

# PROJECT MANAGER TODAY

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Your Cultural Questions Answered
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## Answering Three Questions for Successful International Project Management



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Organizations do a pretty good job in preparing their project managers who take on international assignments for the technical, financial, strategic and tactical aspects of projects. But they pay far less attention to the “hidden” cultural aspects, which can make or break a project. This is why most international joint ventures fail within the first five years.

International projects are different in many ways from domestic projects. Managers must deal with culturally appropriate negotiation styles, differences in ethical issues, understanding markets, and building cross-cultural relationships with partners and clients. Also, these projects are comprised of team members of different nationalities who carry their cultural styles into their performance as team members. International project managers must therefore manage these cultural differences in order to achieve project success and to forge their teams into the high-performance level required to deliver on business objectives.

This article addresses three questions that are fundamental to the success of international project management:

1. What is culture and why is it important to my project?
2. What are some differences in national cultures and how can these be managed?
3. What competencies do I need in order to be effective?

### National Culture

Hofstede (1991) has defined national culture as follows:

*“Culture is the collective programming of the mind which distinguishes the members of one group from another.”*

This definition suggests that humans are supplied with pretty much the same make-up, but they become cultural beings as they grow through programming from parents, siblings, teachers, etc.



## How Culture Can Affect Project Success

The following two case studies illustrate how culture can directly affect the success of an international project.

### Case Study 1: Selecting a Contractor in Spain

Alexis Kouros, an international project team leader, was working on a proposal for a large design and build project in Spain. Her US-based global company had entered into a partnership with a Spanish company for the project proposal. Her Spanish counterpart, Ignacio Dominguez, had been in the US with his team several times and Alexis's team had been in Spain. Alexis had not spent much time with Ignacio in either country because of schedule and task priorities. Ignacio had invited her to a social function in Spain, but she had not been able to find the time.

It was necessary to select a Spanish subcontractor for a critical project component. Alexis and two of her team went to Spain to work with Ignacio to select this subcontractor. They presented and explained their procedure for competitive selection. But Ignacio had a different approach. He said, "I prefer to use a company I have worked with for a long time. The company head is my cousin, and I know he will do a good job." Alexis explained why they needed to get the best subcontractor at the lowest price. "Our competitive bid approach allows us to look at several companies and pick the one that best meets our needs at the lowest cost," she said. Ignacio said he already knew the other companies and his cousin's company was the best.

After several meetings, it was clear that Ignacio was not going to agree to use the competitive bid process. Alexis's team returned to the US, feeling very uneasy about Ignacio and unwilling to use his cousin's company.

(Note: The US and Spain rank fairly close on the Transparency International Corruption Index. The US ranks 17th out of 159 countries and Spain ranks 23rd. Number 1 is the least corrupt and number 159 is the most corrupt.)

What should Alexis do at this point? The culturally appropriate solution would be to try to operate within the Spanish system. She could spend some social time to build a trusting relationship with Ignacio. Then she could get to know his cousin and work together to assess his company's abilities. If the company was qualified, the project could use it as the subcontractor. If it wasn't, Alexis would have to work something else out with Ignacio without having him lose "face" with his cousin and his team.

### Case Study 2: Blending US and Japanese Cultures

Mr. Lee Amadi headed a project for a US-based global company that involved a critical component to be produced in Japan by Japanese members of the team. Lee had worked very hard on the project, and was now tired and irritable. "We can never seem to give the Japanese enough information and material. Every time we need to come to an agreement, they ask for more time and more information."

Mr. Amadi and six members of his American team had just returned from Japan. They had tried to come to an agreement with the Japanese on a critical part of the project. Mr. Amadi had arranged a series of brainstorming sessions with the Japanese team, headed by Yoshi Tamura. They received great participation from the American team, but very little from the Japanese team.

Mr. Tamura said he would work with his team and schedule a trip to the US to present their approach. The project was now behind schedule and over budget, and Mr. Amadi didn't know what to expect from the Japanese team. Mr. Amadi took his job very seriously, and needed to convince Mr. Tamura of the importance of timely decisions and meeting project milestones. Mr. Tamura had hosted the American team on one occasion in Japan, but it had not gone well. The Americans were presented with food that they couldn't identify and didn't want to eat, and then they were supposed to get up and sing!

American-Japanese cultural differences have a lot to do with decision-making and hierarchy. The Japanese, being a more collectivist culture, have a consensual decision-making style that takes more time than the American style. The Japanese also have a high need to avoid uncertainty, leading to requirements for exhaustive information and detail. Mr. Amadi's attempt at mixed level brainstorming didn't work because the Japanese feel uncomfortable in freely expressing untested ideas in front of others, especially superiors.

What should Mr. Amadi do to prepare for the upcoming Japanese visit and try to get the project on track? He ought to allow as much time as possible for the visit and arrange for some joint-team social activities. He should get to know Mr. Tamura and build a trusting relationship with him. Finally, he shouldn't expect closure until sometime after the Japanese return to Japan.

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## Management of Time

One of the ways in which culture programs our minds is how we view and manage time. A useful way for international project managers to understand and manage time differences is the concept of Monochronic versus Polychronic cultures. These terms come from the work of Edward Hall (1959) and refer to a culture's treatment of time - Monochronic meaning one view and use of time, and Polychronic meaning many uses and time interpretations. Cultures are contrasted below in how they deal with time. This can be used to anticipate how culture affects projects and the behavior of team members.

<b>Monochronic Cultures</b> Low Context/High Content	<b>Polychronic Cultures</b> High Context/Low Content		
<ul style="list-style-type: none"> <li>Take time commitments seriously</li> <li>Adhere religiously to plans</li> <li>Emphasize promptness</li> <li>Short-term relationships</li> <li>Do one thing at a time</li> <li>Value privacy</li> <li>Respect for private property; seldom borrow or lend</li> </ul>	<ul style="list-style-type: none"> <li>Time commitments are an objective to aim for</li> <li>Change plans often and easily</li> <li>Base promptness on the relationship</li> <li>Lifetime relationships</li> <li>Do many things at once</li> <li>Value people and relationships</li> <li>Reciprocal obligations; borrow and lend often and easily</li> </ul>		
<p>Examples:</p> <ul style="list-style-type: none"> <li>North America</li> <li>Germany</li> <li>Switzerland</li> <li>Scandinavia</li> </ul>	<p>Examples:</p> <table> <tr> <td> <ul style="list-style-type: none"> <li>Latin America</li> <li>France</li> <li>Taiwan</li> <li>Middle East</li> <li>Philippines</li> <li>Italy</li> <li>Malaysia</li> </ul> </td> <td> <ul style="list-style-type: none"> <li>North Africa</li> <li>Japan</li> <li>Spain</li> <li>China</li> <li>Korea</li> <li>Greece</li> <li>Mexico</li> </ul> </td></tr> </table>	<ul style="list-style-type: none"> <li>Latin America</li> <li>France</li> <li>Taiwan</li> <li>Middle East</li> <li>Philippines</li> <li>Italy</li> <li>Malaysia</li> </ul>	<ul style="list-style-type: none"> <li>North Africa</li> <li>Japan</li> <li>Spain</li> <li>China</li> <li>Korea</li> <li>Greece</li> <li>Mexico</li> </ul>
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Polychronic cultures are relationship-based, so that a highly-developed set of social interpersonal competencies is necessary to work effectively with them. Monochronic cultures are more task-centered. People in these cultures like to get to the point quickly and not waste time on much small talk or relationship-building.

## Communication Style

Another difference between Monochronic and Polychronic cultures is communication style, as illustrated in Figure 1.

Monochronic cultures are low context/high content. The spoken or written words take precedence over how things are said, to whom (in the hierarchy), and in what circumstances or context. Communication flows directly from A to B and begins with specifics and then expands to generalization. The contrasting style (high context/low content) is characteristic of Polychronic cultures. Communication flow is not A to B, but is done in the

context of the situation and the status and hierarchy of those involved. It also begins in general terms and gets to specifics in a roundabout way.

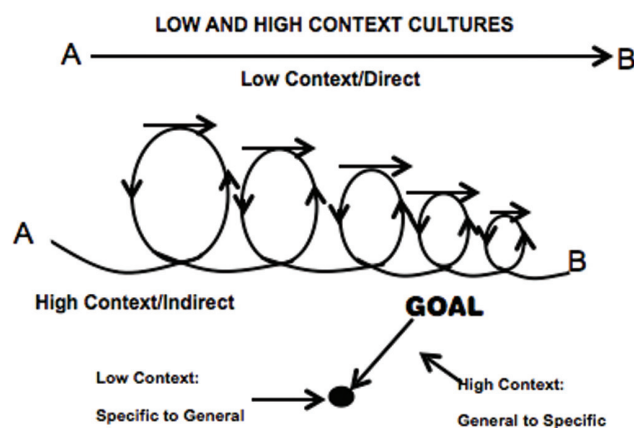


Figure 1. **Communication Styles of Monochronic and Polychronic Cultures.**

## Competencies of International Project Managers

Given the dynamics of national and team cultures, how can project managers be more effective in dealing with these cultural issues? A project manager can be more effective with a management style that incorporates a special set of competencies. Tucker, (et. al. 2014) identified nine competencies that predicted success or failure among 1,800 leaders and project managers of nine nationalities. These are as follows:

### WORLD VIEW

#### Open-Mindedness

Being receptive to and non-judgmental of the ideas and ways of other countries, cultures, and ethnic groups and demonstrating respect for diverse spiritual and political beliefs.

#### Lifetime Learning

A pattern of learning over time, reading newspapers and periodicals (in print or electronically), viewing national and international news broadcasts, and attending formal learning sessions.

### SITUATIONAL APPROACH

#### Patience

The ability to be patient in the face of unanticipated delays or frustrating situations and with people who do not meet expectations of time.

#### Even Disposition

The ability to remain calm, not be critical of oneself, and learn from mistakes.

#### Navigating Ambiguity

The ability to see through vagueness and uncertainty, not become overly frustrated, and eventually figure out how things are done. Taking the initiative and leading through difficult situations.

### Locus of Control

The belief that one's own actions and abilities play a direct role in the process and outcome of the events in life instead of relying on fate, luck, or circumstance. Taking responsibility for actions.

### Demonstrating Creativity

Enjoying new challenges, striving for innovative solutions to social and situational issues, and the ability to see around corners, predict outcomes, and act despite uncertainty.

### SOCIAL/INTERPERSONAL STYLE

#### Adapting Socially

Being comfortable in new and unfamiliar social settings, seeking out and enjoying diverse groups of people, and showing genuine interest in others.

#### Instilling Trust

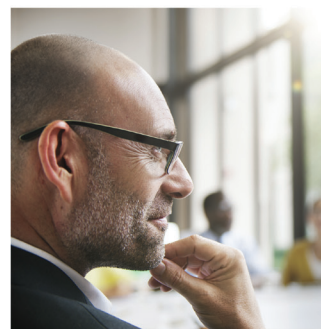
Valuing trust, being seen as someone who can be trusted, and building trusting relationships.

Project managers who exhibit higher levels of competency development are able to achieve these nine factors and are more successful on their international assignments.

### Final Comment

Cultures naturally emerge whenever groups of people come together to work. These cultures can either remain unconscious and invisible, perhaps operating to the detriment of the project, or they can be made conscious and visible, becoming a powerful force for success

The investment in helping project managers to be more interculturally competent is well worth it for the reward – projects delivered on time, within budget, and key talent retained and engaged in ways that more positively impact the global or multinational business.



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