

## Managing International Projects

As the speed of globalisation increases more and more people find themselves working on international projects. Managers of such projects face all the usual problems

- Missing deadlines
- Staying within the budget
- Reaching their target

Now however they often have to work in multinational teams in unfamiliar intercultural environments a long way from headquarters. **Key features** of international projects have been identified. These are:

- Cross border tasks that are innovative and unique;
- A clearly defined project goal (with a deadline for reaching the goal);
- A high level of uncertainty and risk;
- Limited resources with different teams based in different countries;
- Creation of a significant part of the value abroad

### Practical tips for international project managers

- Be aware of time zones and working hours in different countries. Use them to create competitive advantage (for example by having call centres in different time zones, so your staff can offer a 24 hours service)
- Allow more time for the first stages of the project than you would usually allow in domestic projects or projects with monocultural teams
- Check common understanding of project goals
- Clarify and communicate roles
- Establish clear roles for communication
- Invest time in face-to-face communication
- Spend time in team building to create trust and common commitment
- Use partners with local knowledge and employ cultural mediators to coach and support you
- Use job rotation, so that project managers get international experience
- Respect the cultural values of your project team and your customers

### Recommendations for multinational teams

Multinational teams should be aware that expectations regarding the task, the group and the individual can differ considerably and might be expressed in different ways. These hidden differences may be the cause to conflicts in the workplace.

Therefore multinational teams should take extra time for informal communication in order to build trust and understanding. When possible they should use the phone instead of e-mail, this allows team members to exchange thoughts on a more personal level and to find common ground. Personal contact at the beginning of a project helps to clear up misunderstanding at an early stage.

Multinational teamwork is an ongoing process that requires considerable changes in the ways we think and act. It is well worth investing some effort in this process. So this will turn out highly rewarding for both organizational and individual learning.

## Cultures and organizations – Hofstede

Gert Hofstede is the author of perhaps the most comprehensive study of culture's influence in the workplace. In the 1970s he analysed data collected by IBM from over 70 countries (116.000 employees working in 38 different functions). From those results Hofstede extrapolated a model which identifies various **dimensions** of national cultures:

- Power distance
- Degree of freedom (individualisation)
- Differences in the social roles of women and men (masculinity)
- Intolerance of the unknown (uncertainty avoidance)
- Trade-off between long-term and short-term gratification (long-term orientation)

## Aspects of management

### 1. Hierarchies - power distance – salary range:

According to Hofstede cultures with low power distance are characterized by narrow salary ranges, a high degree of consultation of subordinates and few status symbols. High power distance means wide salary ranges, subordinates being told what to do and managers expecting privileges and status symbols. In cultures with low power distance, there is a greater willingness to bypass hierarchical lines than in those with high power distance. Companies in Scandinavian countries have lower power-distance scores than those in Asian countries. Companies in France tend to have higher power distance than those in Germany. Attempts to introduce 360° feedback activities can be difficult to introduce in cultures with a high power distance, such as India. The kind of matrix structures that are popular in German project management do not work in Russia. Here staff members tend to expect clear direction only from their line managers

### 2. Decision making. Differences in the social roles of women and men (masculinity) –

high masculinity cultures expect managers to be decisive and assertive, and they expect conflicts to be resolved by fighting them out. In contrast, in countries where the masculinity score is low (as in Scandinavia), managers try to create a consensus in the group, and conflicts are solved by compromise and negotiation. Another dimension that influences decision making is the degree of freedom (individualisation): Institutions such as work councils and co-determination are aspects of a relatively high level of collectivism, as in Germany. More individualistic countries, such as the US or Britain, do not have such institutions.

### 3. Rules and regulations.

According to Hofstede, rules and regulations are very important in cultures with high uncertainty avoidance, such as Japan. In Sweden or Denmark uncertainty avoidance is low. There is a belief that no more rules should be introduced than necessary. The number of rules also depends on how far cultures favour explicit communication (large number of written policies and formal procedures in the US despite low level of uncertainty avoidance)

### 4. Information and communication:

German managers communicate more about tasks, while in Britain a larger amount of communication centres around motivating staff. In Germany it may be considered negative to give too much praise, in the US positive feedback is an essential part of work. American or British-style “management by walking around” suggests a management style that puts emphasis on direct contact with staff members. (can be misunderstood by Germans – feeling of not being trusted!)

### 5. Motivating staff

High uncertainty avoidance causes a higher motivation for job security. Degree of individualisation in a culture may have an important influence on motivation techniques. E.g. successful product launch: Germans and French favoured congratulating the whole team, British and Americans preferred highlighting individual achievements.

## **6. Working in teams**

The word team is understood very differently in different cultures. In individualist cultures, such as the US or Australia, the team is a group of individuals with particular skills and roles. The manager leads because of his ability to coordinate, rather than because of his authority given to him by the firm. In more collectivist cultures, such as Sweden, teams will spend a considerable amount of time trying to reach a consensus.

### **Working with teams from other cultures**

It's worth clarifying how the team members expect to work together: Is the team there to agree on tasks, which are then carried out by individuals working alone, or will the tasks be done together as a team? Failure to clarify these sorts of expectation is a frequent source of friction in international teams.

The basic dilemma managers are faced with is trying a global approach while respecting local values.