

A BORNINIAN PROJECT MANAGER IN AUSMANIA



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Introduction

Imagine such a scenario, two large organisations from countries with very different cultures and practices, decide to undertake a large joint project together. These two “fictional” countries are Borninia and Ausmania.

Both companies are profitable and well established manufacturers of automotive components, with clients including some of the largest car manufacturers worldwide. Both companies manufacture the state of the art *Tinanion Breaking Systems* (TBS) and compete for its market. However, the Borninian TBS suffer from certain faults that the Ausmanian TBS doesn't. Likewise, the Ausmanina TBS suffer from other faults that the Borninian TBS does not. This is due to the companies being forefront leaders in developing varying functions of the TBS.

The two companies, showing very high maturity and strategic intelligence have decided to setup a joint venture that will take over the production, distribution and sales of the TBS. Not only would this decrease overall production costs by merging them, it will also merge the best know-how of both manufacturers eliminating all faults and resulting in a state of the art TBS.

Ausmania has been selected as the preferable location due to its lower labour cost and better distribution reach to most clients.

A large program is launched to established and make operational this new joint venture. A major project of this program is the establishment of the new factory including the buildings, production machinery, testing labs, etc. The selected manager for this project is Borninian. He was selected for his track record in successfully setting up production plants.

The PMI® has active chapters in Ausmania and Borninia, and both companies use the PMBoK® as the standard for managing large projects.

Given all this, it is expected that the Borninian project manager will have a smooth implementation delivering the factory, and as a result, small tolerances where added to the calculated budget and planned schedule.

Will our project manager have the anticipated smooth ride and meet all deadlines? If you have read the very first paragraph well, you probably and rightly have lots of doubts, and this is what this paper is about.

In this paper, we will look at the historical studies of management and culture and how it maybe applied to “project” management to minimise conflicts and make the best of international projects’ “cultural diversity”.

The Early Researches and Researchers

Studying culture and its effect on management practices is not a new phenomenon. Indeed, the seed to such studies was sown in the early 50s by the American Sociologist Talcott Parsons. Today a number of notable researches have made significant steps towards understanding how culture affect management practices. Below are some of them:

Talcott Parsons (1902-1979) - Prominent American Sociologist and president of the American Sociological Association

Parsons *Social Systems* elaborated in his book *The Social Systems* (1951) identified four major areas whereby a culture's behaviour can be influenced. These were later to become part of the basis of the management and culture studies initiated by Geert Hofstede

Geert Hofstede (1928 -) - influential Dutch researcher in the fields of organizational studies, organizational culture, cultural economics and management.

A social psychologist that conducted the first and one of the most comprehensive studies of how values in the workplace are influenced by culture.

In the early 1970s, Hofstede and his colleagues carried out a major systematic study of work related attitudes based on two questionnaire surveys, which produced a total of 116,000 responses from over 70 countries around the world, making it by far the largest organisational-based study ever carried out.

The respondents were all sales and service employees of subsidiaries of IBM, including sales clerks, professional engineers, and top managers. Care was taken to ensure that the groups were similar in terms of age and education so that the only real differences were their country of origin and its culture.

The original study revealed four main areas where the cultures varied:

- Power-Distance
- Uncertainty Avoidance
- Individualism/Collectivism
- Masculinity/Femininity

Michael Bond - cross-cultural social psychologist whose career has been focused on locating Chinese interpersonal processes in a multi-cultural space

Influenced by Geert Hofstede's culture study, in the late 1980, he thought the help of Chinese colleagues to develop a list of basic values of Chinese people which became the Chinese Value Survey questionnaire.

The results of the survey identified 4 Chinese cultural dimensions of which three were closely correlated to Hofstede's dimensions (the exception being Uncertainty Avoidance). The newly discovered dimension which was adapted by Hofstede as the fifth dimension is long-term versus short-term orientation (LTO).

He is a Visiting Chair Professor at the department of Management and Marketing at the Hong Kong Polytechnic University having previously taught for 35 years at the Chinese University of Hong Kong and contributing to and integrating the literature on Chinese psychology, editing *The Oxford handbook of Chinese psychology* (2010).

Please note that the above is not a comprehensive list, not even of the very key researchers. It is a list of the main ones I have studied to date

What is Culture?

When invoking a study involving different aspect of cultures, one must first answer to the question of what is Culture? What does the term mean to us?

The following selected four definitions, are the closest to our present purpose:

“the act of developing the intellectual and moral faculties especially by education” **Merriam Webster Dictionary**

“the ideas, customs, and social behaviour of a particular people or society” **Oxford Dictionary**

“the way of life, especially the general customs and beliefs, of a particular group of people at a particular time” **Cambridge Dictionary**

“the collective programming of the mind which distinguishes the members of one group or category of people to others” **Geert Hofstede**

- Culture is a collective phenomenon and not to be confused with personal traits or individual personality.
- Culture is learnt from one’s social environment. It is not inherited.
- Culture is relative. That is, a culture has no absolute criteria for judging the activities of another culture as “low” or “noble”.

With particularly the last point in mind, it is important to note the if certain efficient working practices fail to be so in another culture, this is by no means an indication that the first culture is superior to the second. Not even within the professional context. The only conclusion that can be drawn is that the approach of these working practices is not adept for that second culture. Identifying and implementing a culturally adept approach, may result the same or even better efficiency than the first culture.

One needs only to contemplate the following few countries in this context to grasp the sense of the above: USA, China, Germany, Japan, Malaysia, Switzerland.

And there are many more.

Culture and Value

There are various levels of culture such as national, regional, religious, gender, social etc., to which almost everyone belongs to more than one.

The very core of each layer of culture is “value”, that is: our placing more value on one state of affair to another. The end result is often that of multiple layers interacting together; a rather fascinating and very complex dynamic that we will leave to the expert psychologists to continue to explore. For our own end, we must satisfy ourselves in considering the value effect of a culture as a whole. That is, given that we are setting up a subsidiary in the *Tunisian* capital in joint venture with a *local company*, what cultural considerations should we be aware of to minimise conflict and maximise efficiency and cooperation?

Below are a few examples of how certain cultures may place more value on one state than the other.

- Family wellbeing vs. wealth and power
- Group harmony vs. individual achievement
- Scientific development vs. religious teaching
- Democratic decision making vs. patriarchal dictation

The Cultural Dimensions

For the purpose of this paper, we will limit ourselves to considering only the original four cultural dimensions identified by Professor Hofstede:

Power-Distance

The power-distance dimension is concerned with how far the culture encourages superiors to exert power. In a high power-distance culture such as in parts of Asia and the Middle East, that is what being a boss means. Inequality is accepted. “a place for everyone and everyone in his place.”; so employees are frequently afraid to express disagreement with their bosses, and prefer to work for managers who take the decisions (and the responsibility) and then simply tell them what to do. This is often reflected in the country’s social organisations and political structure, where a one-man autocracy (the head of the family, organisation or state) is accepted and respected.

In a low power-distance culture, such as Denmark and New Zealand, superiors and subordinates consider each other to be colleagues, and both believe that social inequality in society should be minimised. Employees are seldom afraid to disagree and expect to be consulted before decisions are made.

Uncertainty Avoidance

This is the ease with which people within the culture cope with novelty. In a high uncertainty avoidance culture there is a history of life being threatened by factors that cannot be controlled. These cultures compensate by imposing laws and controls wherever it is possible to do so and the people feel a need for clarity and order.

The value is placed on “age old wisdom” rather than the “risky behaviour of the young and inexperienced”.

In low uncertainty avoidance cultures eccentrics are accepted and almost encouraged. As a result, there is a great deal of creativity and inventiveness.

Individualism/Collectivism

Individualism is the degree to which a culture encourages people to take personal responsibility for their lives. In a collectivist country, that attitude is not encouraged. A person is not seen as an individual, but as one component of a group.

USA and Britain are two of the most individualistic countries in the world; “I” is the most commonly used word in the language. The emphasis is on individual initiative and achievement, with everyone entitled to a private life and opinion.

Eastern countries in general are far less individualistic than their Western counterpart. The emphasis is on belonging to the extended family or tribe which gives protection in exchange for loyalty. Individual achievement, which separates the person from the group, is discouraged. For an achievement to be valued, it must reflect on the group as a whole. Even guilt is not an individual entity; it brings shame on the whole group. Collectivism is probably the strongest of all the cultural dimensions and even extends to the working group, which must operate as a family rather than a group of individuals.

Masculinity/Femininity

In a masculine culture, success is measured in terms of power, riches and possessions. A feminine culture, measures success in terms of quality of life, friends, relationships, etc., putting little value on possessions.

Japan, Austria, Venezuela and Italy score the highest on the masculinity scale while Sweden, Norway, Netherland and Denmark score the lowest.

Do Earlier Findings Still Apply Today?

A very reasonable question that one may ask is: *does the bulk of research identifying certain cultural trends still apply today?* Especially when we consider the vast reach of globalisation in almost all aspects of our lives? Are we not heading towards a global culture resulting in similar values and practices? Are we not already almost there?

This doubt is definitely valid, and it would be very naive (or arrogant) to ignore the facts that do point towards some cultural integration. However, the truth is and despite appearances, cultures are not conversing, they are instead becoming more accepting or tolerant especially at the work place, but before I get into elaborating on this point, lets look at some aspects of globalisation

Culture and Global Societies

And this is where Globalisation is most evident. Imagine that you are participating in a contest whereby you get moved from one major city to another without being told where. You get to open your eyes and observe only when you are at the very heart of the city's night life. Surrounded by young people, restaurants, bars, cafes, clubs. Imagine also for argument's sake that all the world speaks the same language and that there are no features that can make you distinguish one race from another. How likely are you to know what city or country you are in?

Turn the clock backward a hundred years and participate in the same contest. You will find that your chances of winning have just multiplied many many folds.

Fashion, music, movies, international cuisine and entertainment are all merging and becoming similar. To me, a nostalgic who craves to observe and experience the origins, this observation is somewhat sad. However, we cannot deny that social globalisation did contribute to the current and future generations being more accepting and tolerant. The young when travelling can associate and relate with their international counterparts far more than they did a hundred years ago.

Culture and Global Businesses

When considering global businesses we must be aware that large organisations develop their own cultures. Some grow a company culture over decades that become homogenous worldwide. This is not always the case and more often than not, local culture and practices remain well imbedded in the local branches of the global organisations. Still, a global company culture would also be present (and should be present) to allow proper efficiency and communication between the various local operations.

We therefore face TWO cultures when we undertake a project with a multinational partner. The organisational culture and the local national culture.

The organisational culture is likely to be easier to work with. Identifying it and tuning our approach to best work with it is more straightforward than doing so for a national culture, mainly thanks to working cultures diffusing globally across organisations and national borders. Indeed, international books on organisational cultures are written and used by multinationals as well as organisational consultants in order to establish efficient and motivating working cultures.

We therefore faces “not too unusual” an organisational cultures when we deal with multinationals. It maybe different from ours but unlikely to be a culture we cannot adapt to (and it adapts to us) for the purpose of the common project. The national culture present in the same organisation, is however a very different story.

Culture and Global Working Practices

Practices and therefore working practices are a result of so many factors making it difficult to identify the “why” behind the “practice”. Typical stereotyping would be to instinctively map a cultural value to a practice.

Working practices are the results of personal traits, education, organisational culture and national culture. It is not always easy to decipher which one or more than one is behind the practice.

Working practices are the part of an organisational culture that often remain to an extent distinct from one geographical location to another, and that “extent” of distinction is in big part due to the national culture.

In project and programme management, this is the very area we need to be aware of in order to tune our approach and achieve the best results out of our work.

Now back to our question. Do earlier findings on culture and management apply today? The answer I hope you agree is yes, but with caution. Because:

At the core of cultures, we have values. Values are imbedded in us during our very early years of consciousness and they cannot be changed. Values such as “respect for your elders”, “caring for the poor”, “helping friends in need” will stay with us forever if we are taught them before we reach the age of say 5 year.

Unfortunately, although most values are noble or thought to be so at the time they are given to us, they may no longer be considered as such today and/or if they are still, they may have been over emphasised that they now unjustly take precedence over higher priorities. This is what Geert Hofstede intended by “software of the mind”. Value is our operating system software of the mind and can easily defy what we call common sense or logic in another culture.

So values can only change with a changing generation, and even then and unless its a revolution, slowly and not in all their aspects.

A certain dark and fatalistic expression often comes to the faces of those I outline this point to. Noting that values has predetermined who we are and if they cannot be changed, then who we are was determined when we were 5 years old.

The fact is not exactly like this. Self awareness is knowing what your values are and what your believes are. You may change your believes in contradiction to your values. You will be aware of some internal conflict. You know it and you manage it. It plays on your emotions sometimes but you know that it is a hard written programme, so you manage it. There are many examples which one can speculate on but I cannot for the moment think of any stronger than the experiences of persons crossing gender or changing lifelong national alliance or religion.

I once worked with a colleague on a long project who missed out on almost half appointments and working days because of family issues. Not serious ones, things like giving company to visit the doctor, help install a new DVD drive, give support to a worried uncle, etc. The fact that other family members would not sacrifice their working days and risk their career for minor family issues did not strike a note with my colleague. When I “mistakenly” took it on myself to highlight this issue he was offended and responded that regardless of how the rest of the family behaves he will not change. Family is top priority and come far before work. My point of balanced priorities was completely missed and understood instead as an attack to my colleagues very strong family values.

I learnt two lessons from the above story: *One*, balanced or not, values in themselves cannot be changed. *Two*, although we have to address the values we must be extremely delicate, otherwise it will backfire.

The Desired versus the Desirable

Nope, I am not going to write about psychological conflicts between our conscious and subconscious. The above title applies to most of us and is rather straightforward.

The desirable is what one believes to be a good state. That is what is accepted as appropriate social norm, working practice, family interaction and relationships. The desired on the other hand, is what one desires for her or himself. The desirable and the desired are unlikely to match in all aspects of our lives.

You may ask friends or colleagues about what they believe to be an appropriate way of managing the execution of small initiatives. They may respond that small initiatives should be managed by delegating work packages or even

objectives to those most fit to do them. Now ask again if they would prefer to work for a manager who delegates objectives and does not manage their activities. Some will surprise you by answering that they don't prefer such a manager but rather a manager that will tell them exactly what to do. Many people don't want to take the risk of choosing the wrong or lesser effective course of actions and prefer to be told exactly what to do. They may still generally believe that delegation is the better way of management but for themselves, they rather be told what to do.

The above as can be expected, did generate significant issues with early researchers asking participants to answer questionnaires relating to their values. They had results that did not reflect the true desires of the participants but rather the desirable or norms or believes making it difficult to assess or predict their reactions to various management styles.

Geert Hofstede's insistence of cultural relativity springs partly from this issue. What Hofstede noted is that regardless of how close the answers are to the true desires (which sometimes can only show itself when faced with the choice), a group A that has answered twice as much preferring a delegating manager compared with group B, would truly reflect that group A prefers delegation *in comparison* to group B. Hofstede therefore insisted that the results of his research is meaningless in absolute. That is, while the statement that group A has higher preference for delegation compared to group B is true, the statement that group A is a delegation preferring group is false.

For our purpose however, we cannot be satisfied with only comparative cultures. Being aware of the cultural relativity and their effect on management practices works well for businesses setting up overseas, whereby one culture has moved to the land of another and the differences are truly relative.

Absolute Dimensions versus Comparative Dimensions

International projects often involves multiple parties with more than two cultures. Each party will surely involve team members who worked on international projects before (and thus were selected to work on this one). The project manager is most likely to have worked on a number of international projects in his/her career.

What this means is that members of an international project teams do not necessarily behave in a culturally coherent way.

Imagine the team members of a large agricultural project involving an American, a French and an Egyptian company. The project is taking place in rural Egypt. The team members are likely to be very cultured and well travelled persons (hoping that their organisation acknowledged the merits of such traits to their role), who had acquired various habits and working practices through their international assignments that are not in coherence with their national culture.

Some of these acquired practices may have originated in Switzerland while others in Saudi Arabia. How is the project manager (who is unlikely to culturally differ from them) going to be able to utilise cultural relativity to tune his/her approach? The relativity of his culture of origin score against the culture of origin's score of the team members is misleading. This group does not necessarily behave or react in accordance with the norms of their cultural origins. So neither absolute score of the dimension nor the comparative are truly reflective.

This is a dilemma I faced myself trying to adapt my project management approach to my colleagues while working on a European Commission (EC) External Cooperation Programme in the Middle East.

It was then that I came to realise the need for a different approach of cultural adaptation for international projects as opposed international businesses. We have to take each case as a case on its own. This case is not necessarily the individual person (especially if the individual is part of the super-international team noted above), this case can be down to the PRACTICE.

Culture and Practices

As noted earlier, no culture can claim superiority over another, and for multicultural initiative to work efficiently, good consideration to cultural differences must be made.

This however does not imply that we must accept local practices as they are. We should be able to distinguish between practices and culture, identify the cultural source(s) of negative practices, and aim to change these practices with respectful consideration to the culture.

Cultural consideration is not an acceptance of local practices.

An example would be a culture within which team members often miss or arrive late at meetings and group sessions, resulting in repeatedly wasted time and effort of all involved.

The cultural source could be a strong feministic culture giving priority to family and friend over work *even in trivial circumstances*, and it is mainly the family's last minute needs that are compromising valuable working time ("my son had to show me his homework this morning", "I needed to give my daughter a lift to a friend's party", etc).

This *practice* cannot be accepted as is, yet, it cannot be addressed with a manager's speech: "if you want to work with us, then your priority must be ours. You should be able to answer with a valid reason for delays and missed sessions". This is exactly how the early multinationals failed abroad.

Knowing that the family is a priority deeply embedded in the local culture as an absolute "value", the culturally aware manager would aim to extend this family and say: "for us to work together, we all must respect each other's priority. We would never ask you to compromise your family's priorities for work and would want to know whenever you need the time and support to resolve family issues. We would also ask that each of you give this project and its team the same treatment and consideration you expect from them, and not to unjustly compromise your colleagues' time and effort. We are one family in this project and our success and wellbeing is one and the same."

If we embed this concept well, then much of the delays and missed meetings will diminish while respecting the related cultural value that have produced this "negative" practice. We may never have the punctuality of the Germans or the Brits, but we will reach as far as we can effectively reach.

No culture is superior to another, but within certain contexts, a practice arising from a culture's value can be negative. Change the "context" with respect to the value, and you get a win-win situation.

Now, what if the reason behind the noted "negative" practice is not a *feminine* culture that gives disproportional priority to family and friends over work? What if the reason is a *masculine* culture whereby being late to, or altogether missing meetings and group sessions is perceived as a mark of importance (an indicator would be that senior members of the team are often late while junior members are always on time)? I think you would agree that the above manager's speech would fail. What would be the appropriate approach?

I will leave this to the reader to contemplate.

Observe, Verify and Tune

The above example can serve as our basis for tuning or project management approach to the culture of team members and stakeholders. Whenever as an international project managers or team members we encounter a negative practice from our "international" colleagues or stakeholders, it is crucial that we take the time to contemplate the core reason(s) behind such a practice. In doing so, we must be very wary not to stereotype by directly associate the practice to the cultural values as this is not necessarily the case.

As noted earlier, practices are the results of personal traits, education, organisational culture and national culture. It is not always easy to decipher which one or more than one is behind the practice.

What we need to do is to “speculate” the reason (values) and then softly test our speculation. In the example above that maybe asking the late team member to join you at dinner to discuss work issues and/or on Saturday morning. If our speculation that the source value of the practice is a feminist culture, our team member is likely to resist such meetings noting that unless it’s an emergency, time out of work hours is reserved for family and at that point we can safely confirm our speculation and tune our approach to project management in embedding the “team as a family” concept with the appropriate team members.

What Next?

This paper is an outcome of a research following last year paper presented at the PMI EMEA Global Congress in Marseille, France titled “Cultural Complexities in Multinational Project”. This research has now become part of the scientific committee of the European School of Project Management and is titled “Project Management Across Cultures”. The research make full use of existing findings of previous works, from the World Value Survey data and build on them using targeted questionnaires, multicultural project managers’ experiences and academic research.

A discussion forum whereby international project mangers can participate in sharing their experiences and comments on the subject has been setup. If you wish to join our research or learn more about it, please visit <http://www.espm.eu/index.php/en/scientific-committee>

Conclusion

Research into the cultural impact on multinational businesses was and still is, key to the success of global businesses. Much of Geert Hofstede’s findings can be directly applied to multicultural project management since much of the principles are universal (delegation, acknowledgement, etc.). However, the approach and context may differ.

Projects do not have the luxury of time that businesses have to assimilate into the host culture or create a new culture from the mix. International projects have a mix of stakeholders and team members that may have never worked together before, each with his/her own culture and practices.

Lacking the time to assimilate into or merge the cultures, in international projects we must be culturally aware and able to identify and appropriately address negative practices without offending cultural values.

There is an existing research initiative by the European School of Project Management (www.espm.eu) for the purpose of further identifying and addressing possible cultural conflicts in projects and programmes.

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Oh yes, and before I forget... The Borninian project manager in Ausmania? He made it within tolerance.. He had read a book title: "*The Culturally Aware Project Manager*"!

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