capabilities for attaining competitive advantage might not become in a position to make full use of these resources. For example, because firms can have competitive advantages in some business activities and competitive disadvantages in others, examining the relationship between resources associated with different processes within a firm and a firm's overall performance can lead misleading conclusions with regard to resource-based theory. Aggregating the outcomes of numerous processes which have the effect of increasing or decreasing a firm's overall performance, can make it very difficult to examine the kinds of resources and capabilities that can generate the competitive advantages and organizational performance. (Erdil, et al., 2010: 36)

Cultural Intelligence and Organizational Capabilities

The business organizations face many challenges inside the organizations, this requires from leaders who characterized a high cultural intelligence and sections in these organizations, such as: production and operations, marketing, and finance necessity to cooperate together to use their skills and resources to achieve the best capabilities that enable them to cope with the external environment, particularly the opportunities and threats to ensure its success in the future.

Individuals in the organization who have the ability to change their verbal and non-verbal behavior appropriately when interacting with individuals of other cultures to conform with their cultures, this will lead to enhancing the marketing capabilities of the organization through developing the skills and mechanisms of the provision of services and achieving an advanced competitive position in the market.

Individuals in the organization who have cultural behavior and high flexibility to interact with people from different cultures, this contributes to maximizing the good use of the technological resources and capabilities within the organization and development of an information network to follow contemporary developments in technology.

Learning from cultural differences environment and the ability to planning for different cultural interactions, this helps the management of the organization to precise determination of its managerial resources and capabilities and build core competencies that are the basis of competitive control. Therefore, the organization has a fully knowledge and informed on its strengths and weaknesses points to prepare a correct strategic choices.

Cultural Intelligence positively related to Organizational Capabilities. :
Hypothesis 1

Literature Review

- (Lee, et al., 2007): The study seeks to propose a research model to examine the influence of organizational capabilities on e-business implementation success, data collected from (202) information systems executives in large Taiwanese organizations were employed to test the relationships between the research model constructs. The results showed that certain factors related to organizational learning and knowledge management capabilities are important antecedents of e-business value. Also, an organization needs a well-designed knowledge management infrastructure to create and maintain the e-business knowledge required to improve back-office efficiency, customer intimacy and efficiency of coordination with business partners. This study is significant because it helps to understand the effects of organizational capabilities and e-business contribution on a firm's performance.
- (Bakhru and Grant, 2007): The study showed that recent research into the development of organizational capability, has focused either upon particular aspects of the development process (e.g. learning, routinization) or on individual capabilities (e.g. new product development, project management), and limited attention has been given to how firms create new systems of capabilities. Sothat, recent emphasis on the firm as a configuration of interdependent, complementary activities reinforces the view that the central management challenge for launching successful new business ventures is building an integrated system of capabilities. Through in-depth studies of four new e-commerce businesses, we tracked the creation and development of new systems of organizational capabilities, identifying commonalities in this process despite

differences in firm type and sector. Our findings augment the existing literature by offering deeper and more detailed insight into the main components of the capability development.

- (Adidam, et al., 2009): The study aimed to consider the competitive intelligence (CI) is a promising tool in the strategic planning arsenal of top managers and the practice of CI in various international markets is clearly impacted by the cultural context of gathering and analyzing information. This study analyses CI practices in the developed markets of Europe and Japan, as well as the emerging markets of China, Russia South Africa, Latin America, and the Middle East. The results revealed that owing to the complexity of cross-cultural CI practices, often companies fail in their entry into foreign markets. This is due to misjudgment and poor understanding of the countries' cultural, social, and political environment. In addition to, global managers need CI in order to succeed in foreign markets and cultural factors play a major role in CI practices of firms across the globe.
- (Moon, 2010): The study aimed to examine relationships between emotional intelligence and the four factor model of cultural intelligence (metacognitive CQ, cognitive CQ, motivational CQ, and behavioral CQ). Confirmatory factor analyses and hierarchical regression analyses on data from (381) students in Korea are conducted. The results demonstrate that the EQ factors related to social competence (social awareness and relationship management) explain CQ over and beyond the EQ factors related to self-competence (self-awareness, and relationship management). Finally, the results present that specific factors of EQ are related to specific factors of CQ.
- (Groves and Feyerherm, 2011): The study aimed to identify cross-cultural leadership competencies, Data from (99) culturally diverse organizational leaders and (321) of their followers demonstrated that leader CQ predicted follower perceptions of leader performance and team performance in contexts where work teams were characterized by significant ethnic and nationality diversity. The most important characteristic of this study that there are very few studies that

revealed the role of the cultural intelligence of leaders and the impact of leadership competencies competing in performance.

- (Jellab, 2011): The study sought to explore the nature and type of correlation between emotional and cultural intelligence. Findings of the study showed that the possession of adaptive capabilities of the emotional intelligence Pave the way for possessing Cultural Intelligence capabilities. The study recommended seeking the introduction of emotional and cultural intelligence tests within the teaching validity test in Iraqi universities and institutes as well as the addition of these concepts to the curriculum in both preliminary and higher studies.
- (Akroush, 2012): The study aimed to develop a model examining the effect of organizational capabilities over new product (NP) performance. The model proposes that organizational capabilities (technological, marketing mix, and customer-relational capabilities) exert a direct effect over two dimensions of new product competitive advantage (new product quality and speed), which in turn exert a direct effect over new product customers and financial performance. Based on a literature review, a structured questionnaire was developed as a primary data collection method. Questionnaires were distributed to a sample of (473) manufacturing organizations in Jordan. The findings showed that there are only marketing mix capabilities had a direct positive effect over both new product quality and speed to the market, while technological capabilities had no significant direct effect over both dimensions of new product competitive advantage. Customer-relational capabilities had a direct effect over new product quality only. On the other hand, while new product quality exerted a positive direct effect over both NP financial and customer performance, new product speed to the market had a direct positive effect over NP customer performance only. Finally, NP customer performance exerted a positive direct effect over NP financial performance.
- (Ahn and Ettner, 2013):The study aimed to investigate the role of cultural intelligence in MBA curricula. Shaping global corporate culture that manifests itself in powerful-shared values, group behavior, and persists despite changes in-group membership is decisive to organizational performance. The authors utilized the

Cultural Intelligence Scale (CQS) –metacognitive, cognitive, motivational, and behavioral– to capture data from MBA students attending three universities in the USA. The results of the study suggests that the students have a firm understanding on why CQ is essential in an increasingly globalized business world, as well as a strong desire to interact with other cultures. However, although students appear highly motivated to study about other cultures, the results indicate that many of the MBA students lack an in-depth knowledge of the values, beliefs, and practices of other cultures.

- (Al-Jbouri, 2014): The study aimed to examine the relationship between the strategic capabilities and the organizational intelligence. The study deals with the strategic capabilities through three dimensions, namely, (marketing capabilities, technological capabilities and the capabilities of human resources) as explanatory variable, and also deal with the organizational intelligence as variable a respondent through the four dimensions, namely, (strategic vision, the desire to change and dissemination knowledge). The research population was the commercial banking sector, either the research sample was intentional sample, the selected sample of (35) director and deputy of the department and officials of the people and their deputies out of (42) in the bank of Babylon, and AL Belad Islamic. The results of the study demonstrate that there is Weakness in the correlation and impact relationship between the strategic capabilities and the organizational intelligence.
- (Al-Noori, 2014):The study aimed to identify the impact of cultural intelligence on managerial creativity in Five Stars Hotels in Dead Sea Zone in Jordan. In order to achieve the objectives of the study, the researcher developed a questionnaire consist of (30) items to gather the primary information from study sample which consisted of (121). The findings of the study revealed that there was a significant impact of cultural intelligence (incentive cultural intelligence, and behavior cultural intelligence) in managerial creativity capabilities in five stars hotels in Dead Sea-Jordan at level ($\alpha=0.05$), there was a significant impact of incentive cultural intelligence influency of managerial creativity capabilities in five stars hotels in Dead Sea- Jordan at level ($\alpha=0.05$), there was a

significant impact of cultural intelligence (incentive cultural intelligence, and behavior cultural intelligence) in flexibility of managerial creativity capabilities in five stars hotels in Dead Sea-Jordan at level($\square\square\square$ 0.05) and there was a significant impact of cultural intelligence (incentive cultural intelligence, and behavior cultural intelligence) in originality of managerial creativity capabilities in five stars hotels in Dead Sea-Jordan at level($\square\square\square$ 0.05). The main recommended of the study is emphasis on the need for continued administration to stimulate the cultural intelligence of employees, specifically in the development of social relations between workers and encourage them to communicate and talk with each other.

- (Tseng and Lee, 2014) :The study aimed to identify how an enterprise can effectively apply its knowledge management (KM) capability and develop a uniquely dynamic capability in order to provide quick response to a dynamic environment has become an urgent need. The results of the study indicate that dynamic capability is an important intermediate organizational mechanism through which the benefits of KM capability are converted into performance effects at the corporate level. That is, KM capability enhances the dynamic capability of organizations. While dynamic capability, in turn, increases organizational performance and provides competitive advantages.
- (Charoensukmongkol, 2014): The study explored the influence of the cultural intelligence of business owners upon the international performance of their firms, noting the mediating roles of international knowledge acquisition capability and adaptive capability. Using a questionnaire survey, data from (129) small and medium firms in Thailand were collected. Results from the partial least squares regression analysis found a positive effect of cultural intelligence on export performance; this was mediated through international knowledge acquisition capability but not through adaptive capability. Therefore, culturally intelligent entrepreneurs and export managers who acquire and develop knowledge about foreign cultures through effective cultural learning and adaptation have higher competencies to engage with the complex global environment and to transform this knowledge into appropriate strategies to achieve superior international performance.

- (Altememi, et al., 2015) :The study aimed to identify the relationship between the creative capabilities of workers in 5-star hotels in the city of Amman and their cultural intelligence. In its measurement of the creative capabilities as an independent variable, the study adopted a scale consisting of three dimensions, namely: fluency, flexibility and originality. Whereas it relied in measuring the cultural intelligence as a dependent variable, on a scale consisting of three dimensions, namely: knowledge (cognition), motivation and behavior. The study was conducted on a sample of (258) workers currently working in these hotels. The study revealed that there is a significant positive relationship between the dimensions of creative capabilities of workers in such hotels and their cultural intelligence. The study also included a set of recommendations and mechanisms that can be applied by the managements of these hotels to tackle some aspects of the dimensions constituting the cultural intelligence of workers.

(Simon, et al., 2015) :The study aimed to identify the relationships that senior managers believe exist between capabilities and business success. It also highlights the critical strategic and dynamic capabilities that are most valuable for practicing managers. A multi-method study was conducted. Eight types of strategic capability and ten types of dynamic capability commonly found in organizations were identified through interviews with senior executives. A questionnaire survey was then used to ask senior officers of publicly listed Australian firms about the importance of each capability and financial and non-financial performance indicators. The results of the study demonstrate that good leadership with an innovative vision and selection and retention of good staff and developing their skills and capabilities were the stand out strategic capabilities. Also, strategic capabilities were more often associated with indicators of financial success, and dynamic capabilities were more often associated with non-financial measures of organizational performance.

Problem Description

We note in our contemporary world in the recent movement of individuals a large degree of freedom, whether the aim of tourism, work or therapy, leading to overlapping cultures of different communities. Under consideration workers in business organizations are the fundamental basis for the production organizations resort to the formation of a culture of helping workers to abide by the regulations and labor laws within the organization, but the cultural differences in terms of language, customs and traditions are an impediment to achieving harmony in the working environment within business organizations. Since the continued success of the organization depends on the adoption of best practices and capabilities, it must be from organizations possess the ability to communicate among its members, this communication is achieved through the application of Cultural Intelligence which aims to achieve harmony between different cultures. According to the idea of cultural intelligence to the extent to which an individual within the organization to trust his ability to adapt and build friendships with people from unfamiliar culture whether it from inside or outside the organization. This requires from business organizations necessity to encourage their members to cognition and thinking and hire it to do cultural behavior which contributes to strengthening the organizational capabilities which is an essential component and strategic variable plays an important role in the formulation of business strategy, and so in the framework of creating a work environment provide the required skills needed to organizing tangible and intangible resources, in order to achieve sustainable competitive advantage for organizations. Therefore, it was felt necessary to carry out the present study. Accordingly, the main problem of research presented in model 1.

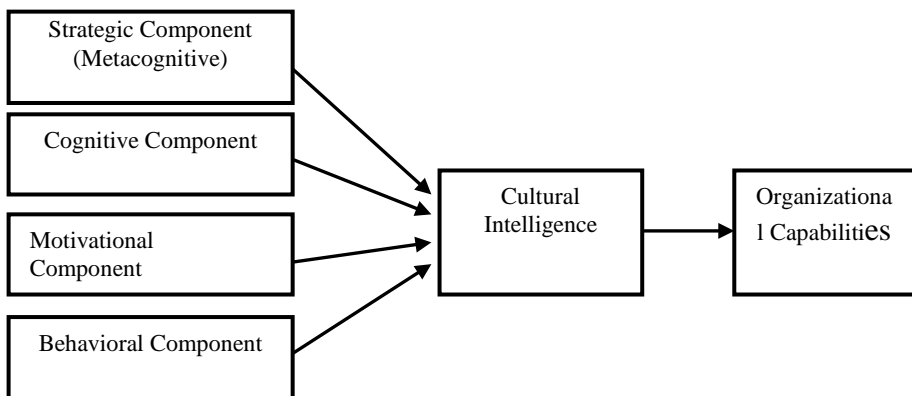


Figure1. Research proposed model

Based on Figure1, the general purpose of the research is: Identification of relationship between cultural intelligence components and organizational capabilities in Jordanian commercial banks

Research Questions and Hypotheses

The Research Questions:

- 1) What is the level of cultural intelligence in Jordanian Commercial banks?
- 2) What is the level of organizational capabilities in Jordanian Commercial banks?
- 3) Is there a relationship between cultural intelligence, and its dimensions with technological capabilities in Jordanian commercial banks?

The Research Hypotheses: There are four hypotheses in this study:

- 1) There is the significant relationship between cultural intelligence, and its dimensions with organizational capabilities in Jordanian commercial banks
- 2) Dimensions of cultural intelligence predict Technological capabilities in Jordanian commercial banks
- 3) Dimensions of cultural intelligence predict managerial capabilities in Jordanian commercial banks
- 4) Dimensions of cultural intelligence predict marketing capabilities in Jordanian commercial banks

Methodology

- Research Method: The current research method is descriptive-analytical
- Statistical Population and Sampling Method: The statistical population consisted of the supervisory and regulatory functions in the Jordanian commercial banks which totaling (524) employees, and determined sample size was (368) employees based on the Cochran

formula. The sampling method was done using proportional stratified random sampling.

- Tools and Methods of Data Collection: Library was used for collecting data. Then, data was collected from two questionnaires with items: cultural intelligence questionnaire of (Ahn&Ettner, 2013) and organizational capabilities questionnaire of (Al-Ajami, 2012). For appointment of validity questionnaires, the content-related validity method represented in the questionnaire was presented to the arbitrators of specialists and experts from professors Jordanian universities in the field of business administration. Measurement of reliability questionnaires, used Cronbach's Alpha coefficient; and estimated 0.94 and 0.78 respectively.
- Analysis of Data: Analysis of data used from descriptive statistics methods including: table, mean and standard deviation; and inferential statistics procedures like: Kolmogorov-Smirnov test, one-sample t-test, Pearson correlation coefficient and multiple regression analysis.
- Kolmogorov-Smirnov Test: For the normality of the data, Kolmogorov-Smirnov test is used. According to, the error level calculated for all variables is more than 0.05. Therefore, these variables are normally distributed, and parametric test can be used to analyze the research questions and hypotheses.
- Results and Discussion
- Question 1. What is the level of cultural intelligence in Jordanian Commercial banks?

Table (1) One-Sample T-Test for measure variables situation

Variables	Mean	Test value	Std. deviation	T	DF	Sig.
Cultural Intelligence	4.464	3	0.529	53.06	367	0.001
Organizational Capabilities	4.005	3	0.637	30.26	367	0.001

The findings of Table 1 showed that One-Sample T-Test is significant, and scale of cultural intelligence variable in Jordanian commercial banks is above average surface (T=53.06, P<.05, DF=367).

Question 2. What is the level of organizational capabilities in Jordanian Commercial banks?

The conclusions of Table 1 suggested that One-Sample T-Test is significant, and rate of organizational capabilities in Jordanian commercial banks is above average surface ($T=30.26$, $P<.05$, $DF=367$). Accordingly, the first hypothesis is confirmed.

Hypothesis 1. There is the significant relationship between cultural intelligence, and its dimensions with organizational Capabilities in Jordanian commercial banks

This hypothesis is trying to answer the question (2) in the research questions, which represented in (Is there a significant relationship between cultural intelligence and organizational Capabilities in Jordanian Commercial banks?)

Table (2) Pearson correlation coefficient between research variables

Variables	Cultural Intelligence	Strategic Component (Metacognitive)	Cognitive Component	Motivational Component	Behavioral Component
organizational Capabilities	.336** .01 368	.287** .01 368	.288** .01 368	.294** .01 368	.311** .01 368
Technological capabilities	.372** .01 368	.446** .01 360	.485** .01 368	.533** .01 368	.356** .01 368
managerial capabilities	.249** .01 368	.350** .01 368	.450** .01 368	.323** .01 368	.462** .01 368
marketing capabilities	.548** .01 368	.490** .01 368	.498** .01 368	.521** .01 368	.475** .01 368

** Correlation is significant at the 0.01 level (2-tailed).

The results of Table 2 demonstrated that cultural intelligence with organizational Capabilities are positively correlated ($R=.336$, $P<.01$, $N=368$). Moreover, correlation coefficient between dimensions of cultural intelligence (strategic component (metacognitive), cognitive component, motivational component, and behavioral component) with organizational capabilities were significant. Therefore, the first hypothesis is confirmed.

Hypothesis 2. Dimensions of cultural intelligence predict Technological capabilities in Jordanian commercial banks this hypothesis is trying to answer the question (3) in the research questions, which represented in (Is there a significant relationship between cultural intelligence and technological capabilities in Jordanian Commercial banks?)

Table(3) Multiple regression analysis of cultural intelligence on technological capabilities

Variable	F	Sig.	R	R ²	A.R ²	Durbin-Watson
Cultural Intelligence	37.191	.000	.739	.545	.531	1.941
Model		B	Std. Error	Beta	T	Sig.
Constant		1.216	0.348	-	2.36	0.001
Strategic component		0.202	0.064	0.235	3.150	0.002
Cognitive component		0.235	0.066	0.267	3.562	0.001
Motivational component		0.212	0.075	0.209	2.807	0.006
Behavioral component		0.285	0.086	0.279	3.305	0.001

Based on the data in Table 3, amount F is (F=37.191, P<.05). Therefore, F is significant, and can be used of regression analysis. Measurement the statistical independence of the errors was used of the Durbin -Watson Test, the value is 1.941. Therefore, we can conclude that there is no evidence of auto correlation in the errors. Beta coefficient is significant in technological capabilities (P<.05). Thu, the prediction model can be demonstrated as follows:

$$\text{Equation 1: } Y = 1.216 + 0.235 X_1 + 0.267 X_2 + 0.209 X_3 + 0.279 X_4$$

Thus, the second hypothesis is confirmed.

Hypothesis 3. Dimensions of cultural intelligence predict managerial capabilities in Jordanian commercial banks

This hypothesis is trying to answer the question (4) in the research questions, which represented in (Is there a significant relationship between cultural intelligence and managerial capabilities in Jordanian Commercial banks?)

Table (4) Multiple regression analysis of cultural intelligence on managerial capabilities

Variable	F	Sig.	R	R ²	A.R ²	Durbin-Watson
Cultural Intelligence	23.14	.001	0.335	0.113	0.108	1.739
Model		B	Std. Error	Beta	T	Sig.
Constant		1.321	0.253	-	3.16	0.001
Strategic component		0.216	0.062	0.216	3.51	0.000
Cognitive component		0.246	0.079	0.243	3.13	0.001
Motivational component		0.254	0.054	0.232	4.7	0.002
Behavioral component		0.240	0.061	0.284	3.922	0.001

According to information in Table 4, value F is (F=23.14, P<.05). Then F is significant, and can be used of regression analysis. In addition, the Durbin -Watson Test showed that there is no auto correlation in the errors. Beta coefficient is significant in managerial capabilities (P<.05). Based on this, can prediction model represented follows:

$$\text{Equation 2: } Y = 1.321 + 0.216 X_1 + 0.243 X_2 + 0.232 X_3 + 0.248 X_4$$

Therefore, the third hypothesis of research is approved.

Hypothesis 4. Dimensions of cultural intelligence predict marketing capabilities in Jordanian commercial banks

This hypothesis is trying to answer the question (3) in the research questions, which represented in (Is there a significant relationship between cultural intelligence and Marketing Capabilities in Jordanian Commercial banks?)

Table (5) Multiple regression analysis of cultural intelligence on Marketing Capabilities

Variable	F	Sig.	R	R ²	A.R ²	Durbin-Watson
Cultural Intelligence	28.92	.001	0.778	0.605	0.592	1.970
Model	B	Std. Error	Beta	T	Sig.	
Constant	1.013	0.252	-	3.117	0.003	
Strategic component	0.342	0.051	0.445	6.724	0.000	
Cognitive component	0.290	0.073	0.330	3.98	0.001	
Motivational component	0.227	0.069	0.254	3.275	0.001	
Behavioral component	0.196	0.063	0.226	3.103	0.001	

Based on the data in Table 5, amount F is (F=28.92, P<.05). Therefore, F is significant, and can be used of regression analysis. Measurement the statistical independence of the errors was used of the Durbin -Watson Test, the value is 1.970. Therefore, we can conclude that there is no evidence of auto correlation in the errors. Beta coefficient is significant in Marketing Capabilities(P<.05). Thu, the prediction model can be demonstrated as follows:

$$\text{Equation 3: } Y = 1.013 + 0.445 X_1 + 0.330 X_2 + 0.254 X_3 + 0.226 X_4$$

Thus, the fourth hypothesis is confirmed.

Conclusions and Future Works

The finding of first, second, third and forth question shows that situation of the cultural intelligence components and organizational capabilities in Jordanian commercial banks is above average. In fact, employees in Jordanian commercial banks have compatible with components of cultural intelligence and organizational capabilities for these banks.

The results of the first hypothesis indicated that there is a significant positive relationship between cultural intelligence and its dimensions with organizational capabilities in Jordanian commercial banks

The results of the second hypothesis revealed that there is a significant positive relationship between cultural intelligence and its dimensions with marketing capabilities in Jordanian commercial banks

The outcomes of third hypothesis of the study detected that there is a significant positive relationship between cultural intelligence and its dimensions with technological capabilities in Jordanian commercial banks

Furthermore, results of fourth hypothesis showed that there is a significant positive relationship between cultural intelligence and its dimensions with managerial capabilities in Jordanian commercial banks

Individuals in the Jordanian commercial banks should be realized to cultural knowledge which they use when interacting with people from different cultural backgrounds, Possess the ability to identify other cultural beliefs and values, Possess the ability to understanding of the social and interactive relations between them, and identify the methods of work according to their cultural differences. Therefore, whenever an individual has a high cultural intelligently within the organization led to an increased ability to adapt and cope with others, due to having multiple entries in dealing with different cultures and this helps business organizations to enter into partnerships and alliances with other organizations.

The managements of the Jordanian commercial banks should be developed its services and development of advertising programs for its services to invest in research and development. Also, respond to the needs of the market effectively and cope with competitive pressures. In addition to, to build a technological infrastructure more creative. Therefore, enhancement the skills, knowledge, individual characteristics and behaviors that individuals of these banks needs to perform their work effectively, and associated with achieving the strategic objectives for these banks.

Recommendations:

In the light of the findings reached by the study, the researchers can provide the following recommendations:

- 1) Individuals in the Jordanian commercial banks should to have awareness of cultural diversity, a high level of understanding of the differences between the diverse cultures and the ability to analyze cultural elements in the work environment, which leading to enhance what possesses these banks of resources, capabilities and competencies that needs to improve its performance and to achieve its objectives and its mission.
- 2) Providing an effective business environment in the Jordanian commercial banks focus on information technology through which these banks are able to achieve competitive advantages in the long term because focusing on this technology provides information to enable these banks to put appropriate decisions in support of performance in the various functional units.
- 3) It is absolutely necessary for the individuals of Jordanian commercial banks to acquire of the components of culture to its role in the formation of values, beliefs and behaviors for those individuals. This contributes to the allocation of resources that needs to build managerial capabilities that able to perform their work effectively in the organization and dissemination of creativity and innovation.
- 4) It is absolutely necessary for the managements of Jordanian commercial banks to have ability to planning, put a cultural sensitive plans and development of dealing strategies with individuals from different cultures. This helps these banks to invest the assets and technological capabilities and invent new services. Therefore, upgrading level of quality of services that are characterized in comparison with other competitors.
- 5) It is absolutely necessary for the managements of Jordanian commercial banks to aware all employees and give them a role to participate in the decisions-making process that concerning to the future of the organization through clarifying the role of cultural intelligence and how to benefit from it in investment the resources and capabilities of these banks. Therefore, this helps the Jordanian commercial banks to have the strategic capabilities which led these banks to achieve the competitive advantage.

Suggestions for Future Research

According to present investigation results, we can propose the following topics for future research:

- 1) Future researches could accomplish using other factors such as knowledge management or organizational climate in organizational capabilities enhancement.
- 2) Future researches could accomplish using instruments to determine organizations perceptions of building its capabilities.
- 3) Future researches could accomplish using qualitative measures with employees.

Research Limits

- 1) The study is limited to the banks environment and cannot be generalized to a more diverse population.
- 2) The study is limited to the lack of investigators ability in control of environmental variety variables at Jordanian commercial banks
- 3) The study is limited to employees that may be influenced by their linguistic, cultural, and/or political perspectives.

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