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Culture and Project Management

Abstract: Project management in every situation is based on planning, organizing, motivating and controlling resources for the attainment of certain goals. This essentially means that the success of the management of a project will depend on the results achieved as well as the resources committed in achieving such results. Irrespective of the objectives of a project, one fundamental fact remains significant, that is, the fact that projects are geared towards the improvement of conditions in a particular society. This article is interested not only in the art of project management but also the factors which could influence the success or failure of these projects. In this article, the influence of the culture of the society for which a project is meant will be examined to find out whether it influences the conception and implementation of the project in any way. In this regard some case studies of projects will be studied to find out the extent to which the cultural context of the society played a significant role in particular projects. The other case which will receive attention in this write up will be the significance of culture at each stage of the project. These elements will be discussed paying particular attention to the dimensions of culture proposed by Hofstede and how they influence the project management process.

The conclusion of this article will propose an approach to project management which takes into consideration the cultural context in which the project will be realized and the stages of the project management process which should involve more cultural orientation

Key words: Project Management, Culture, Lifecycle.

Introduction

Over the years, the art of business has developed into a complex system which is not just interested in the earning of profit but doing so in an efficient manner.

Businesses have therefore adopted different ways of achieving its goals and one if such ways is project management. In the words of Ranf Diana Elena [2010, pp. 657], "in tough economic times and under global competition, management by projects is now regarded as a competitive way for managing organizations", this option offers organizations the opportunities to decentralize its operations into projects thereby reducing the size of the institutions which has to be run into smaller units for better monitoring and controls.

Although projects have been carried out for thousands of years, Project Management, as a unique way of management, is a recent discipline [Frame, 1995, pp. 1-288 and Dvir & Lechler, 2004, pp. 1-15]. To a large extent, it is a consequence of mayor projects conducted during World War II, the best known being the Manhattan Project [Frame, 1995, pp. 1-288]. Most authors agree that projects are unique endeavors [Andersen, 1996, pp. 89-94] with a finite duration, and that they involve the coordinated undertaking of interrelated activities in order to reach a defined goal [Frame, 1995, pp. 1-288]. Turner and Müller [2002, pp.1-8] argue that the traditional definition of project is incomplete, and propose the following definition: "A project is a temporary organization to which resources are assigned to undertake a unique, novel and transient endeavor managing the inherent uncertainty and need for integration in order to deliver beneficial objectives of change" [Turner and Müller, 2002, pp.1-8]. This view of a project as a temporal organization has recently become popular and more and more researchers adopt it and develop it [Turner, 2006a, pp. 1-3].

Turner [1993, pp. 93-102] defines a project as "an endeavor in which human, material and financial resources are organized in a novel way, to undertake a unique scope of work, of given specification, within constraints of cost and time, so as to achieve beneficial change defined by quantitative and qualitative objectives". This definition in other words captures the different specializations within large corporate organizations which are run independently as if they were separate organizations. In recent times, the complexity of projects has increased drastically thus requiring a team of talented individuals who can be integrated into an effective group – project team. The success of the various stages of the project life cycle is hugely dependent on the effectiveness of the teamwork. According to Knutson [2001, pp. 16], tough global competition has created an acute need for faster, more flexible, and highly competitive operations. These needs can be met only by developing high-performing teams. Effective team building is one of the prime responsibilities of the project manager.

The most generally accepted definition of project management is that proposed by the Project Management Institute [PMI, 2000, pp. 6] which defines the concept as "the application of knowledge, skills, tools and techniques to

project activities to meet project requirements". Putting this definition in simpler terms, it means achieving the project objectives with the resources available. There are however different aspects of project management and one of the most famous if the 'iron triangle' of cost, quality and time proposed by Atkinson [1999, pp. 337-342]. Other authors have chosen to concentrate on other aspects of project management, but this article will be looking at the influence of culture on the project management process. This is because projects are implemented in societies, implemented by persons and these persons and societies have certain thoughts and mindsets which influence whatever it does; therefore any factor which might seem important in the project management process is ultimately influence by this concept of culture.

Culture has been defined diversely by different authors, one of such definitions is the one proposed by Schein [1985] which says "culture is the way in which a group of people solves problems and reconciles dilemmas"; this however appears too simplistic and not tailor-made for this publication. This article will be adopting Hofstede's definition of culture shared by Trompenaars and Hampden-Turner. It can be assumed that 'national culture' refers to a particular pattern of thinking and acting espoused by people in a society, modeled around collective values, beliefs, symbols and practices, and inherently different from the systems of other groups of people and societies;[Hofstede, 2001; Trompenaars and Hampden-Turner, 1997]. The influence of national culture on a number of business processes has been proven by researchers over the years with the pioneer of such researches being Hofstede. In the field of project management, not so many publications exist about the influence of culture on project management and the few which exist concentrate mainly on the cultural differences in the practice of project management in multicultural settings. This publication will seek to make the point that it is important to give cultural considerations to every stage of the project management process/ phase. Results from studies conducted will be used to support these positions. The question to be asked now is why culture out of all the factors which could have an influence on project management?

Culture

In one of the most comprehensive surveys of project management conducted by the 'FELLNER Executivetraining und Consulting' and 'Project Management Austria' which involved about 250 project managers, identified the key factors which are truly critical for the success of projects as well as the role of social competences for project success. From their findings the most critical factors emerged as the relationships and social competences within the teams. These among others include team building; atmosphere at work; relationship with the owner of the project as well as the involvement of the clients. Factors which

over the years have received attention as the 'most critical' to the success of projects did not make a cut at the top-most positions; time, money as well as the project management methods did not emerge as the most vital success indicators.

From the findings of this survey, it is clear from the persons who oversee projects that the success factors of every project are connected with human relations, comfort and the extent to which to which the stakeholders identify with the said project. All these factors highlight the human element and every human entity/grouping is identified by a set of values and convictions – which brings us back to the definition of culture. The results of the survey are presented in the chart below;



Figure.1. Key Success Factors of Project Management.

FELLNER Executivetraining und Consulting [2008]

Apart from the results of the critical success factors of project management, this survey also investigated what skills a project manager should provide to make him or her successful at the art. The competences taken into consideration in this survey are the fifteen (15) social competences listed on the IPMA competence baseline. These social competences are believed to be what every project manager needs to manage projects successfully. The competences which emerged as the most required for all managers were leadership; commitment and motivation as well as result orientation. The rest of them were rated evenly.

A quick glance at the second aspect of the survey gives the impression that everyone agrees that the input of a manager is key in the success of projects. The only question under discussion here is which attributes possessed by this individual are most useful in the supervisory process?

Going by the model proposed by Hofstede [1980], which proposes that individuals have a personality, live as part of a collective group and so have a culture which is part of the universal entity. The interaction of personality, culture and the universal group lead to a mental programming of the individual which in any situation results in a behavior (and for the purpose of this article, competence). This by inference means ever behavior or competence has a cultural background to it. The following table presents results of competences from the survey;

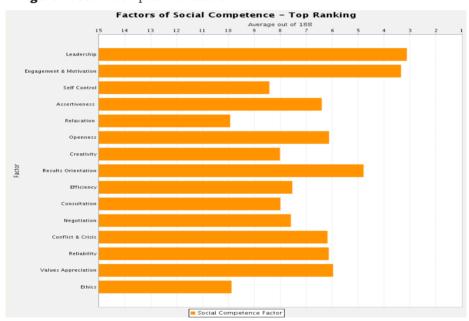


Figure.2. Social Competence Factors.

FELLNER Executivetraining und Consulting (2008)

Hofstede [1984] identifies the dimensions of culture and their ranking in forty (40) countries around the world. These dimensions of culture as identified by Hofstede include; Power Distance, Individualism, Masculinity/Femininity, Uncertainty Avoidance and the last one Long term Orientation which was developed much later in the 1990s after his research with Chinese employees originally known as Confucian dynamism. The scores for these dimensions

were different in every country thereby suggesting that the conduct of business or any activities in any of the countries should be done acknowledging these peculiarities. He defines these dimensions as follows;

 $PDI-Power\ Distance$: This dimension deals with the fact that all individuals in societies are not equal – it expresses the attitude of the culture towards these inequalities amongst us.

IND – Individualism: The fundamental issue addressed by this dimension is **the degree of interdependence a society maintains among its members.** It has to do with whether people's self-image is defined in terms of "I" or "We".

MAS – Masculinity/ Femininity: This dimension indicates that the society will be driven by competition, achievement and success, with success being defined by the winner / best in field – a value system that starts in school and continues throughout organisational behaviour.

UAI – Uncertainty Avoidance: This has to do with the way that a society deals with the fact that the future can never be known: should we try to control the future or just let it happen? This ambiguity brings with it anxiety and different cultures have learnt to deal with this anxiety in different ways.

LTO – Long Term Orientation: The long term orientation dimension is closely related to the teachings of Confucius and can be interpreted as dealing with society's search for virtue, the extent to which a society shows a pragmatic future-oriented perspective rather than a conventional historical short-term point of view.

Looking at the results of the results from the key success factors of project management and comparing them with the dimensions of culture proposed by Hofstede, it is crystal clear that all these critical success factors are in a way or the other linked with the dimensions of culture. Narrowing the lenses on the three topmost critical success factors; working atmosphere, team building, objectives and milestone, this assertion is further supported. For example the dimension of power distance is key in determining the work atmosphere; individualism and uncertainty avoidance are key in the team building process; and masculinity and long term orientation are also vital in the setting of objectives and milestones for a project. It is therefore no surprise that this article has chosen to discuss the influence of culture on project management since the top three critical success factors of project management are closely linked with the dimensions of culture.

The social competences of a project manager required for the success of a project is no exception to the influence of culture on project management. All the 15 project management competences are also closely associated with the dimensions of culture. The adjudged most significant social competence; leadership; is determined to a great extent by the cultural dimensions of power

distance and individualism. The competence of engagement & motivation are strongly influenced by the dimensions of long term orientation and masculinity whilst the competence of results orientation is determined by the dimensions of long term orientation individualism.

Having established that all these key success factors and competence factors of project management could be influence by culture, it will make sense to assert that project management in any culture will require different set of competences to tailor the project and its implementation projects to suit the culture and to achieve the right results and feedback. The question at this stage is, what are the phases of project management and how can the concept of culture be inculcated in each of the phases?

Phases/Stages of Project Management.

Depending on which author is writing this aspect of the article can be referred to as 'phases of project management' or as the project 'management lifecycle' but essentially the two notions convey the same meaning. Even in the case of the use of the term 'lifecycle' there are two different meanings.

According to the New York State Project Management Guidebook, the project lifecycle describes the tasks that must be completed to produce a product or service whilst the project management lifecycle defines how to manage a project. This means that whilst the project lifecycle might be determined by each project, the project management lifecycle remains the same irrespective of the project life cycle being employed.

According to Pathak [2012], there are different schools of thought when considering a phased approach to project management. Some may claim there are 3 phases to a project while others say it is 5. All in all it is reasonable to adopt the most suitable approach depending on Industry type or project scope. The management of a project is solely based on the basic idea that a project goes through a number a phases characterized by a distinct set of activities or tasks that take the project from conception to conclusion. Projects may be big or small, constrained by cost and time often complex and therefore it is important to take a structured and defined approach to managing them through their entire lifecycle.

The Project Management Methodology Guidebook [2009] is of the opinion that during the lifecycle of any project, proven and tested project management processes or best practices should be initiated. The types and extent of processes initiated depend on the nature of the project, that is, size, probability of failure and consequences of failure. Strong and effective leaders apply processes to protect all projects.

The Project Management Institute [PMI, 2000] provides guidance for project management in the Project Management Body of Knowledge (PMBOK).

Every project has a life cycle, with a beginning, a life and an end (defined by accomplishing the objective).

The division of a project into phases/lifecycles makes it easier to give the project the best direction and the various phases divides the work load into smaller units and components thus making performance monitoring much easier. The generally accepted phases of project range between four (4) and five (5). The first set of phases include; Initiation, definition/planning, execution and closure. This work will be adopting the second set of phases proposed by the New York Project Management Guidebook as; conception, initiation, planning, execution & control and closure. These phases are explained in detail in the following paragraphs.

Project Conception Phase

This phase generally starts with the manifestation of an opportunity or requirement which might be in the interest of a particular organization. This is synonymous to the sight of a business opportunity for an enterprise. This phase should go through certain stages.

The first of such stages is, defining the requirement of opportunity. This in other words refers to the criteria which qualify this concept as a business opportunity. Initially all business opportunities might appear vague but an analysis of the facts available and the challenges associated with the original idea clarifies whether or not the idea qualifies as an opportunity. In this instance, the said organization should be concerned about its performance thus far and the forecast of future scenarios.

The second stage of the conception phase is the preliminary formulation of the alternatives. This stage involves the analysis of the idea presented and how viable it is as the organization's option for investment. The organization also assesses its resource base both material and human to ascertain whether it has the resources required to be able to convert the opportunity into a viable investment.

After the alternatives have been identified, the stage three makes comparative analyses to select the most beneficial and to reject the least attractive. The selection process employs a basic feasibility analysis of each alternative the establishment of criteria that will allow the identification of the most attractive options. At this point, further consideration of the rejected alternative is terminated along with the need to prepare elaborate definitions for them. The cost, schedule, profitability, and other salient advantages and disadvantages of each of the selected alternatives are assessed in terms of order of magnitude. Difference among the options is sought still without establishing precise project parameters.

The dimensions of culture proposed by Hofstede are important during this phase of project management because, this is when the project is conceived. Key question are raised here that is, what idea is available? Which group of people is this idea meant for? What human resources will be required to convert this opportunity? And what amount of resources will have to be committed?

These dimensions of culture allows for the understanding of the group for which this idea is meant thereby shaping the idea to meet their needs, it also helps in determining what resources should be committed to achieving the goal since paying particular attention to the dimensions of power distance, long tern orientation as well as uncertainty avoidance.

A research conducted by Horii et al [2004] on the cultural differences in values and practices between American and Japanese teams came out with the following findings;

		Culture A (American)	Culture J (Japanese)
Practices	Centralization	Decentralized authority	Centralized authority
	Formalization	Medium level formalization	High level formalization
	Organizational hierarchy	Flat level of hierarchy	Multiple levels of hierarchy
Values	Decision Making	Individual decision making	Consensual decision making
	Communication	Individually-based	Group-based

Table.1. Summary of cultural differences

Horii et al [2004]

Value differences are related to national culture [e.g., Hofstede, 1991]. Hofstede's work provides a useful set of dimensions against which value differences can be measured. At the project level, when participants make decisions or coordinate with each other, their behavior is driven by their values. This confirms the fact that if an idea in a conceptual phase were to be assessed in the two cultures, different parameters would be required for success.

Project Initiation Phase

This phase marks the stage where the project is formally started, named and defined at a broad level. This is where the stakeholders of the project as well as its sponsors decide on whether or not to undertake a project or alternatively the choice of one project over another. One of the purposes of this phase is to

develop a risk assessment plan for a proposed project as well as assessing the project viability.

The most important issues raised in this phase are who should be responsible for undertaking the project? Why the project (justification)? Is the project feasible or not? Who are the partners of this project? What are the expected results of the project? And what boundaries should guide the activities of the project?

It is important that during this phase participants identify, assess and develop an opportunity with the objective of ascertaining its benefits and how perfectly it fits into the broader organizational picture.

In this phase, the project stakeholders often enter a relationship with each other and in order to prevent the rise of false expectations, it is better to agree on the type of project being started.

The choice for a particular type of project largely influences its results. A project in which a prototype is developed delivers all of the functionalities of an application, but they need not be suitable for use in a particular context. A project that delivers a working product must also consider matters of maintenance, instructions and the operational management of the application.

Many misunderstandings and conflicts may arise because the parties that are involved in a project are not clear on these matters. Customers may expect a working product, while the members of the project team think they are developing a prototype. A sponsor may think that the project will produce a working piece of software, while the members of the project team must first examine whether the idea itself is technically feasible. It is therefore important that the stakeholders of a project understand what exactly the scope of the project is.

The dimensions of culture in this phase are again are very important in that before the manager of the project is chosen, that individual should possess the skills and competences which will allow them realize the project. This is also when objectives are set, and relationships between stakeholders defined. The cultural dimensions of power distance, long term orientation, masculinity and uncertainty avoidance are indispensable in the process in the project will have to be successful. It is important here to understand the cultural dynamics of the stakeholders as well as the targeted group before these decisions are made.

Definition/Planning Phase

This phase of the project management cycle concentrates on providing additional information on the project justification, work scope, estimate & work breakdown structure, detailed designed drawings & specifications, estimates of accuracy, master schedule, key performance indices, delivery method, contracting philosophy/strategy, execution plan as well as identification of key

personnel. Modes of communication with stakeholders and risk management planning are also handled in this phase.

The key element in this phase of the project management lifecycle is communication and this is basically because all the agreed decisions will need to be communicated. Here again, the mode of communication is not indifferent when different cultural settings are under considerations. A research by Turner and Muller discovered different preferences for communication by different countries making it yet another prove that if the dimensions of culture are taken into consideration in project management, more results and efficiency can be achieved. It will be highly ineffective to apply inappropriate communication methods to cultures which prefer different communication methods. The following table presents findings from this research.

Table.2. Countries and Project Communication Preferences

Country Group	Preferences	
Japan, Taiwan and Brazil	Face-to-face, analytical at milestones	
Hungary and Indian	Written status reports, fixed intervals	
The Netherlands and Germany	Detailed progress reports, fixed intervals	
Australia, United States, Canada, New Zealand, United Kingdom and Sweden	Continuous phone updates with written backup.	

Source: Ralf Mueller and Rodney Turner [2004]

Project Execution and Control Phase

According to the Project Management methodology Guidebook, "Project Management is 20% planning and 80% tracking and control. The project manager is like a lifeguard looking for someone to save. The project manager must monitor the project team at all times, because even the best team member can drown. Executing, monitoring and controlling project progress is important to detecting issues, problems and solutions early enough to quickly get the project back on schedule so the objectives are still met. While it is impossible to foresee and plan for every issue, project managers can regulate work as the project progresses, and still deliver a finished product that meets the objectives and requirements laid out in the initiation and planning phases". The purpose of this phase of project management lifecycle is for all the targets set earlier to be achieved within the right results, in the designated time, and within the budgeted cost and materials allocated. In order for all these expectations to be achieved, there is the need for continuous monitoring of the progress of the project.

This phase also deals with measuring the project performance and progression with respect to the project management plan. Scope verification and control check and monitor for scope creep, change control to track and manage changes to project requirement, calculating key performance indicators for cost and time are to measure the degree of variation if any and in which case corrective measures are determined and suggested to keep project on track.

For this execution and control to be done successfully, the feedback will depend on the power distance between the superiors and subordinates as well as the extent to which the stakeholders identify with the objectives of the project and once again the cultural dimensions are indispensable. The cultural orientation of persons working in the project will determine the extent to which they are committed to the objectives or the extent to which the project's objectives are in line with their own aspirations.

Project Closure Phase

During the Closure Phase, all activities are completed and all expectations are finalized. The project sponsor analyzes the project and all testing is completed. It includes a series of important tasks such as making the delivery, relieving resources, reward and recognition to the team members and formal termination of contractors in case they were employed on the project.

Final reviews and documentation are completed and the customer accepts the final project deliverable. The activities of this phase also ensure that best practices are captured and can be shared, and that continuous improvement on both team and personal levels is practiced.

The number of activities covered in this stage include; commissioning &performance testing, completion of deficient items, completion of as-built documentation, project personnel assessment & redeployment, close-out report, handover to operations, conduct post implementation review & lessons learnt, communication of project learning, and archiving of project data.

For projects to be closed peacefully without any form of acrimony, it will be beneficial if the management of this project knew the attitude of their employees to job termination. The culture in which this project operates will once again come in handy to enable the best option be chosen in resolving the operations of the project.

The following table presents a set of International development project management lifecycle phases and the critical success factors required for the successful operation of the project. This in other words is a close related summary of the various phases of project management lifecycle captured above. This was proposed by Kuhang and Moe [2008].

Life-cycle phase Critical success factors Clear understanding of project environment by funding and Conceptualizing funding and implementing agencies and consultants. Competence of project designers. Effective consultations with primary stakeholders Planning Compatibility of development priorities of the key stakeholders. Adequate resources and competencies available to support the project plan. Competencies of project planners. Effective consultation with key stakeholders Implementing Compatibility rules and procedures for PM. Continuing supports of stakeholders. Commitment to project goals and objectives. Competence of project management team. Effective consultation with all stakeholders Closing/completing Adequate provisions for project closing in the project plan. Competencies of project manager. Effective consultation with key stakeholders Overall project success Donor and recipients government have clear policies to sustain project' activities and results. Adequate local capacities are available. There is strong local ownership of the project.

Table.3. The Success Factors for International Development Projects

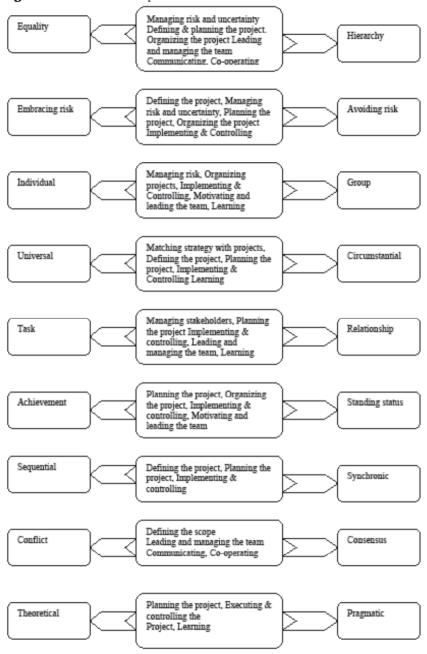
Khang & Moe, [2008]

Source: Koster, Kathrin [2010]

According to Ranf Diana Elena [2010] "Kathrin Koster has selected the most relevant culture dimensions with regard to project management and summarized them in the so-called cultural gap tool. Those are dimensions derived from business practice... it instead highlights the biggest cultural differences between major stakeholders...It also relates cultural differences to the main areas of project management, sensitizing the project manager to potential differences in the behavior of stakeholders in a project management context. Knowing about those potential differences, the project manager can plan for them".

This presents an opportunity for projects implemented in a multicultural environment to be able to find a balance between the various cultural extremes. The managers of the project do not deny the existence of cultural difference but rather they recognize the differences and take cautious steps to manage them.

Figure.3. The Cultural Gap Tool.



Conclusion

In conclusion, Project management as a discipline has development over the years just like enterprises have been developing. It is important to state that there can numerous advantages by dividing an organization's operations into projects but these advantages can turn against the organization if it fails to realize that every human entity has a set of mental programs and values which dictate its behavior. For projects to be fully successful in a society it has to learn about the culture of the society in order to tailor its services and products to the needs of persons living in this society. Even in the case of projects which cut across cultures, it is important to note that indeed there are cultural differences in societies and finding a fine balance for the project's success. The culture gap tool can be extremely helpful in this process.

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