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## Intercultural Project Management. An emerging reality or a theoretical idea?

### Abstract

*During the last decade we have seen major changes, in our life style, in our working style, in the society both in social and financial terms, in our beliefs, values and way of thinking. All of them create the new working and living conditions, which involve reconciling possible differences and creating synergies across teams, functions and regions. People are now enabled by technology to be creators of their own lives and designers of their own lifestyle. The World Wide Web allows people to move from back end to front end of innovation. It is not about consuming anything. It is about living side by side. Our world is defined by intercultural management and communication, strongly based on Communities of Practice (CoP) and the use of ICT. It is all about customized personalization in an ecosystem. More and more people reallocate more often than before, more people prefer to work in different countries than their home one and all have one thing in common, they have to work with other people with different cultures, different social characteristic and different academic backgrounds. Talented people all over the world relocate in order to provide their skills and knowledge in areas that are needed and wanted. But how this can be managed effectively both for the team and the individual, when a team is constituted by people from different countries? How can a manager lead a diversified team both in terms of location and culture? Those are the most common questions managers of projects face nowadays. Intercultural management involves understanding and respecting national, corporate, religious and ethnic diversity. It aims to build cross-cultural awareness and develop intercultural competences, but is Intercultural Management the answer to all of the above?*

**Keywords:** Intercultural Management, Project Management, Intercultural Communication, Intercultural Competences, Intercultural Management Mistakes, Cultural Discrimination

## Introduction

We live in the so called digital era. In every aspect of our everyday activities, technology plays a very significant role and everyone is dependent on it one way or another. Also, now that the “Net Generation” (also known as Generation Y, First Digitals or Millennials) is getting involved in management positions as line managers, their characteristics is another issue that needs to be taken into consideration, since they have a unique learning style which affects their work methods and thus their management style and working in teams style. This is the generation of MP3 players, instant messaging, online gaming and peer to peer file sharing. This is the generation that strongly believes that “culture can be taught” and is more in favor of people oriented Human Resources models with focus to employee orientation and loyalty to the company, rather than to product oriented models. The key aspects of such models are motivation theories and progress within the organization.

New concepts as *Social Return of Investment* [NEF- The new economics foundation - <http://neweconomics.org/projects/social-return-investment>] are introduced and different types of skills are needed. In the previous era the skills required in terms of management were: planning, budgeting, measuring, evaluation, organizing, structuring, and controlling. In the new era the skills required include: innovation, questioning, challenging, dreaming, imagining, experimenting, learning and enterprising. The new manager should be able to understand, in order to manage effectively, the different ideas, values, behaviors and perceptions of their team members and communicate to them and with them, the needs of the management, the clients, the market, the project phases, etc.

These team members usually work for the same organization or in the same project and may share the same professional occupation, but the fact that they do not share the same cultural background provides them with a different view of the world. As a result, they think and behave differently to each other. Virtual teams are also on the rise, as the European Integration takes a pivotal role in business and cultural diversity based on the use of ICT, so to enable teams all around Europe to work in an efficient and effective way both in terms of cost and results, one of the 21st century most common challenges.

But is senior management able to understand all the above when they come from a completely different society, where relocating from country to country was limited, the use of ICT was only for work reasons, the social life didn't include social media, the economic crisis was a notion? Can they communicate in a way that they could be understood and understand their team members with all of the above intercultural boundaries in the picture?

Intercultural management is the process that tries to answer all of the above using several different management techniques, social and psychological skills, communication skills and effective interaction between staff/ team members. It can be referred as well as *business anthropology*.

### **The Project Perspective Aspect**

During the lifecycle of a project, culturally diverse teams with different skills need to work together for the proper implementation of it. These individuals usually reflect their cultural diversity in their behavior, both in terms of working and social context. They want to collaborate and they are oriented to work with other people in an intercultural environment, but when the problems arise, then either they try on their own to solve them or look towards the project coordinator to provide them with the answer/ solution to their problems. If a coordinator cannot understand the challenges emerging from the thin line between supporting his/ her team and not letting them get the so needed opportunities for initiatives, then the project could be in stake and the success of it is threaten.

### **Cultural barriers**

If the Project Coordinator doesn't take into account the intercultural differences of the individuals constituting the team, then their intercultural differences will hinder their performance and eventually lead to the failure of the project. Such outcomes can be avoided if intercultural differences are understood and correctly deciphered by every individual working as part of a multicultural team. In order to avoid such negative and nether results, the managers need to have an intercultural skill set, which on one hand will help them avoid miscommunications and misunderstandings while on the other will strengthen the teams coherence and thus avoid potential clashes, which arise often when working in an intercultural context.

The most important aspect that a coordinator of a multicultural team should have in mind is the fact that each persons' cultural values shape the majority of the working key aspects such as: the expectations from the leader/ coordinator, the teams' interaction between each other, the working conditions and the time schedule issues, the way each member understand and tries to overcome conflicts. Those different intercultural values affect directly the communication patterns of the individuals as well as the working and interaction patterns. But since, those differences are instinctive and in the subconscious of each individual, most people they don't even realize it and thus cannot make the

connection between their own cultural values and beliefs and the way those impact their working habits, patterns and practices. This lack of awareness can lead to severe intercultural misunderstandings, incidents or clashes.

As many psychologists have proven in several occasions and through several researches, one of the basic human characteristics is the belief that “what I do is the normal/ correct way” while “what other team members do different from me is strange and irrational with no logical explanation behind it”. This mistaken approach and idea usually leads to frustration which raises barriers and obstacles within the team and thus affects the quality of the final output and the collaboration of the intercultural team. Intercultural Managers have to make their team members feel valuable and respected, show to them their work is also respected, understand the skills of each team member and help them bring out the best of themselves.

### **Stereotypes**

Another very common problem the individuals that haven't worked before in multicultural environments face is the use of stereotypes and generalization, so to interpret the actions and behavior of the rest team members. The truth is that although sometimes the use of stereotypes can provide with a basic understanding for predicting the behavior of their fellow team members, most of the times are inaccurate and instead of leading into a better collaboration and communication, they lead to the completely opposite results. It's incorrect to believe that individuals coming from specific cultural backgrounds always behave and act the same way. Stereotyping is wrong and there are so many recent examples that prove that, with the most common the so called “Social Gamer” which although it was believed to be a male teenager introverted “nerd” the truth came out from a report in 2010 [“2010 Social Gaming Research”, Information Solution Group, Pop Cap Games] that is a female of the age of 35 years old.

### **Project Coordinator Mistakes**

The third most common mistake that appears in multicultural projects, is the notion of the project coordinator that no cultural differences exist. Different cultural backgrounds exist not only between countries but also within the same country and denying it create misunderstandings leading to cultural clashes. People are different, people think different and that fact should be recognized and accepted by the project coordinator, so to be able to interpret the signs of the members correctly and on time and respond effectively and efficiently to them.

Each manager that coordinates projects with cultural diversity needs to understand the specific culture of each team member, the impact it has on their working style and on the team eventually as well. They need to have specific type of skills and mindset that can be gained through training while those need to be exercised constantly, in order to be able to perform in a way that would lead to the desired results and harness the cultural differences existing within the team. Such Intercultural Management training programs offer the opportunity to managers to gain a solid and sound overview of the challenges needed to be combated during the lifecycle of a project, provide insights on the strategies that need to be followed and efficient ways of overcoming cultural differences that can have a nether effect on the overall project results and expectations and thus a negative impact in terms of the team's efficiency.

The majority of training courses on Intercultural management are designed in such a way that they offer to the participants the opportunity to enhance their knowledge on the importance of cultural differences in terms of communication, management and work. Additionally, it helps them to develop the necessary intercultural management skills, through a series of courses such as intercultural values, beliefs, habits and attitudes, intercultural communication skills and styles, intercultural working strategies, leading to the critical mass of understanding the way culture is influencing the time, space, group dynamics, authority, tasks, relationships of the team and thus resulting in an efficient way of working together in a way that harness the team's experience and skills.

### **Intercultural Communication**

Another crucial and equally important aspect of intercultural management is intercultural communication. As intercultural communication is defined the communication between individual people that have a personality that presents cultural characteristics that stem from different cultural spheres, thus engaging an interaction through a "conversation" (physical or electronic) on shared interest issues.

In projects, the different teams that are called upon to cooperate often find themselves to situations where one individual perspective seems completely diverse to that of the rest members. In such cases the group members have to expand their notion of perspective so as to incorporate inter-ethnic, inter-religious, and even inter-regional communication. Each of the individuals participating in a communication has to lower the degree on which he/ she is drawing conclusions based on personal or idiosyncratic values, personality traits and experiences, with an aim to approach the communication interaction with a more interpersonal, than intercultural view.

For business communication, sensitivity to intercultural factors is a major key to achieve success towards the final result. Individuals from different cultural backgrounds should they become more intimate and open themselves to their peers, then the interactions more often than not, become typically more interpersonal than intercultural, though intercultural elements always play a role, achieving that way a common contact point with the rest of their peers and building a solid base so as to cooperate, communicate, achievement, organization and performance in the frame of any project.

In these years of ever globalized environment each country, which was earlier considered as a common homogenous culture, now tends to become more fragmented to different cultural groups that raises the reasonable question of who belongs to the most representative cultural group of them all. Given this consideration, the traditional theories of group identity recognize two (2) types of group identity:

- a. Recognized identity** with specific demographic and role descriptions that other individuals in a communication assume to be true for an individual. This identity is often drawn after of one's physical appearance, ethnic associations or other stereotypical associations.
- b. Asserted identity** is consisted of the values and practices of an individual's affiliation to a new cultural group.

Both of the above identities are important to understand an intercultural communication, since when an individual communicates with another he/ she bases his interactions on the ascribed identity (how you are being perceived by that other person), however the second individuals' interactions are based on his avowed identity or asserted identity, creating frustration and miscommunication. Moreover, this constraint given the globalization issue that takes place more and more by time, gives a good overall view of the importance of intercultural management theories and characteristics one must indulge in order to be effective.

The importance of the communication characteristics under the scope of intercultural management skills build on to develop the necessary skills such as intercultural values, beliefs and attitudes, styles, intercultural working strategies that will give a manager or a Project Coordinator those attributes assisting him to perceive a specific cultural group not with a static label or fixed attribute set, thus achieving to communicate, cooperate, identify strong & weak points, and finally delivering the project's desired outputs indifferent of the cultural origin of the group. In this frame, it is important to see the most common areas that intercultural management is needed in order to be able to manage the teams.

## **Areas of Cultural Discrimination**

The most common three areas that intercultural management is needed in order to be able to manage the teams properly and efficiently are in terms of Gender, in terms of Age or in terms of Country.

### **Gender Case**

Women think, behave and operate in a different way than men. They have completely different stimuli and thus different type of commitment and focus than their male counterparts. The most common mistake a project coordinator does, is to think that both men and women have the same learning and working styles and thus behave towards them the same way, without taking into consideration the different skills and strong points of each one. The 2009 McKinsey Women Matter Survey [Sandrine Devillard, Georges Desvaux, Pascal Baumgartner 'Women Matter', McKinsey, 2007 & Women Matter 2 - Female leadership, a competitive edge for the future, McKinsey 2008] and the 2010 McKinsey Centered Leadership research both found that key attributes of women are –intellectual stimulation, inspiration, participatory decision making and setting expectations/rewards.

### **Age Case**

The demographic bomb generation or the “digital aliens” is the generation that was based in a completely different type of motivation and stimuli. It's the generation that started their working life after the war, where their main motivation was the quality of life under a financial perspective. All those people, learned to be active and committed to working environments that reward them in financial terms, while the newer generation in terms of ethical and social perspective. Still, this generation constitutes almost the 45% of the working force all over Europe but since it was a generation with less education opportunities, either due to financial reasons (lack of money) or social reasons (lack of Universities after the war) they don't hold the majority of management positions, which indeed are carried out by younger generations. So a project coordinator usually has to combine in the same group those two different groups, that they have different ideas, working habits, type and reasons of commitment and finally reward expectations. So a project coordinator should combine the different management theories and strategies each one focused in the different target groups.

## Country Case

Researches had shown that values, beliefs, attitudes and work practices deriving from the social aspects of a country tend to differ according to one's cultural background. Some most common examples of that are: showing emotions during work conflicts or not, work only during the hours that are stated in the contract or stay longer and take work at home, effective duration of a meeting, working in small or bigger teams, facing gender equality issues as a reality or a notion, are some questions that different cultural groups will answer differently. But the same coordinator should deal with all those individuals, in the same project, with the same objectives and goals. According to academic researchers, such as Geert Hofstede [Geert HOFSTEDÉ, *Culture's Consequences: Comparing Values, Behaviors, Institutions and Organizations Across Nations*, Sage, 2002] Edward T. Hall [Edward T.HALL, *Guide du comportement dans les affaires internationales : Allemagne, Etats Unis, France, Paris, Le Seuil*, 1990] and Fons Trompenaars "*cultural behaviors vary according to a series of dimensions on which we can place the countries of our colleagues*". Key cultural dimensions include:

- *Understanding between people results from the combination of information and its context. Some cultures have a rich context (close links between people, high level of the unspoken/unsaid)*
- *Masculinity vs. femininity as the sign of a high level of competitiveness and a value given to performance*
- *Hierarchy vs. egalitarianism or Individualism vs. collectivism*
- *"Monochronic cultures" vs. "polychronic cultures" where on monochronic time is seen as a tangible resource while on polychronic time is seen as an element of several tasks which can take place at the same time and which are linked more by relation rather than by time.*
- *Interpersonal distance is limited by a sort of protective bubble around each individual*
- *Groups vs. individuals*
- *Relationship vs. task*
- *Open vs. hidden displays of emotion*
- *Degree of comfort with uncertainty and risk*
- *Work/life balance*
- *Attitudes to time and space*
- *Attitudes to nature and the environment*
- *Person Valued vs. Work valued, in some cultures being valued as a person is not so important as long as their work is respected*
- *Long term vs. short term emphasizing the relationship more than immediate results*

As Geert Hofstede [Geert HOFSTEDÉ, *Culture's Consequences: Comparing Values, Behaviors, Institutions and Organizations Across Nations*, Sage, 2002] states

*For example, a team member from a hierarchical culture such as India tends to be more deferent to their manager and expects approval for each piece of work before moving on to the next stage. Conversely, team members from more egalitarian cultures such as Australia or the USA are usually much more comfortable working autonomously.*

### **Final Remarks**

Intercultural Management is a new way of management focused in the needs of the society and individuals of the 21<sup>st</sup> century. It's based on the great opportunities for collaboration between teams from different cultures, operates as a proactive approach and recognizes and respects the skills of each individual and try to fully utilize the potential and talents of each team member. It's a management style that has as a sole purpose to help managers to improve their own cultural knowledge and sensitivity, to help them develop their knowledge, skills and strategies, to help them become more 'culturally curious' and all of the above in order to be able to tackle with the frustrations and conflict that may arise and to harness the positives in order to create synergy from the culturally diversified teams. It's a management theory that uses as a main carrier communication skill, attempts to resolve any dispute quickly, values harmony and is contrast with the old management theories that focus more on individualistic approaches rather than a team approach. It's a collective approach that re-evaluates what has worked well in the past and tries to fit those elements in the global and multicultural environment the market of the 21<sup>st</sup> century demands to.

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