

Effective project management around the world

On the management of cultural differences
in international building projects

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MSc thesis TU Delft 26/01/21

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limitations**

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Introduction

Findings

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Context

- Various construction companies operate on a **global level**
- Projects become **larger and more complex**
- Understanding **foreign norms, values and beliefs** is crucial for successful projects
- Cultural differences can lead to **a wide variety of problems**
- **Little attention to learn** from past mistakes

Problem



Question

How can cultural differences be managed **most effectively**
within the management areas of international building projects?

Goal

Give international building companies and managers **insight into cultural differences** that occur in international building projects and provide them with **advice to manage these projects as effectively as possible.**

Definition

"Culture is the **collective** programming of the mind that distinguishes the members of one human group from another."

Geert Hofstede
1984

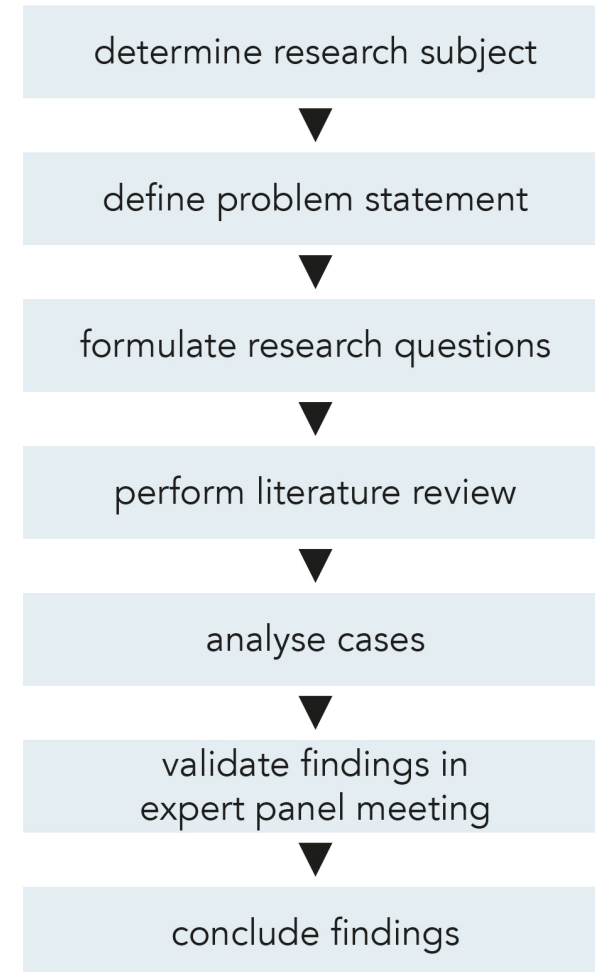
Definition

"An international project is a project in which **different national cultural backgrounds** are represented within the project team and in which the **contractor, lead consultant or client is not from the same home country.**"

Own definition based on Stebbings
1998

Methodology

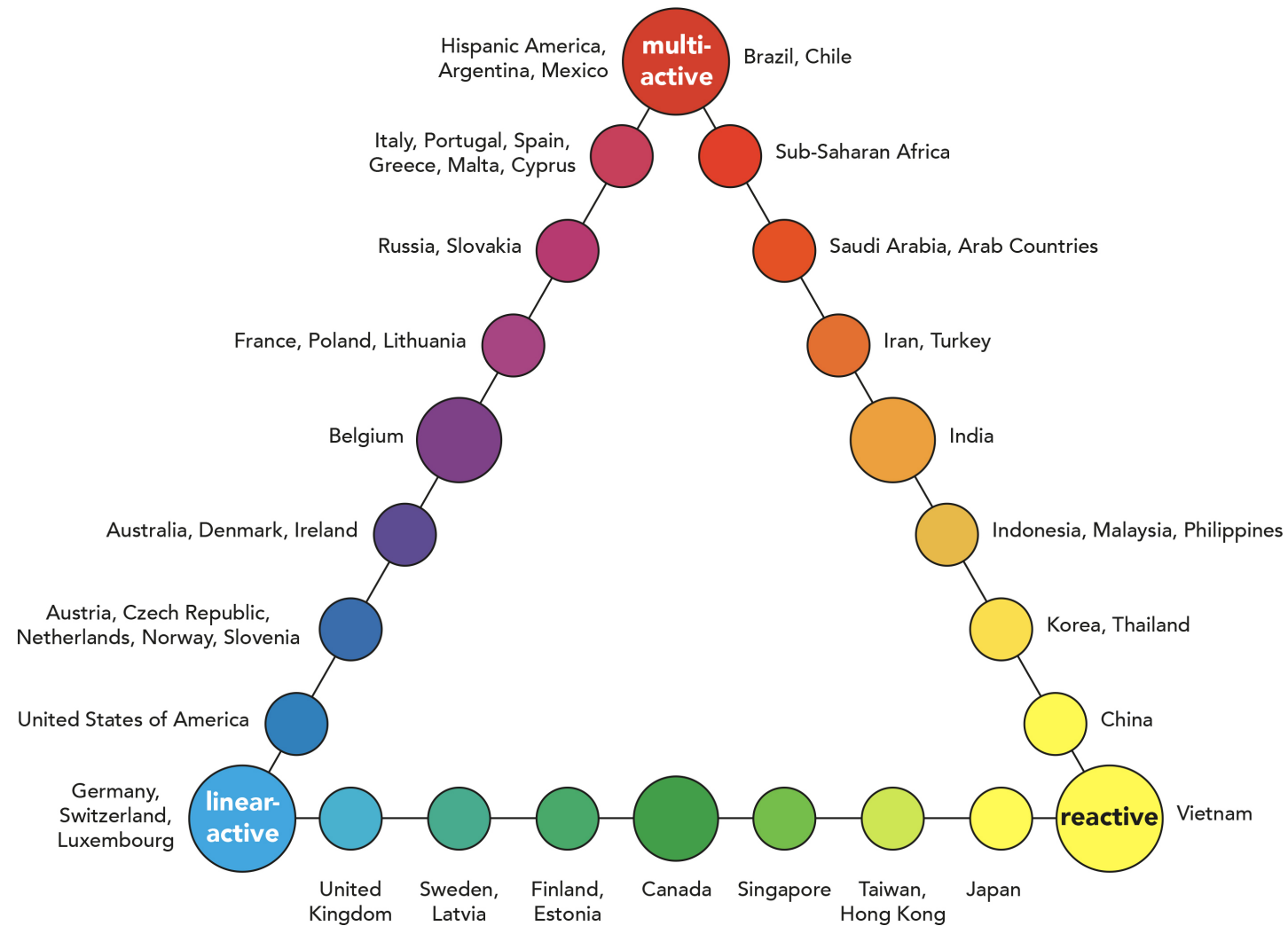
- Literature review
 - Culture
 - Project management (effective, international)
 - Management of cultural differences
- Case study
 - Interviews
 - Surveys
- Expert panel meeting



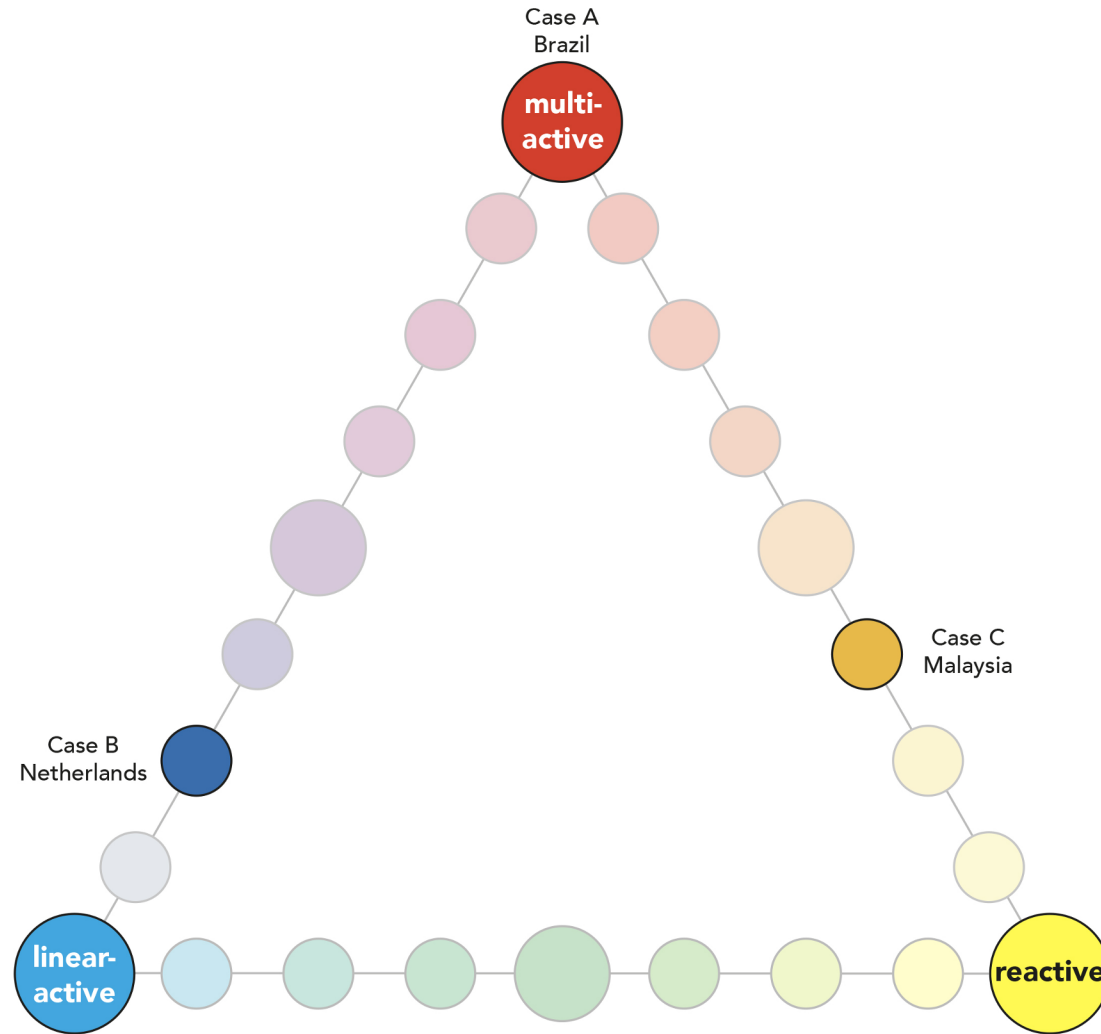
Methodology

Case characteristics	Case A	Case B	Case C
Country	Brazil	the Netherlands	Malaysia
Project type	office relocation and fit-out	office expansion and fit-out	office refurbishment and fit-out
Client	large international technology company X	large international technology company Y	large international technology company Z
Project management firm	Turner & Townsend		
Timeframe	2018 – 2019		

Methodology



Methodology



Methodology

- In- and cross-case analysis
 - Documentation
 - Institutional cultural context
 - Scope
 - Schedule
 - Structure
 - Interviews
 - Management
 - Effectiveness
 - Culture



Introduction

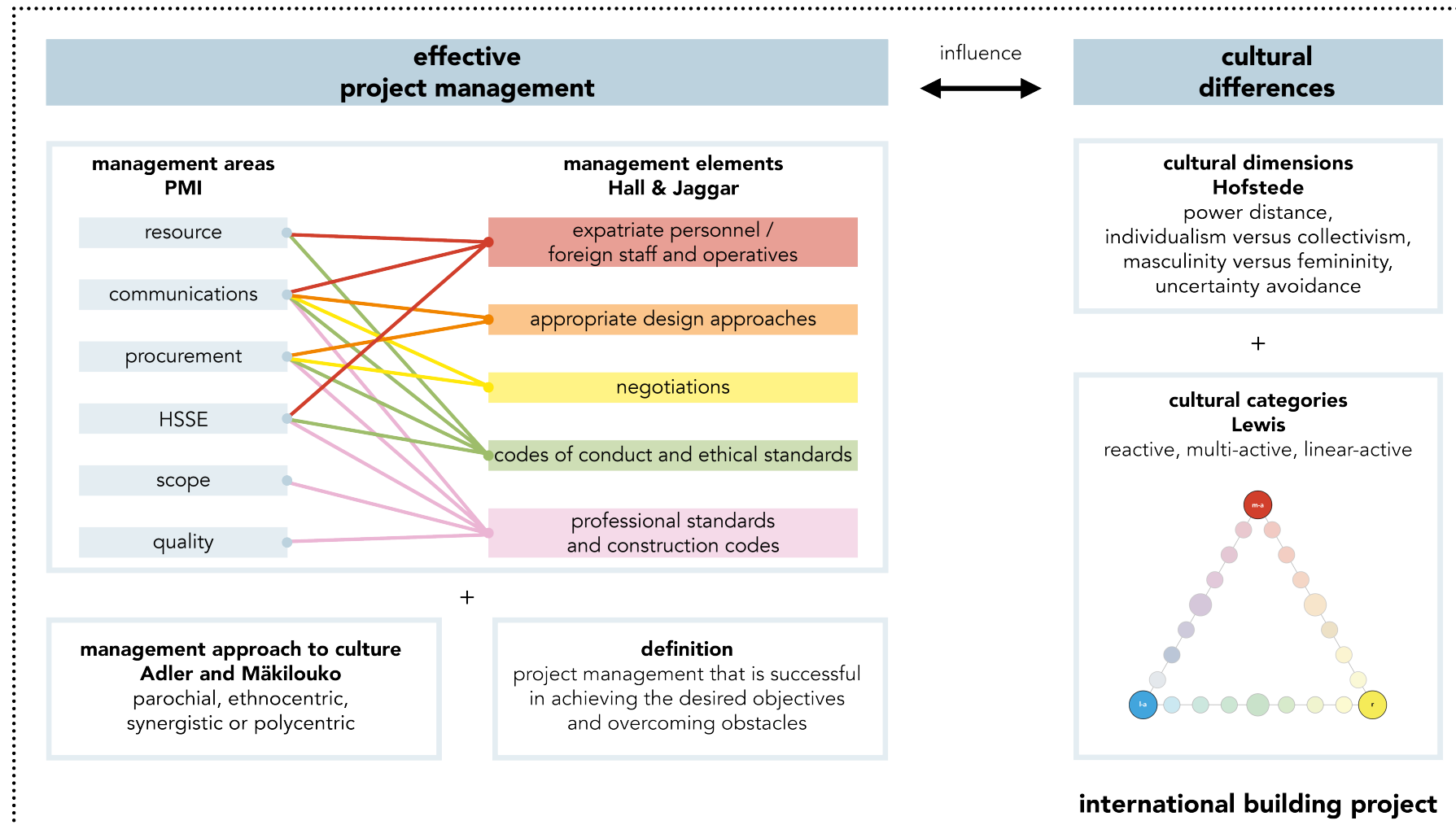
Findings

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Findings from literature



Findings from the cases

- Management
- Effectiveness
- Culture

Findings on management

“A foreign client who brings in a foreign project manager needs to do some **magic**.”

Interviewee A1
Case A, Brazil

Findings on management

- **Different aspects** influence the management approach
 - A – Brazil position of the project for the client
 - B – the Netherlands client guidelines and procedures
 - C – Malaysia day-to-day operations of the client
- Changes in retrospect on **teambuilding**

Findings on management

Beneficial personal attributes		
Case A	Case B	Case C
communications		
		stakeholder
others		

Findings on effectiveness

“One of the ways the site manager controls and gets the work done is screaming at his workers. That was his style; he was **a very successful manager.**”

Interviewee C2
Case C, Malaysia

Findings on effectiveness

Effective project management		
Case A	Case B	Case C
integration		
communications		
stakeholder		
quality		quality
schedule		schedule
cost		cost
		scope

Findings on effectiveness

- **Different views on the influence of culture** in an effective management approach
 - A – Brazil national culture
 - B – the Netherlands organisational culture
 - C – Malaysia no culture

Findings on culture

“For cultural differences, clients and contractors don’t have these fluffy conversations, and **maybe they should.**”

Interviewee B3
Case B, the Netherlands

Findings on culture

- Interviewee definitions of culture **not as broad** as literature
- **No conscious approach** to culture taken
 - A – Brazil synergistic
 - B – the Netherlands ethnocentric
 - C – Malaysia parochial
- **Importance of experience** when dealing with cultural differences

Findings on culture

	Case A Brazil	Case B the Netherlands	Case C Malaysia
Design approaches	An open mind and willingness to learn	Client standards leading	Copy-paste of Singapore office
Professional standards and construction codes	Explanations on local electrical, IT and design for disabilities	Challenging client health and safety requirements	Double-checking compatibility of Singaporean and Malaysian standards
Expatriate personnel / foreign staff and operatives	Language barrier	Lack of required local knowledge	Avoiding risks through contracts
Negotiations	Horizontal client organisation, need for local knowledge	E-bidding process, overall collaborative environment	Understanding implications, staying within budget
Codes of conduct and ethical standards	Several guidelines in place, challenge in getting contractors to abide	Strict procurement guidelines by client	Many standards, limited control over site conditions

Validation of the findings

- Five Turner & Townsend employees
- Four statements
 - Culture and cultural differences should be **an explicit subject** during project start-up meetings.
 - General **expectations, procedures and guidelines** of both the client and the local workforces need to be aligned, the process in which this should take place needs to be facilitated by the project management team.
 - Framing the project with a clear **start-up and finalisation meeting and organising teambuilding activities** is beneficial for the effectivity of the project.
 - **Communications management** is the most important element of effective management of culture in international building projects.



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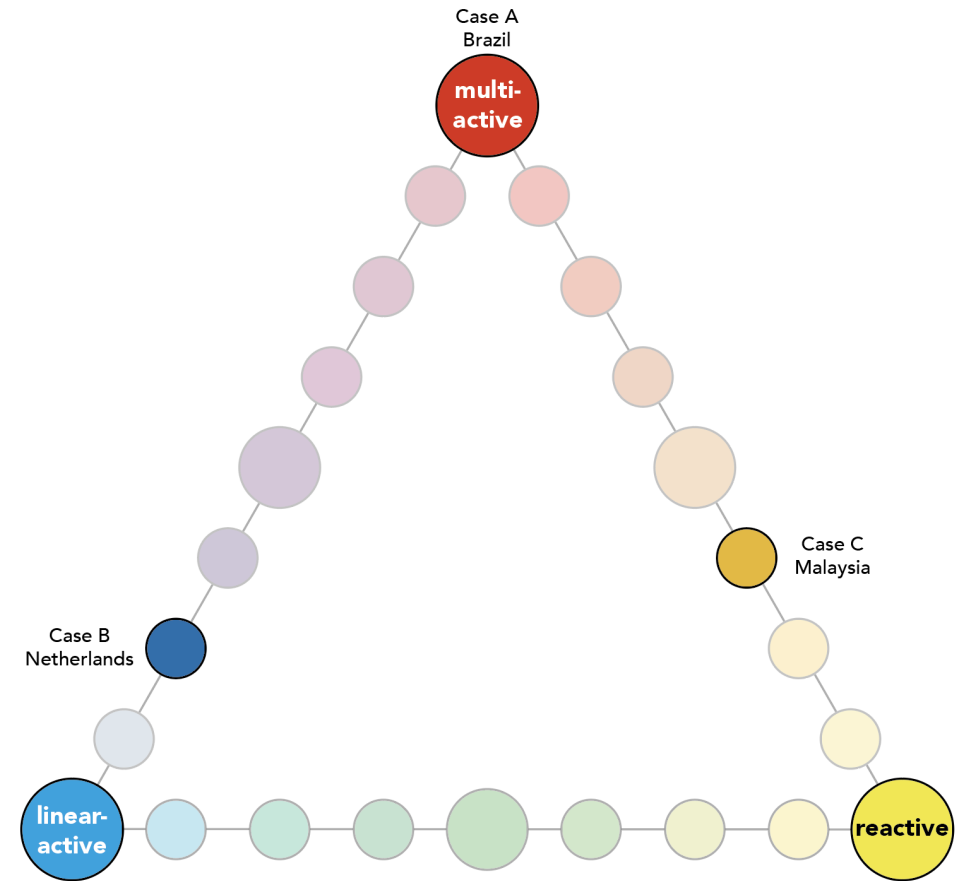
Recommendations

Discussion

- Overall **good match** between literature and empirical findings
- Theories on culture based on large amounts of **quantitative data**
- Not all management areas are **equally important**
- **Applicability** of management elements

Limitations

- **Case locations** and Lewis's model
- **Language** barrier
- **Limited number** of cases
- Certain **perspectives** left unexplored
- Validation **within Turner & Townsend**





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Conclusion

How can cultural differences be managed **most effectively**
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Recommendations for research

- Include a wider variety of perspectives
- Focus more on practitioners' definitions of culture
- Compare projects of one client across countries
- Focus more on the details of communications management

Recommendations for practice

- Implement culture into the project management approach
- Assess one's own cultural position
- Develop a training programme

Management advice

starting the project

- 1 get the right team together
- 2 address culture in the project start up
- 3 seek consultants with the right cultural fit
- 4 pay attention to culture in the project communications plan

organising and preparing


- 5 align design expectations, guidelines and procedures
- 6 align health and safety expectations, guidelines and procedures
- 7 organise team building activities

carrying out the work

- 8 allow for informal interaction

ending the project

- 9 evaluate project and define the lessons learnt
- 10 celebrate finalising the project with the team



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