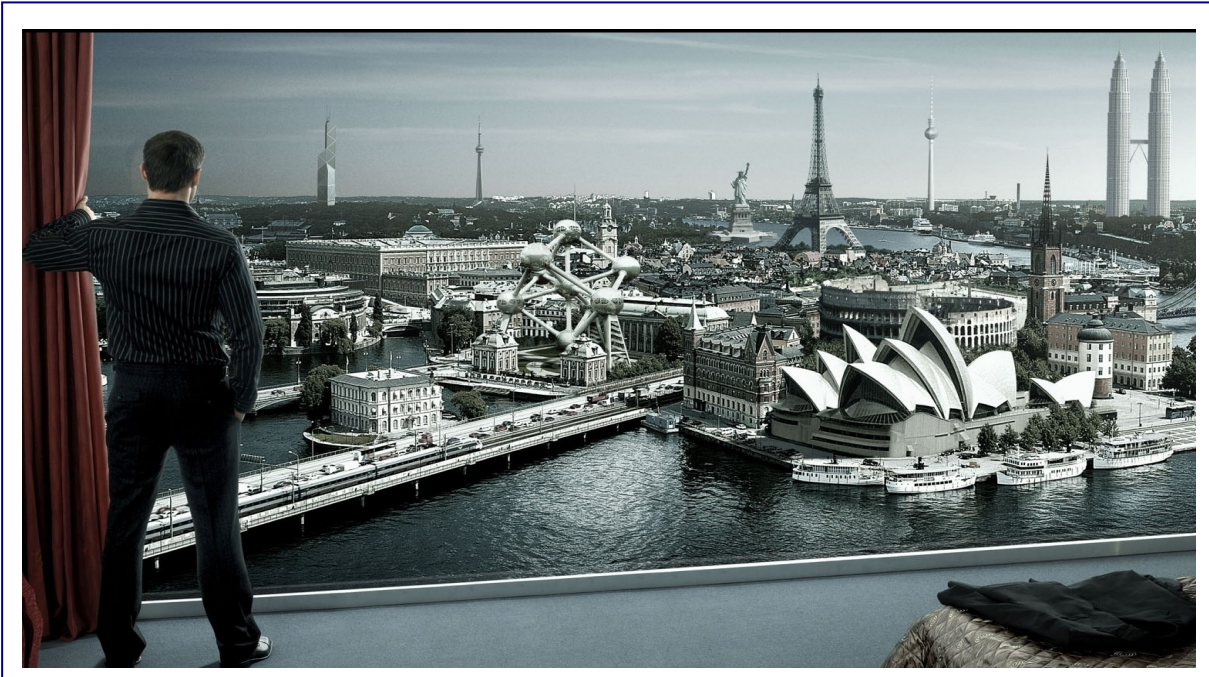# CHALMERS

PROJECTS BEYOND CULTURES
&
CULTURES BEHIND PROJECTS

Master of Science Thesis in the Master's Programme International Project Management

MEHRSHAD AKBARI

Department of Civil and Environmental Engineering
Division of International Project Management

CHALMERS UNIVERSITY OF TECHNOLOGY
Göteborg, Sweden 2014
MASTER'S THESIS 2015:3

PROJECTS BEYOND CULTURES

&

CULTURES BEHIND PROJECTS

Master of Science Thesis in the Master's Programme International Project Management

MEHRSHAD AKBARI

Department of Civil and Environmental Engineering
Division of International Project Management
CHALMERS UNIVERSITY OF TECHNOLOGY
Göteborg, Sweden 2014

Projects Beyond Cultures & Cultures Behind Projects

Master of Science Thesis in the Master's Programme International Project Management
MEHRSHAD AKBARI

Department of Civil and Environmental Engineering
Division of International Project Management Chalmers University of Technology
SE-412 96 Göteborg
Sweden
Telephone: + 46 (0)31-772 1000

Projects Beyond Cultures & Cultures Behind Projects

Master of Science Thesis in the Master's Programme International Project Management
MEHRSHAD AKBARI
Department of Civil and Environmental Engineering
Division of International Project Management

Chalmers University of Technology

ABSTRACT

This research intends to highlight the effects of cultural differences as well as consequences of impacts on project and organization. It will identify and analyze why it is really important with motivation and interaction within an international team, the importance of competency and skills required of an international PM, for instance, awareness, conflict management and avoiding impacts on project caused by cultural differences, but also equally important to understand each other and avoid, prevent and eliminate prejudices. This research also highlights understanding the link between managing an international project, influencing people with different culture and behavior who are globally located at different sites in an international project. In an era of global changes, there the amendments shape artistically and rapidly our world as well as we are going with an incredibly fast speed towards to globalism, becomes increasingly common to do almost everything in the form of project and likely the most projects extends across international boundaries. Likewise, it contributes to creating a greater need of competencies within a number of large and various areas in which much greater demands are made on a PM that will lead an international project. However, the increasing need appears immediately to provide demands on knowledge, competence and a qualified PM is vital to eliminate and avoid delivering a fragile project. One consistent unclear and quite invisible area is the absence of cultural awareness and shortage of competencies within this area. This research even turns the unspoken and perhaps unwritten dimensions of aspects of managing a cross culture project. One of the other major focusing fields here is to delve project managerial issues from a behavioral, psychological and cultural perspective. Furthermore, it studies basic theoretical concepts combined with the complexity of project management in an int. context, and increase the understanding of the consequences of leading multicultural groups from a Saab perspective with focus on different area as Asia (Far East, Middle East). The main questions are how strongly can an international counterpart´s culture affects a joint project and what can the impact and the consequences mean for a project as well as how does a performance driven organizational culture (PDC) influence global projects within Saab. The main theoretical fields are management of multinational projects, and the impact of cultural diversity within the projects. Another question is how to highlight flaws and potential improvements within the projects as well as preventing cultural misunderstanding by gaining competencies. **Key words:** *Culture, Cross-Culture, International Projects, Competence, motivation, communicating across cultures, Leadership.*

Projekt bortom kulturer & Kulturer bakom Projekt

Examensarbete inom International Project Management
MEHRSHAD AKBARI
Institutionen för bygg- och miljöteknik
Avdelningen för IPM

Chalmers Tekniska Högskola

Contents

Abbreviations

D1-D3	First Dimension-Third Dimension
EDS	Electronic Defense Systems
GLOBE	Global Leadership and Organizational Behavior
int.	International
IP	International Project/s
et al.	et alia, and others (when referring to a number of people)
PDC	Performance Driven Culture
PDOC	Performance Driven Organizational Culture
PM	Project Manager
SAAB	Svenska Aeroplan Aktie Bolaget (Swedish Aeroplane Ltd)
SaaS	Software as a service
TOT	Transfer of Technology
Vs	Versus

Preface

Globalization has made cultural challenges more important for international business environments. While projects within Saab extends across borders and despite the "Code of Conduct" , cooperative relationship with many different countries around the world and diversity among employees, still absence of cultural competencies and lack of awareness in some important areas is perceived, not only among project leaders, but also many employees and consultants involved in projects within Saab AB. For this reason, the need for this research in the particular cultural issues became relevant and essential. It is critical for international companies to consider cultural risks. If the cultural issue is not recognized, it can result to ineffectiveness and in many cases very costly for the company or perhaps in a worst case can be excluded from the int. market without knowing why. A society's culture determines the rules that govern how companies operate in the society. The culture is a learned behavior and it is adaptive, that's why it is a challenge to adapt the project to the culture of the country, were the project is taking place. So, the reason to bring up this research was the need of a wide study within the topic which prompted this research.

The study was performed and executed at Saab EDS, Department of Industrial Engineering, Section of the Test development. Without any hesitation and doubt must be mentioned all support from my supervisor at Chalmers, **Dr. Petra Bosch**, my supervisor at Saab Mr. **Michael Svedberg** and the Head of Production EDS in Gothenburg Mr. **Anders Krohn** with his tremendous support along this journey made it possible to carry out and complete this research. I want also to thank and say how grateful I am for having this opportunity to make this research. I would also like to thank all those who directly or indirectly contributed to this work, especially all the program managers, project managers and supervisors with their enormous knowledge within international Project Management that brightened up the road and could lead to this result, which in turn make it essential to extend my best appreciation and thanks towards to Mr. **Urban Lennheimer**, Mrs. **Maria Fagerberg**, Mr. **Lars Edmark**, Mr. **Fredrik Sämfors**, Mr. **Martin Labecker**, Mrs. **Åsa Berntsson**, Mr. **Joakim Bernhardsson,** Mr. **Nicklas Forsmark** and many more, and also my dear friend Mrs. **Roya Lotfkhah** who contributed with help to find relevant literature that has been used as ref. in this research, thence it was not easy to find relevant references.

*_It is strongly recommended to listen to your favorite music during the reading of this thesis._

Mehrshad Akbari   Sweden - Gothenburg 2014

1   INTRODUCTION

In recently years, many researchers in their empirical works have come up with criteria to access how well a robust and successful international project can be developed to prevent the impacts of possible issues, and how an international project manager can create relation to a customer as well as project members to finally create motivation to fulfill project goals within a cross-culture project. As a global working environment becomes the norm, cross-cultural studies of this type become increasingly important as such research may help to improve our understanding of the development of acquired motives (Van Emmerik, Gardner, Wendt and Fischer 2010).

With the increasing trend for outsourcing, off-shoring and globalization, many organizations are taking advantage of geographically distributed skills, round-the-clock operations and virtual teams. Small and medium sized businesses are linking up with major companies, forming supplier networks to deliver products and services, and customer networks of distributors, resellers and end-users. Global projects are now the operating units that establish an initial link among these cross-border networks and rely on information flows across the different partners and stakeholders (Binder Jean 2007).

As Hofstede mentions (Hofstede 2010) our world is full of confrontations between different nations, people who act differently, but at same time these people, groups, and nations, are exposed to mutual problems that demand collaboration for their solution. Hofstede claims that "Ecological, economical, political, military, hygienic, and meteorological developments do not stop at national or regional borders". (Hofstede 2010, p.4).

Accordingly, this research intends to highlight and describe the concept of cultural values, and relate some of the international differences, similarities, and behaviors occurring in terms of working as a team member and managerial values in cross-cultural projects.

Since there has not been a similar research within multi-national projects of the same character which has main focus on cross-cultural issues to recognize impediments and improvements from a perspective of Saab as well as in general, and as the same time offer an overview of many experienced project managers point of view with many years worldwide experiences within international projects at the Saab EDS Gothenburg. Therefore, with the intention to improve the cultural relationship with the counterparts and cooperation partner as well as internal within the projects and in the company as well, the main theoretical fields in this research target the impacts and consequences of working with foreign cultures, and while wearing PDC (Performance driven culture), what is required in the backpack when international project managers meet other cultures and diversity in their project. Hence, there is always room for improvement within management of multinational/international projects to find a better way to tackle the impacts of cultural diversity and trying to reducing

consequences as much as possible and preventing cultural misunderstanding by gaining competencies.

According to Creating a Performance-Driven Culture, Tate (2014) argues that to avoid punishing high performers in an organization with PDC , , performance standards should address the level of performance that is reflected in the performance standard scale and not against the "expectations" of the employee (Tate et al. 2014).

Highlighting the most important cultural elements, impacts and consequences as mentioned in this paper may help international project managers to think further and perhaps attempt to enhance themselves in this front in terms of skills and awareness, especially when their projects are run by an organization that has already implemented the PDC.

It will also try to contribute to a better global behavior regarding global management, as well as highlighting many particular details on how a manager face a foreign culture and successfully passes cultural boundaries, responds smoothly to make more than adequate reliable connections and to succeed as a result. Due to culture has characteristics such as it's learned, shared, adaptive, heritable, patterned in generations and many more, then the idea and the necessity of such research appeared as vital.

This study also foregrounds and addresses the PDC which is implemented in Saab and will try to identify what are the consequences or effects on the company as well as it´s projects. Since the PDC is a kind of organizational culture, it is not obvious that all business counterparts are working with it, therefore there is a need to discuss the PDC and its possible effects on an International Project.

Problem statement (research questions)

- What is the impact and the consequences of working with an international counterpart culture for a project and PM?
- How does a performance driven organization culture (PDC) influence global projects?
- What are potential improvements within current international projects but also in the future international projects?

As our discussion of culture from a motivational perspective emphasizes a person's values, efficacy expectations, and goals as central, then we should even look closer to the values as we do in this document. The value and preference structure gives rise to particular motives, and these are, in turn, the impetus for setting goals and direction of action. Motives are in relation to a person's desire to integrate and implement into her/his work unit as well.

Finally and accordingly along with this introduction, for a better understanding of how this document is structured, a brief description as a short guide through the contents of this thesis is followed here. In **chapter 2** Global project management is discussed and why it is important to create relations and have motivation as pillar to

carrying project forward and make progress. Furthermore, a little more about culture in brief until we dig deeper about culture in **chapter 3**. Here we try to emphasize the connections between most important elements of culture and how these elements are connected to an international project and why it concern project manager. In c**hapter 4**, we bring up and go through PDC (PDOC), which is a type of organizational cultural. In **chapter 5** we look deeper at cross-cultural competencies and what elements are included in this area. Thereafter, **chapter 6** explains the methodology, process of design and data collection. C**hapter 7** offers the findings of this research. In **chapter 8** we will find what is retrieved of this research and try to conclude the outcome from this study and what do we got along the journey of this work.

2 PROJECTS BEYOND CULTURES & CULTURES BEHIND PROJECTS

Every project has its own unique culture or value set, and different global projects may have their own comprehension of culture meaning. In studies of international projects, the ethnic cultures in projects, organizations as well as national and individual cultures, the effects of society's cultural beliefs and values have been examined by many researchers around the World. As one of the main stable factors, the Culture within an international project or global organization is playing a critical role. Although, every country might choose a specific kind of management or leadership system, but it cannot reflect the cultural priorities of nation, individual or a general kind of leadership. The culture of an international project is typically created unconsciously, based on the values of the top management or the founders of an organization.

As Hofstede argues (2010), managers as well as leaders and the people they work with, are always part of national societies. Understanding these people is understanding and their behavior and their societies (Hofstede 2010, p.25).

2.1 Global Project Management

In general, project management can be is perceived as a universal term. However, the meaning of project management and the way it is being executed is far from universal.

Sharon De Mascia (2012), place a question in her literature that asks about which skills and attitudes can normally be associated with being a Project Manager. Then she in a comparison table compare a Line Manager to a Project Manager and conclude that a Project Manager is involving building close working relationships in order to meet project milestones and project goals. In addition she mentions that it is perhaps more useful to look at the types of skills and attributes that can be essential for a PM.

Sharon De Mascia (2012) suggests the following attribute in international project managers are significantly associated with successful projects. Here apparently the word 'motivate' stands out that are directly related to the different types of culture. This skill to create motivation may be the reason that project management and project leadership are not the same.

Moreover, Schein (2004) argues that management and leadership are two different sides of the same coin. But if someone desiderates to distinguish leadership from management, one can assert that leadership is created and can change cultures, while management and administration act accordingly within a culture (Schein 2004).

Furthermore, as Early (2003) claims, an important learning aspect of upgrading international management skills involves capitalizing on one's experiences to solve problems in a new culture and to quickly automatize procedures. Many high competence individuals are skillful and insightful when processing new information.

The efficient processing of new information allows high cultural intelligence individuals the mental resources to learn and automatize the information in the new culture in the fastest possible manner. They are able to spontaneously select, encode, and compare information from a previous experienced cultural situation to solve a problem in a new cultural encounter.

By the same token, as Binder (2007) mentions, the adoption of a holistic approach for communication, providing different levels of information to various stakeholders from distinct culture backgrounds, can improve understanding and reduce conflicts.

4-Step Framework for Effective Cross-Cultural Project Management (ref. Binder 2007)

- Learn the definition and different types of culture — the cultural differences exist across countries, but are also influenced by a diversity of age, gender, regions, religions and many other types of social groups. Consider the dimensions presented in this chapter as a starting point to build your own cross-cultural knowledge.
- Understand the cultural differences — use the cultural dimensions to know what differences to expect between people from different cultures. Employ a team building exercise to identify how your team and colleagues view these differences.
- Respect the cultural differences — keep the differences in mind when confronted with opposite views of the world. You must accept them and show respect for the different standpoints.

Vive la différence means enjoy the richness of a multi cultural team, and Binder (2007) implies that we should remember that we can build on the differences in order to identify and mitigate the potential risks, finding alternative methods and attain the project objectives more effectively, and may enhance the grade of the quality and innovation of a project deliverables.Binder (2007) claims also that Project managers make advantage of already demonstrated methods ensuring project activities and monitoring significant elements such as time, cost, quality and possible risks. Bodies of knowledge such as the *PMBOK® Guide, ICB and PRINCE2®* is a good examples of these management practices which has been presented. Project management can be a kind of these practical applications by using special competences as controlling, contrive and estimating etc. Project management Adds To The leadership styles and methods and even can involve creating motivation, to Achieve The Project's Objectives and to acquire commitment from the most qualified team members and main stakeholders. Project management can be seen as a soft competence creating commitment and can be used to deal with conflicts, creating customer satisfaction and even enhancing the quality of the project. A good leadership creates the possibility of reducing the need for control in projects and even overriding control of major projects. (Binder 2007).

3   CULTURE IN 360 DEGREES

A society's culture determines how its members communicate and interact with each other. Culture is often represented as icebergs or onions, the basic elements of culture are social structure, language, communication, religion, and values and attitudes. The interaction of these elements affects the local environment in which international businesses operate (Griffin & Pustay. 2003).

Using the analogy of the way computers can be programmed, is called by Hofstede (2010), the patterns of thinking, feeling, and acting mental programs for human being. Indeed, we should keep in mind that Hofstede doesn't mean that people are programmed the way computers are, but people´s behavior is only partially pre-determined by their mental programs (Hofstede 2010).

Despite a behavior is counted as an element of culture, not all behaviors count as culture, and some behaviors might be the result of a special upbringing or a temporary impact of the environment in which a person is at the moment. Global Culture typically in intercultural communication, people will encode and decode based on their own cultural background and framework. Therefore unless the cultures are relatively similar, intercultural communication can pose great challenges. If the cultures of the interacting parties are very diverse in language, values, and belief systems, then interacting parties will experience a great deal of difficulty communicating (Earley et al. 2003).

Culture is not only summed up in one word you can see it in a simple point of view, but which resembles a sea for a sailor to be explored in order to cope with the stormy days. By definition, culture is what a group learns over a period of time as that group solves its problems of survival in an external environment and its problems of internal integration. Such learning is simultaneously a behavioral, cognitive, and an emotional process. Extrapolating further from the deepest level of culture will be the cognitive in that the perceptions, language, and thought processes that a group comes to share will be the ultimate causal determinant of feelings, attitudes, espoused values, and overt behavior. In an analogous way, the word culture means different to different individuals. A number of factors affect a leader's leadership style, but few exert more influence than culture. Many leaders base their leadership on a combination of organizational and personal cultures, and cultural factors can affect the direction and overall success of the company. Culture can also cause friction when a leader's style runs contrary to established principles, and some leaders might attempt to change an existing organizational culture. (Evans 2014).

In spite of the importance of culture, climate and behavior in an international project and the challenges, which arise project manager to tackle, it is sometimes easy to forget these elements and the culture related issues. It is extremely important to be mindful all the time that these are cornerstones for a PM to succeed in his/her project.

Most definitions indicate attitudes, beliefs and the way people behave towards others outside their field. The area can be defined geographically, politically or organizationally, etc. There is no definite boundary or borders between cultures. Cultures go partially into each other as different rings with common areas. Taylor (1871) defined culture as a complex whole, which includes knowledge, beliefs, art, morals, law, customs, and any other capabilities and habits acquired by man as a member of society. There are many more authors with similar definition of culture. All of these definitions have common cores as we recognize culture in

- Words, gestures, object that carry out a particular meaning etc.
- Ideas, values, attitudes and beliefs: the essence of a culture.
- Expected patterns of behavior: family culture, social culture, law, organizational culture, etc.
- A collective phenomenon: shared by at least two or more people who live in the same social environment.
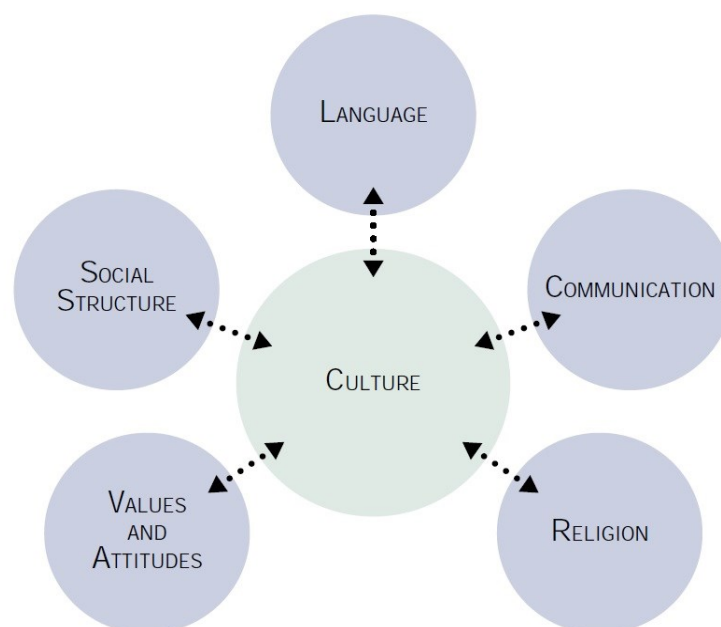
Figure 3-1 Common cores of Culture

When it comes to language, it can serve as a wide window on the culture of a society. Normally, most companies have an interpreter or a native person as an employee who can help with interpretation or translation. Although most people speak several languages including English, which solves and helps to eliminate language as a problem. Culture has different forms, levels and areas. There are many different levels of culture and even a number of definitions of these levels. For instance, national culture, regional culture, urban culture, corporate culture, and even within the same company can be subcultures, department culture, work culture and many more.

Moreover, Gesteland (2012) argues that no two people of any culture are exactly alike; there are regional, generational and individual differences, among others. Van Emmerik et al. (2010) emphasize that implicit motives involve learned pleasurable or

emotional associations with a specific set of stimuli along with possible genetic influences. Although all these common cultural cores drops into different kind of culture.

3.1   Cultures behind international projects

Understanding the differences in the ways these leaders and their followers think, feel, and act is a condition for bringing about worldwide solutions that work (Hofstede 2010, p.4).

As Schein claims the most important message for managers and leaders is to try understanding culture can confer its due, and you may ask yourself how well you can begin to understand the culture in which you are embedded (Schein 2004). Boddy (2002) argues that the team members work effectively when their individual interests are in line with the collective ones of the project itself. In fact, gathering people to create a team and achieving the project´s objective on its own is never a guarantee for reaching to a high level of performance and absolutely no sign to succeed. Normally, one of the major issues is a lack of knowledge and information about other people and their culture, and this concerns the project both internally and externally. Regardless who we are or who is our counterpart in a different culture, we should address and identify possible issues such as Religion, Communication, Values & attitudes, social structure and language and never forget to take into account the impact of these issues.

Regarding the connection between culture and motivation and its importance in an international project, Schein claims (2004), knowing the culture can facilitate creating motivation which in itself is the driving force for a company or a project forward. Thus, to create a common culture in which all involved are united and directed toward the same goals regardless of their personal culture.

Boddy argues that influencing people is a core skill for a project manager. As surely "the team" is included here, obviously in order to keep the commitment and motivation of the team members. That what Boddy (2002) calls "across" is that a project manager also needs to influence the other departments of the company, joint venture partners, suppliers and even customers. The third direction is managing "staff and users" to ensure that people concerned by the change are involved in the project and that they understand the objectives of the project. And a project manager has to manage "up" which means influencing senior management to keep their support (Boddy, 2002).

Regardless to how experienced people are at this company, but there is always room for development in the area of how to behave, communication and motivation. In recently years, This Company has not been so ambitious to encourage their employees in an appreciable way, and the reason can be the tough global economic situation. By referring to Boddy (2002), which refers to the different models used to motivate employees, but he also refers to them - are affected by internal team factors and wider

organizational factors. However, these imperfect results can be affected by organizational stress and its impacts on employees, which in turn can gradually have a dysfunctional effect on the project. Boddy mentions the importance of identifying sources of power for a project manager, which he divides it in physical, economic, knowledge and normative power (Boddy, 2002).

3.2   National Culture

Hofstede (2010) argues that "Nations should not be equated to societies. Societies are historically, organically developed forms of social organization. Strictly speaking, the concept of a common culture applies to societies, not to nations" (Hofstede 2010, p.21).

Values as an important element of culture

Differing value systems may create and cause conflict at a workplace. According to Merriam-Webster's Online Dictionary, Values are those things (such as a principle or quality) that are intrinsically valuable or desirable. All individuals develop a set of values, or value systems, which provide a road map for their behavior in a variety of situations. Your values evolve from the influences of your family, society, religious training, and personal experiences. Not only do individuals have their own value systems, but organizations do as well. Underlying every decision made at work is a corresponding value. Because these values may be so ingrained in you, you are usually not aware of them as you make decisions. In diverse groups, many more value systems are at work, which can cause conflict in decision making (Dalton, Hoyle, Watts 2011).

As Hofstede (2010) mentions, "Countries and regions differ in more than their cultures". The figure below distinguishes the differences as identity, values, and institutions between different countries, all parts have root in history. (Hofstede 2010, p.22).
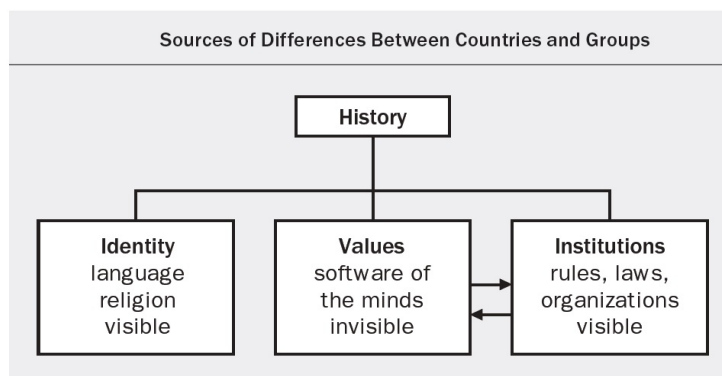

Figure 3-2   Sources of Differences between Countries and Groups (Hofstede 2010, p.22)

Regarding dimensions of culture, it becomes almost impossible to not mention the well-known cultural national dimensions of the pioneer Hofstede. Geert Hofstede is

probably one of the best known sociologist of culture and anthropologist in the context of applications for understanding global business. Many research papers and articles refer to his research and publications, **Geert Hofstede´s cultural dimensions theory**[1] comprises four (six) dimensions of national cultures that helps to understand how and why people from different culture behave as they "normally" do.

1. Power distance (PDI)
2. Uncertainty avoidance (UAI)
3. Individualism/collectivism (IDV)
4. Masculinity/femininity (MAS)
5. *Long-term orientation/ short term orientation (LTO)*
6. *Indulgence/restraint (IVR)*

Apparently, all these points create the elements that are the basis for being able to work with a customer or an International team. Indeed, it requires a hard work as well as competency to create an understanding of how national cultural differences influence management of an international project, worth mentioning that this has a direct impact mainly on the results of the project, including the communication and transmission channels in cross-organizational knowledge transfer and more.

Power distance index (PDI): "Power distance is the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally." Individuals in a society that exhibits a high degree of power distance accept hierarchies in which everyone has a place without the need for justification. Societies with low power distance seek to have equal distribution of power. [6]Cultures that endorse low power distance expect and accept power relations that are more consultative or democratic.

Individualism (IDV) vs. collectivism: "The degree to which individuals are integrated into groups". In individualistic societies, the stress is put on personal achievements and individual rights. People are expected to stand up for themselves and their immediate family, and to choose their own affiliations. In contrast, in collectivist societies, individuals act predominantly as members of a lifelong and cohesive group or organization (note: "The word collectivism in this sense has no political meaning: it refers to the group, not to the state"). People have large extended families, which are used as a protection in exchange for unquestioning loyalty.

Uncertainty avoidance index (UAI): "a society's tolerance for uncertainty and ambiguity". It reflects the extent to which members of a society attempt to cope with anxiety by minimizing uncertainty. People in cultures with high uncertainty avoidance tend to be more emotional. They try to minimize the occurrence of unknown and unusual circumstances and to proceed with careful changes step by step

---

[1] **Hofstede's cultural dimensions theory** is a framework for cross-cultural communication, developed by Geert Hofstede. It describes the effects of a society's culture on the values of its members, and how these values relate to behavior, using a structure derived from factor analysis. The theory has been widely used in several fields as a paradigm for research, particularly in cross-cultural psychology, international management, and cross-cultural communication. (Source: Wikipedia: http://en.wikipedia.org/wiki/Hofstede's_cultural_dimensions_theory)

planning and by implementing rules, laws and regulations. In contrast, low uncertainty avoidance cultures accept and feel comfortable in unstructured situations or changeable environments and try to have as few rules as possible. People in these cultures tend to be more pragmatic, they are more tolerant of change.

Masculinity (MAS), vs. femininity: "The distribution of emotional roles between the genders". Masculine cultures' values are competitiveness, assertiveness, materialism, ambition and power, whereas feminine cultures place more value on relationships and quality of life. In masculine cultures, the differences between gender roles are more dramatic and less fluid than in feminine cultures where men and women have the same values emphasizing modesty and caring. As a result of the taboo on sexuality in many cultures, particularly masculine ones, and because of the obvious gender generalizations implied by Hofstede's terminology, this dimension is often renamed by users of Hofstede's work, e.g. to Quantity of Life vs. Quality of Life.

Long-term orientation (LTO), vs. short term orientation: First called "Confucian dynamism", it describes societies' time horizon. Long-term oriented societies attach more importance to the future. They foster pragmatic values oriented towards rewards, including persistence, saving and capacity for adaptation. In short term oriented societies, values promoted are related to the past and the present, including steadiness, respect for tradition, preservation of one's face, reciprocation and fulfilling social obligations.

Indulgence versus restraint (IVR): The extent to which members of a society try to control their desires and impulses. Whereas indulgent societies have a tendency to allow relatively free gratification of basic and natural human desires related to enjoying life and having fun, restrained societies have a conviction that such gratification needs to be curbed and regulated by strict norms.

Since Hofstede´s cultural dimensions theory is a framework for cross-cultural communication and as **PDC** is a sort of organizational culture, it will be affected by cultural diversity regarding to Hofstede´s cultural dimensions. For instance the implication of power distance on PDC can be mentioned as stated by Hofstede (2011) that "the less powerful members of organizations and institutions accept and expect that power is distributed unequally" and "It suggests that a society's level of inequality is endorsed by the followers as much as by the leaders" (Hofstede 2011, p.9), which probably can make it almost impossible for an organization with **PDC** to run a project with a non-PDC organization cross-borders which in turn can be a hindrance for an international project manager that leads to an unsuccessful and fragile project. By the same reason a PDC organization can strongly be affected by different national dimensions which in other words can change or create motivation among a global project team or eventually jeopardize any kind of progress in a global project.

To create this understanding we will check the Project GLOBE's nine cultural dimensions mentioned by many authors and researchers around the world, for instance House (1999) and it hopefully contributes only and least with insights into how cultural differences influence the work process, the planning, the virtual team and foremost project management across borders. More about Influence of national cultural differences on communication and transmission channels in cross-border knowledge transfer can be found in the GLOBE project.

Hofstede (2011) has even six dimensions of Organizational culture. More about these dimensions will be presented in the next chapter "Organizational Culture" in this thesis.

The 9 Dimensions of the GLOBE Project[2]:

- – Uncertainty avoidance
- – Power distance
- – Collectivism I: Social collectivism
- – Collectivism II: In-group collectivism
- – Gender egalitarianism
- – Assertiveness
- – Future orientation
- – Performance orientation
- – Humane orientation

See more about the GLOBE project in appendix 3.

So in comparison and as a result, we can consider that:

- Different from Hofstede in that many more researchers with varied perspectives were involved (vs. Hofstede working alone); studied many companies vs. Hofstede's IBM.
- GLOBE provides a present and valid comprehensive overview of general stereotypes that can be further analyzed for better insight.

In accordance with Van Emmerik (2010), who adverts multiple hypotheses and compare them with each other to investigate what actually applies and if the relation is true. Humane Orientation is the degree to which individuals are encouraged and rewarded for being fair, altruistic, friendly, generous, caring, and kind to others. Moreover, by referring to Kabasakal and Bodur (2004), Van Emmerik (2003) note that in high Humane Orientation societies that the need for belonging, rather than self-realization, pleasure and material possessions are likely to be the dominant motivating bases. As the Power motive brings up a desire to exert impact, control, or influence over another people, team or even the world at large. Van Emmerik even refers to

---

[2] *The GLOBE (Global Leadership and Organizational Behavior Effectiveness Research) project took Hofstede's original 1980 research findings (Hofstede, 1980) and dedicated an entire academic effort into exploring the differences of cultures (Hofstede, 1980). "Conceived in 1991 by Robert J. House of the Wharton School of the University of Pennsylvania, and led by Professor House, the GLOBE Project directly involved 170 "country co-investigators" based in 62 of the world's cultures as well as a 14-member group of coordinators and research associates. This international team collected data from 17,300 middle managers in 951 organizations. They used qualitative methods to assist their development of quantitative instruments.[4]" The research identified nine cultural competencies and grouped the 62 countries into ten convenient societal clusters (Javidan & Dastmalchian, 2009).*
Source: http://en.wikipedia.org/wiki/Global_Leadership

Schmidt and Frieze (1997) who found that people with a high Power Motive do things to draw attention to themselves as they want to be noticed in an effort to influence others. People with a high Power Motive are more likely to seek positions of authority, reflecting a preference for Power Distance (Van Emmerik et al. 2003).

Power Distance according to Gupta (2004) can be defined as the degree to which people agree that power should be unequally shared Individuals socialized in high as opposed to low Power Distance cultures tend to learn to respect legitimate authority and the implication that leaders with high Power Motives will be more likely to exhibit initiating structure and less likely to display consideration is the base of their concerns with the task and authority (Carl, Gupta, & Javidan, 2004; House et al. 2002).

More work is welcome on the unexplored relationships between these universal motives and their associations with effectiveness in the work situation. Moreover, given the evidence we obtained of complex interactions between personality and the manifestation of these motives across cultural contexts, additional research into the moderating effects of cultural is especially important.

As Sternberg and Grigorenko (2006) argue, people from Western countries have shown a certain kind of arrogance in assuming that concepts/results obtained in one culture apply anywhere. This study also ignores differences in corporate culture. As such, differences in corporate cultures that may be important to cross-border acquisitions are not considered. With the increase of multinational organizations, we recommend future studies that include the organizational culture in the analysis. Finally, because the data were collected by a Western culture–oriented consultant firm, respondents with an international or even Western orientation may have been overrepresented. (Van Emmerik 2010).

Nevertheless important to be attentive that all the collected data or surveys does not need to be true, or absolutely right as Van Emmerik argues it is possible that the cultural differences measured by the GLOBE study and by personality instruments at the societal level do not reflect people's dispositions to think, feel, and behave in certain ways, but are instead culturally endorsed styles of responding to surveys (Van Emmerik 2010).

This knowledge and competence stands as the foundation for creating motivation likewise get all the members from different cultures gathered under the same roof of the one project to work together as a team in an efficient and satisfactory manner.

Although, perhaps it is totally wrong to generalize all western countries and non-Western countries and their culture and behavior which is definitely not the same, not even among those countries that are known as for Western countries, the culture is not exactly similar.

Gesteland (2012) discusses the "Great Divide" regarding business cultures, which in turn is connected to the national culture. What does he mean by that? Gesteland uses the term The Great Divide to describe the different business cultures around the world. To be more precise it is the difference between the Relationship-focused (RF) (Asia, Arab, and most Africa) and Deal-focused (DF) (N-Europe, Australia, N-America) cultures. The great divide affects the way we make business globally, from beginning to start. For starters, the way we make the first approach to potential buyers or partners depend upon whether they are Deal focused or Relationship focused. DF deal with strangers and do not need to become friends, they make straight contact to the person and if they are trying to deal with RF that can be a problem while RF deal with family, friends, persons they know and can be trusted. They are uncomfortable to do business with strangers.

The Introduction to the cultural pattern in brief by Gesteland (2012).

1.   Deal-Focused (DF) vs Relation-Focused (RF) Behavior
Gesteland claims that there is a Great Divide between business cultures all over the world. Deal-Focused (DF) people - for example USA - tend to be fundamentally task-oriented, while Relationship-Focused folks - Southeast Asia - tend to be more people-oriented. Of course, relationships are important in business everywhere, it´s a question of degree (Gesteland 2012).

2.   Direct (low-context) vs Indirect (high-context) communication

People from DF-business (such as Australia, NZ) tends to use direct language, while RF-people (such as South Asians) often employ indirect, vague language, especially when what they have to say could cause offense or lose of face. This difference in communication tendencies continues to cause misunderstandings when RF business people communicate with their DF counterparts (Gesteland 2012).

3.   Informal (egalitarian) vs Formal (hierarchical) Business

Problems also occur when informal business traveler´s relatively egalitarian cultures cross paths with more formal counterparts from hierarchical societies. Breezy informality can offend high-status people from hierarchical cultures, just as the status-consciousness of formal people may offend the egalitarian sensibilities of informal folks (Gesteland 2012).

4.   Rigid-Time (monochronic) vs Fluid-Time (polychronic)

Some of the world´s societies seem to worship the clock. Others are relaxed about time and scheduling, focusing instead on interpersonal relations. Conflicts arise because some rigid-time visitors regard their fluid-time brothers and sisters as lazy, undisciplined and rude, while the latter may regard the former as arrogant martinets enslaved by clock and arbitrary deadlines (Gesteland 2012).

Monochronic – clock-obsessed, schedule-worshiping cultures. In a monochronic cultures it is very important to be on time and on schedule.

Very monochromic. Nordic and Germanic Europe, North America, Japan.

Monochronic: Russia, Eastern – Central Europe, Southern Europe, Singapore, New Zealand, Hong Kong, Taiwan, South Korea.

Polychronic cultures, where people place less emphasis on strict punctuality and are not obsessed with deadlines.

The Arab World, Africa, Latin America, South and Southeast Asia.

In the polychromic cultures punctuality is less important. There is even a culture between these two cultures which is called Variably Monochromic.

5. **Emotionally Expressive (EE) vs Emotionally Reserved (ER) Business Behavior**

EE-people communicate differently from their more reserved counterparts. This is true whether they are communicating verbally, paraverbally - through tone and volume of voice, for example - or nonverbally (with gestures). The resulting confusion can spoil our best efforts to market, sell, source, negotiate or manage people across cultures. The expressive/reserved divide creates a major communication gap, one largely unexplored in most books on international business. (Gesteland 2012). In addition, Gesteland describe an expressive culture as when a person from an expressive culture is more expressive in the three types of interpersonal communication:

- *Verbal communication* – words and meaning of the words (lots of them)
- *Paraverbal language* – how loudly we speak, meaning of silence etc (loud voices and never silent which in other cultures is considered very rude). *Paraverbal negotiation behavior is when both sellers and buyers have to know enough about their counterpart's culture to be able to close the business culture gap and adapt to each other culture.*
- *Nonverbal communication* – body language (big movements)

Expressive cultures are Mediterranean Region, Latin Europe and Latin America Variably expressive cultures are found in North America, Oceania, Eastern Europe, south Asia and Africa.

Reserved culture is the opposite of expressive culture. People are more calm, do not speak with a loud voice or with their hands and body. They speak very soft and calmly in a reserved manner. Reserved culture is common in east and southeast Asia, Nordic and Germanic Europe (Gesteland 2012). To emphasize the importance of the personality, which in turn is one of the cornerstones of culture, Van Emmerik (2010) in his research, concludes that today, mergers across borders, collaborations, and relocation decisions are becoming common experiences for many employees, creating challenges to employee integration within the organization as well as knowledge transfer .Van Emmerik (2010) in addition, mentions that from a group and organiza-

tion perspective, people are still attracted to work environments that are compatible with their personality characteristics and that match their own norms and values.

3.3   Organizational Culture

Hofstede predicate that "organizational, cultures have been a fashionable topic in the management literature since the early 1980s. At that time, authors began to popularize the claim that the "excellence" of an organization is contained in the common ways by which its members have learned to think, feel, and act. Corporate culture is a soft, holistic concept with, however, presumed hard consequences" (Hofstede 2010, p.47).

Hofstede et al. (2011), apart from his well-known national cultural dimensions has even identified six independent organizational dimensions, resembling distinctions known from organization sociology, were identified that describe the larger part of the variety in organization practices. These six dimensions can be used as a framework to describe organization cultures, but their research base in twenty units from two countries is too narrow to consider them as universally valid and sufficient. For describing organization cultures in other countries and/or in other types of organizations, additional dimensions may be necessary or some of the six may be less useful. However these six dimensions can basically work as a tool to identify obstacles and implications between **PDC** organizations and **non-PDC** organizations.

 The six dimensions found in Hofstede´s (et al.) study are:

1. *Process-oriented versus results-oriented*
Process-oriented cultures are dominated by technical and bureaucratic routines, results oriented by a common concern for outcomes. This dimension was associated with the culture's degree of homogeneity: in results-oriented units, everybody perceived their practices in about the same way; in process-oriented units, there were vast differences in perception among different levels and parts of the unit. The degree of homogeneity of a culture is a measure of its 'strength': the study confirmed that strong cultures are more results- oriented than weak ones, and vice versa (Peters & Waterman, 1982).

2. *Job-oriented versus employee-oriented*
The former assume responsibility for the employees' job performance only, and nothing more; employee-oriented cultures assume a broad responsibility for their members' wellbeing. At the level of individual managers, the distinction between job orientation and employee orientation has been popularized by Blake and Mouton's Managerial Grid (1964). The Hofstede et al. study (1990) shows that job versus employee orientation is part of a culture and not (only) a choice for an individual manager. A unit's position on this dimension seems to be largely the result of historical factors, like the philosophy of its founder(s) and the presence or absence in its recent history of economic crises with collective layoffs.

3. *Professional versus parochial*
In the former, the (usually highly educated) members identify primarily with their profession; in the latter, the members derive their identity from the organization for which they work. Sociology has long known this dimension as 'local' versus

'cosmopolitan', the contrast between an internal and an external frame of reference (Merton, 1949).

4. *Open systems versus closed systems*
This dimension refers to the common style of internal and external communication, and to the ease with which outsiders and newcomers are admitted. This is the only one of the six dimensions for which a systematic difference was found between Danish and Dutch units. It seems that organizational openness is a societal characteristic of Denmark more than of the Netherlands. This shows that organization cultures also contain elements from national culture differences.

5. *Tight vs loose control*
This dimension deals with the degree of formality and punctuality within the organization; it is partly a function of the unit's technology: banks and pharmaceutical companies can be expected to show tight control, research laboratories and advertising agencies loose control; but even with the same technology some units may still be tighter or looser than others.

6. *Pragmatic versus normative*
The last dimension describes the prevailing way (flexible or rigid) of dealing with the environment, in particular with customers. Units selling services are likely to be found towards the pragmatic (flexible) side, units involved in the application of laws and rules towards the normative (rigid) side. This dimension measures the degree of 'customer orientation', which is a highly popular topic in the marketing literature.

The research grounding of these dimensions is documented extensively in Hofstede et al. (1990). Applications and implications can be found in Hofstede et al. (2010) and (Hofstede 2011). Hofstede also divided culture into four layers (or four main elements): symbols, heroes, rituals and values. Far researching at the four layers is critical for organizational managers, because it can affect global projects, international business or operation at different degree, and in many different ways. An onion diagram model of organizational culture was developed by Hofstede *et al*. (1997), which is presented here below.
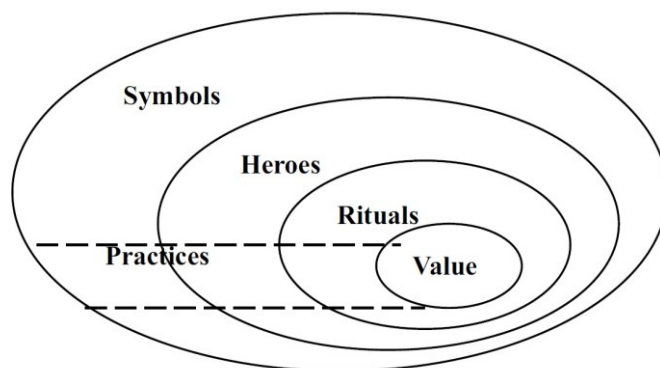
Figure 3-3 Onion Diagram (source: Hofstede 1997, p.9)

Additionally, as organizational culture has come of age. Not only did the concept have staying power but it is even being broadened to occupational cultures and community cultures. Intentionality is a potent and necessary force in cross-cultural training, not only for the individual but also for the organization. Cross-cultural training in the globalized economy also means that organizations need to set new and higher standards of selection, assessment, training, and motivation of people (Bhagat et al. 1996).

As Dalton (2011) mentions, an organizational culture is defined as a combination of beliefs, values, ethics, procedures, and atmosphere of an organization. It's mostly a mix of the beliefs and values of society at large, the individuals who participate in the organization, and the organization's leaders and founders. The culture determines what goals the organization wants to accomplish and how it will go about accomplishing them. In addition, Dalton (2011) argues that it is important to remember that subcultures in an organization may exist in the different departments or functions. Understanding cultural differences is valuable and important to reaching the success of firms that working in an international environment. However, leadership, very often, is understand as a critical variable in defining of the success or failure of an organization or international project, it becomes all over more and more important to look at the other side of the coin of leadership, how leaders can create culture in a project or an organization (Schein 2004). Management and creating culture in an organization goes hand in hand as Schein argues" These dynamic processes of culture creation and management are the essence of leadership and make one realize that leadership and culture are two sides of the same coin(Schein 2004).

A society's culture affects the political, economic, social, and ethical rules a firm must accept to follow in its business environment when dealings within that society (Griffin Ricky W. & Pustay Mike W. 2003). Firms and businesspeople venturing beyond their familiar domestic markets soon recognize that foreign business customs, values, and definitions of ethical behavior differ vastly from their own. Firms that rely on their familiar home culture to compete in a new market can jeopardize their international success. (Griffin Ricky W. & Pustay Mike W. 2003).

Increasingly, companies are taking into account employee needs and goals, personal and work related. Employers strive for win–win situations that allow both employees and the company to succeed. Organizations know they will be more productive and their employees more satisfied when effective human relations skills are used. (Dalton, Hoyle, Watts 2011).

<u>Organizational Culture Levels according to Schein divided at three levels.</u>
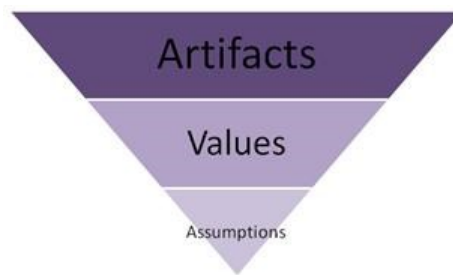
Figure 3-4   Illustration of Schein's model of organizational culture

Schein's model of organizational culture originated in the 1980s. Schein (2004) identifies three distinct levels in organizational cultures:

1. Artifacts and behaviors
2. Espoused values and beliefs
3. Assumptions

These three levels refer to the degree to which the different cultural phenomena are visible to the observer.

1. **Artifacts** include any tangible, overt or verbally identifiable element in an organization. Artifacts are the visible elements in a culture and they can be recognized by people not being part of the culture e.g. furniture, dress code, logos, slogans etc.
2. **Espoused values and beliefs** are the organization's stated values and rules of behavior. Thus it is how the members represent the organization both to themselves and to others. This is the stated values and rules of behavior of an organization. This is often expressed in official philosophies and public statements of identity. It can sometimes often be a projection for the future, of what the members hope to become. Examples of this would be employee professionalism, or a "family first" mantra. Trouble may arise if espoused values by leaders are not in line with the general assumptions of the culture. I.e. a very clear CSR strategy or a self-image of an organization as one big family.
3. **Shared Basic Assumptions** are the deeply embedded, taken-for-granted behaviors which are usually unconscious, but constitute the essence of culture. These assumptions are typically so well integrated in the office dynamic that they are hard to recognize from within. *(source: Wikipedia)*

Schein provides an accessible framework to understand a culture and the complexity of transformation of it to another, he also claims changing culture through primary embedding mechanisms and secondary reinforcing mechanisms. Then he presents culture as a series of *assumptions* a person makes about the group in which they participate. These assumptions are grouped into three *levels.* (Schein 1990).

3.4 Personal and individual Culture

Professional and personal goals in the context of the global economy can be successfully accomplished in cross-cultural training (Bhagat et al. 1996).

As almost everyone belongs to a number of different ethnicity, group and categories at the same time, we inescapably carry several layers of a mental programming inside ourselves, corresponding to different levels of culture. In particular:

- A national level according to one's country (or countries, for people who migrated during their lifetimes)
- A regional and/or ethnic and/or religious and/or linguistic affiliation level
- A gender level, according to whether one was born as a girl or as a boy
- A generation level, separating grandparents from parents from children.
- A social class level, associated with educational opportunities and with a person's occupation or profession.
- For those who are employed, organizational, departmental, and/or corporate levels according to the way employees have been socialized by their work organization

The mental programs from these various levels are not necessarily in harmony (Hofstede 2010, p.18).

As Gesteland (2012) signifies that no two people of any culture are exactly alike and there are regional, generational and individual differences among others. Although, he dissuade against creating stereotypes, he divides people in different groups that seem to be inevitable according to him, though, perhaps his division of the business cultures in this case is not completely true, but not completely wrong neither, indeed.

It is important to emphasis that McClelland's motives are based on the conceptualization of motives as being learned. However, they are placed to make variation in durability among individuals as a function of their socialization. Culture can shape the values and norms among its members, where these values are shared and conducted between generations through some kind of social learning processes of observation (Erez & Gati, 2004).

Moreover, a project manager should consider that the biological factors which can affect individual behavior and personality are important and they should take these factors into account. With this in mind, accordingly, Van Emmerik (2010) together with other authors predicate that, personality traits (along with other individual level attributes such as intelligence) such as the five factors of Neuroticism or Emotional Stability, Extraversion, Openness to Experience, Agreeableness, and Conscientiousness, are conceived as biologically based tendencies that influence the rest of the personality system, but are not determined by it. Together, these basic tendencies interact with the environment (including culture) to produce characteristic adaptations (e.g., culturally conditioned phenomena such as attitudes and personal strivings/motives) that in turn interact with the situation to create the output of the system, the individual's "objective biography." (Van Emmerik, et al. 2010).

3.5   Cultural Challenges, Clashes or Opportunities?

The historical expansion of human societies to millions of individuals has changed the nature of relatedness. Today, many people feel related to people with whom they share a symbolic group membership, not necessarily a genetic one (Hofstede 2010, p.15).

There are a number of identified challenges when discussing culture. The most well-known challenges in an international project include the time differences, replacing the face-to-face meetings with video meetings, dealing with various cultures that includes all types and levels of cultures, to create relationships and many more.

Leveraging a time zone isolate further increased the flexibility in finding times to interact across sites (Tang, Zhao, Cao, Inkpen 2011). Griffin (2003) mentions that we should SEE THE FOREST, NOT THE TREES, and with this he means elements of national culture like status, religion, education, age, time, values and attitudes, communication etc. affect the behavior and expectations of managers and employees in the workplace. International businesspeople, who face the challenge of managing and motivating employees with different cultural backgrounds, need to understand these cultural elements if they are to be effective managers. Their efforts make it easier for international managers to understand the big picture regarding a country's culture and how it affects their ability to manage their firms. In this section, we present the work of several of these scholars (Griffin 2003).

Moving across cultures is a difficult challenge. It requires a certain adjustment and adaptation that is not found in any other type of social interaction, since so numerous aspects of the new situation differs from the previous ones. Many of the rules we learn in a specific culture may not be useful in another culture. In fact, alot of what is learned in a specific culture is often of no use in a new culture. Cultural adaptation is a dynamic objectives that requires a set of highly complex cognitive (even metacognitive) competencies (Earley and Ang. Soon 2003).

The importance of making and developing a Personal Relationship

As Gesteland (2012) makes out, a project Manager may concern the importance of building a sustainable relationship with a costumer or counterparts. Hence, in a RF (Relationship-focused) business the relationship that builds with counterpart can have a strong personal component in addition to a company-to-company component. Your personally, as well as your company, are committed to the to the success of the venture. Because of this personal elements it is important that continuity is maintained as far as possible throughout the relationship. To emphasize personal relationship, Early (2003) refers to Fiske that presents four elemental ways people structure their social relations, including social motives, thoughts, and values that could be used to explain patterns of cultural variations in social behaviors. According to Fiske (1991), the four elemental forms of structuring reflect four basic rules: sharing in communal

sharing (CS); hierarchy in authority ranking (AR); equality in equality matching (EM); and proportion in market pricing (MP) (Earley and Ang. Soon 2003).

The importance of Face-to-Face Contact

The telecommunications revolution permits rapid correspondence with business partners around the world now. All equipments allow and enable us to stay in touch constant and continuously with customers and counterparts around the world regardless time or place (Gesteland 2012). And it means the opposite of face-to-face meeting. According to E-Culture (communication by electronic devices or internet), Griffin (2003) claims that the rise of the Internet is altering the world's business cultures. It is affecting attitudes toward risk taking, decision making, organizational hierarchy, compensation, and education. For example, compared to their U.S. counterparts, many Asian and European firms are much more risk adverse (Griffin & Pustay 2003). But these technological marvels have not eliminated the need for face-to-face contact with our Relationship-Focused counterparts. RF business people are very often uncomfortable discussing important issues in writing or over the phone. They expect to see their suppliers and partners in person more often than would be necessary in deal-focused market (Gesteland 2012). This cultural difference has assumed increased importance in recent years.

The cultural cluster approach is another technique for classifying and making sense of national cultures. Similarities exist among many cultures, thereby reducing some of the need to customize business practices to meet the demands of local cultures. A *cultural cluster* comprises countries that share many cultural similarities, although differences do remain. Closeness of culture may affect the form that firms use to enter foreign markets **(**Griffin & Pustay 2003).

The importance of communication

Referring to Dalton (et al. 20011), "definition of Communication is the process by which people exchange information through a common system of symbols, signs, or behavior". This process sends messages from one person as a transmitter to another as a receiver. Symbols as well as signs can be written or spoken as words to communicate. Signs might be shapes and colors can be created. Behavior can be any non-verbal communication, such as body movements or many kinds of facial expressions. Listening, speaking, writing, showing or reading are the all among the basic skills which can be used in a communication. Of these skills, listening and speaking are the most frequently used (Dalton, Hoyle, Watts 2011).

Crucial issues in inter-cultural communications are:

- Language and culture
- High and low context languages in low/high content culture
- Use of interpreters
- non-verbal communication

According to Norman (2010) who highlights one of the most common challenges that is management and communication across time zones. As he claims one of the significant obvious challenges facing the development of a communications plan for an international project is determining the best way for communicating across time zones within the project. This is a problem which changes in complexity and impact as the time zones spread out, but, regardless of the distance and difference, it is one which can have very a serious impact on the way the project is managed and communications performed.

Adding an additional wrinkle to the whole thing, is when the project is not simply spread between two different time zones, but multiples, in these instances, a great deal of planning must go into how the meetings and communications are structured both to be fair to the attendees and also to get the most efficiency from the meetings, it may, for instance, be better to have several sub-meetings, each between only two parties, to let them work on their discussion points, then have an overall coordination meeting with only key players from each location at a separate time, this may make the meetings more time efficient for the attendees and allow more people to participate in each, though clearly the structure finally arrived at will be unique to both the project and the phase the project is at.

Motivating as a challenge

As Early (2003) signifies adjusting to new cultural circumstances has often been viewed as a motivational issue by researchers in organizational behavior in addition to the cognitive and job-related skills needed for adjustment. What are the characteristics that help predict someone who will adjust successfully to another culture? Anecdotes and observation provide some insights from various training institutes. In a foundational study of expatriate selection, Tung (1981a) identified four general areas of competencies needed for successful expatriate adjustment, including technical job competence, personality traits or relational abilities, environmental variables, and family situation (Earley, Christopher and Ang. Soon 2003). Although the client / customer plays a crucial role, perhaps the most important element in a project are activities, time, budget and resource planning, etc., but motivating the team, use the potential within the team, directing forces in the same direction, and clarify that the key to success are happy employees and a functioning interaction seems to be most important.

In the light of importance of motivation, Binder (2007) refers to motivation that concerns those processes that give behavior its energy and direction. Energy implies that behavior has some kind of strength that is relatively intense and persistent. Direction of motivation implies that behavior has purpose that is aimed toward achievement of a particular goal.

3.5.1 Equality and Diversity as a challenge

Christopher (2012) predicate that "The international management moral of all can be the importance of treating everybody as individuals while making allowance for cultural commonalities". We should not forget the importance of the role of women and minorities in international business. When a person observes people from other cultures, they are likely to make generalizations of individual actions to the entire group from whom the member comes. Earley (2003) mentions that a person who has a high cultural intelligent, can be able to separate idiosyncrasy from a cultural pattern. The same point can be made in a diversity context. Additionally, the actions and their ascribed meanings are likely to be closer and more easily recognized by a person from the same country than a foreigner. So the individual diversity situation reflects a person's ability to understand the actions and intents of another person based on a partially shared meaning system. The degree that these shared meanings are imperfect suggests that high cultural intelligent project manager will provide additional benefits for figuring out what is going on in another subculture (Earley et al. 2003).

Intercultural equality and diversity
A strong intercultural competence is the key to a successful career. As author of Human Relation (Dalton, Hoyle, Watts 2011) purposefully claims ***Diversity*** refers to differences. In people, these differences can be thought of in four layers.

Hofstede (2010) predicates that gender differences usually, doesn´t use to be described in terms of cultures, it can disclosure to be like that. If we recognize that in every community there is a masculine culture that differs from a feminine culture, this recognition may helps to understand why it is so difficult to reform traditional gender roles in a society. Hofstede (2010) adds that "in some cultures, women are not considered suitable for jobs traditionally filled by men, not because they are technically unable to perform these jobs, but because women do not carry the symbols, do not correspond to the hero images, do not participate in the rituals, or are not supposed to foster the values dominant in the men's culture, and vice versa". (Hofstede 2010, p.45-46).

Early (2003), claims that a significant challenge facing modern organizations is how best to utilize and integrate the various talents brought forth by members coming from diverse backgrounds and experiences. How can organizations best make use of the diversity that exists in most work organizations? How do individuals use their own knowledge and skills about interpersonal awareness to avoid potential pitfalls in social encounters? Organizations rely increasingly on teams diverse on multiple characteristics including membership backgrounds and traits. Earley (2003) refers to Stryker (2000) who mentions that as a result, employees face complexity in how to define those with whom they work. Identities, or psychological representations of diversity characteristics, are what employees rely on in identifying, and relating to, other employees involved in their work encounters (Earley 2003 et al.). A highly diverse workforce implies that many possible identities exist for team members; therefore, numerous identities can be used to classify fellow team members.

Furthermore, members of a diverse team may differ in their perceptions of what are the key identifiers of fellow team members (Earley and Mosakowski 2000). Earley (2003) mentions that team members who share a common perspective achieved enhanced performance as a result of trust and positive affect generated within the team. Although a single identifying characteristic may be pertinent in describing others, multiple characteristics may be used as well.For example, a team member might view fellow members based primarily on functional background and secondarily on characteristics such as race or gender (Earley 2003). Earley et al. (2003), means that organizational research does not typically acknowledge that multiple diversity characteristics influence people's perceptions in social situations even though evidence suggests that organizational members themselves do consider such multidimensionality.

3.6   Cross-cultural Competencies

Cultural competence can basically be defined as a process there individuals and systems respond effectively to people of all cultures, languages, classes, races, ethnic backgrounds, religions, and other diversity factors in a manner that recognizes, affirms, and values the worth of individuals, families, and communities. Thus, cultural competence can be viewed as a set of behaviors, attitudes, and policies that acts together in a system among professionals enabling a system to work effectively in a cross-cultural situations. As Earley (2003) mentions, "Operationally defined, *cultural competence* is the integration and transformation of knowledge about individuals and groups of people into specific standards, policies, practices, and attitudes used in appropriate cultural settings to increase the quality of services, thereby producing better outcomes". Competence in cross-cultural function may mean learning new behaviors and practical application of them in the proper settings. This kind of cultural competence does not come natively and perhaps requires a kind of high level of professionalism and knowledge. Cultural competence is also not static and requires frequent relearning and unlearning about cultural diversity (Earley et al. 2003).

In general, this conceptual fuzziness of cross-cultural competencies has bedeviled cross-cultural training programs. If cross-cultural competencies are not well-defined, then it is immensely difficult for individuals to acquire the specific competencies necessary to become culturally intelligent. Cross-cultural training programs would be less efficacious in producing culturally intelligent individuals. Thus, we seek to make an important distinction in clarifying and identifying the specific cross-cultural competencies for cultural intelligence training. We adopt the stance that cross-cultural competencies do not include dispositional traits, which we assume to be non-trainable. We distinguish between competencies that are predisposed to cultural training (trainable) and competencies that reflect personality (non-trainable). We focus our attention only on trainable competencies (Earley, et al. 2003). Cross-cultural training is fast becoming not only a significant but also a strategic component in the world of international business and management (Earley, et al. 2003).

Dalton et. al (2011) argues that understanding cultural patterns and core values are elements of Global intercultural competence. In today's global organization you may work in a virtual global team or perhaps interacting face to face with team members from other countries, either here or abroad. In these situations, you will be expected to show a high degree of intercultural competence at the global level. This area of competency is not limited to learning other languages, but also includes understanding how cultural patterns and core values impact the communication process, even when everyone is speaking English. By understanding how people from different cultures communicate with one another, you can raise your intercultural competency. An important first step in sharpening your global intercultural competency is realizing that people from different cultures express their thoughts in different ways and words alone are not enough to discern meaning. Important but complex variables are time and space, fate and personal responsibility, face and face-saving and nonverbal communication (Dalton, Hoyle, Watts 2011).

As Gesteland (2012) mentions the vast majority of the world´s market is relation focused, for instance Arab world and most of Africa, Latin America and Asia/Pacific region. There are markets where people tend to avoid doing business with "strangers". Instead they expect to get things done through networks of personal contacts, i.e. family, friends or persons or groups well-known to them (Gesteland, 2012). Additionally, Gesteland mentions that when we go to the east, most people prefer to avoid as less conflicts as possible. As a traditional eastern proverb says: "harmony brings wealth", has always been described as first rule of business behavior in Far-East. Moreover, Compromising, which is one of the best ways for solving cultural conflicts in eastern countries, has been utilized a very long time in Japan, Southeast Asia and China including its related cultural areas such as HK and Taiwan. Furthermore, Gesteland divided countries into, formal culture and, informal culture. The Formal cultures tend to be organized in more hierarchies, while the informal cultures value equalitarian attitudes with smaller difference of power and status. In this case, it is easy for us to understand why people in China prefer compromising, in America likes problem solving and in Germany they combine the two while they live in China for a few years under project time.

When a project manager meets a conflict, which is between staff and a line manager, the western PM would use arbitration to solve it. However, most of the PM have eastern background would choose mediation because he/she never want to displease anybody and make them loose face, which is significant in eastern areas.

Cultural differences often create ethical dilemmas for international businesspeople. Behaviors that are acceptable in the home country culture may be deemed inappropriate by the host country culture. Such cultural conflicts commonly arise among persons from different cultural backgrounds, and international businesspeople must be prepared to deal with any ethical conflicts that result (Griffin Ricky W. & Pustay Mike W. 2003).

Successful international businesspeople traveling abroad must remember that they are the foreigners and must attempt to behave according to the rules of the culture at hand. There are numerous ways to obtain knowledge about other cultures to achieve *cross-cultural literacy*. The best and most common means, not surprisingly, is personal experience that results from conducting business abroad, as part of either a business trip or a long term assignment, or from non-business travel (Griffin Ricky W. & Pustay Mike W. 2003).

Moreover, Griffin (2003) argues that Cross-cultural literacy is the first step in **acculturation**, the process by which people not only understand a foreign culture but also modify and adapt their behavior to make it compatible with that culture. Acculturation is of particular importance to home country managers who frequently interact with host country nationals—for example, a plant manager from the home country or a marketing director working overseas at a foreign subsidiary (Griffin Ricky W. & Pustay Mike W. 2003).

Cross-Cultural Training Methods

Kealey and Protheroe (1996) claims that training in general can be defined as any intervention aimed at increasing the competence or skills of the individual. Kealey and Protheroe (1996: 145) defined training as "any intervention aimed at increasing the knowledge and skills of individuals, so as to help them cope better personally, work more effectively with others, and perform better professionally" (1996, 145). In general, cross-cultural training may be defined as any procedure used to increase an individual's ability to cope with and work in a foreign environment (Tung 1981a). There are many types of trainings that can be given to people to be sent abroad, depending on their objectives, the nature of their responsibilities and duties, the length of their stay, and their past experiences (Zakaria 1999). The effectiveness of various types of training will depend on the time and resources available for undertaking them, the quality of trainers, and the possibilities for in-country training (Kealey and Protheroe 1996). Training can involve many techniques and methods, ranging from the experiential (for example, role-playing) to the documentary (for example, reading literature) (Earley 1987; Shear 1993). Some of the types of cross-cultural training available are practical information, area studies, cultural awareness, intercultural effectiveness skills, and interpersonal sensitivity training (Kealey and Protheroe 1996).

Early (2003) refers to Brislin and Hovarth (1997) who provide a comprehensive review of cross-cultural training methods in their evaluation of cross-cultural training (see also Fowler and Mumford 1995, 1998). In their review, they categorized five approaches in cross-cultural training: (1) cognitive; (2) attributional; (3) experiential; (4) self-awareness; and (5) behavioral. In general, there has been a lot of emphasis on cognitive and attributional training, and some emphasis on experiential approaches in cross-cultural training. However, there has been scant or no mention of motivational and metacognitive training (Earley et al. 2003).

4 PDC (PDOC) and CHALLENGES

In the daily work and most cases, a project manager usually tackle many challenges that are normally not perceived unmanageable. However, these challenges, can be resolved very often but it only requires time, experience and competence that can be obtained through education or advices, for instance, creating and developing a Personal Relationship to the customer and stakeholders, using management tools, economy, Cultural differences and managerial approaches, conflict Management, etc.

Along with seeing the motivating other people as a major challenge, It feels as there is no other choice but keeping up with author of Human Relations (Dalton, Hoyle, Watts 2011) who predicate Managers and supervisors in today's workforce are faced with motivating a diverse group of employees. Making people of all ages and cultural backgrounds feel important, connected, useful, and motivated is a major challenge. In these highly competitive times of shrinking budgets, some unconventional and cost-effective means are necessary to increase staff motivation and retention.

Performance Driven (Organizational) Culture (PDC) can be a good culture to bring performance and efficiency to a company, although it has its dark side and dilemma to manage it without creating some disturbance in the culture and organizational environment. A reason for creating of motivation is intentionally creating a ***Performance Driven Culture*** or sometimes called ***Performance Driven Organizational Culture***. Referring to Van Emmerik (2010), who emphasizes the importance of this subject by referring to Weber's (1904/1998) classic analysis, The Protestant Ethic and the Spirit of Capitalism, in which Weber argues that—in contrast to the focus of Catholicism on "good works"—the Protestant idea of work as a "calling" produced higher levels of achievement. Striving and economic development are noted among societies that embrace the Protestant ethic of hard work and worldly performance. Despite the intuitive appeal of Weber's and McClelland's arguments, Hofstede (1980, 2001) did not conceptualize or measure a corresponding cultural dimension in developing his model of cross-cultural work values. In recognition of this shortcoming, the GLOBE study included a measure, Performance Orientation, which is defined as the "degree to which an organization or society encourages and rewards group members for performance improvement and excellence" (House & Javidan, 2004, p. 13). Societies that score high as opposed to low on Performance Orientation tend to emphasize results more than people, reward performance, value assertiveness, competitiveness, and materialism, expect demanding targets, reward individual achievement, and have appraisal systems that emphasize results. (Van Emmerik, Gardner, Wendt and Fischer 2010). As Van Emmerik mentions: "exploring the interrelationships between aggregate levels of personality and culture and individual motives is provided by McCrae and Costa (McCrae, 2000, 2001; McCrae & Costa, 1996, 2008) in advancing their Five Factor Model (FFM) of personality (also known as the Big Five). Specifically, these authors posit that biological bases (e.g., genes) and external influences (e.g., cultural norms) serve as fundamental inputs to the personality system (Van Emmerik, Gardner, Wendt and Fischer 2010). Almost

all researchers agree, and the result of their investigation, clearly indicates that a project manager must have skills and competency within certain area in order to perform and contribute to create, develop or implement a ***Performance Driven Culture*** in the organization and projects. To evaluate certain types and elements of these skills, there are many tools such as ***Psychometric Tests***[3]. Psychometric tests can contribute by identifying more accurately a number of the required skills and attributes to the selection of a PM or team members.

 More and more cross-boarders firms are working with a performance driven culture. Carmichael (2014) claims that at the core of every successful company and organization you can recognize a culture that strives for better or improving performance every day. Organizations or companies which excel in their domain are nothing but the result of their leaders painstaking efforts to instill a performance driven culture, and a performance driven culture is spread over all levels in the organization, successful organizations have a focus on the better performance of their PM, managers and employees. Here employees can be rewarded based just on their performance Their performance targets are explicitly defined and formally communicated to them. It will help employees feel **motivated** and accountable for their performance and strive to achieve/exceed the targets set for them. The only thing that pleases the PM and managers is still higher achievements and performance delivery. Carmichael (2014) means that performance management does not need to be only an HR responsibility but even all departments, PM and managers own the performance management system. Carmichael (2014) mentions even that employees at lowest level take take their own initiatives to improve significantly in the so-called PDC, and they are often engaged in some kind of a "sacrifice themselves" competition with their colleagues, and and increase performance stacks at regular intervals until they have met or exceeded industry comparative index (Carmichael 2014).

4.1   Challenges concerning PDC global (PDOC)

Evidently, all improvements require change and as they say there is no improvement without change. Obviously, all changes are tied to any kind of challenges, so in other words there are challenges beyond every step taken towards changes. Thus, aside from the regular international cultural challenges there are also organizational challenges such as challenges that concern PDC. According to Carmichael (2014) who calls these challenges "a bumpy road", indicate and highlights some challenges concerning PDC and states that "the road to success in performance driven culture is not smooth and easy. Here are some of the challenges that an organization faces while

---

[3] *Psychometric tests are objective tests which aim to measure one or more areas of human behavior. Psychometric tests are standardized, which to say they utilizes a common administrative procedure and scoring mechanism for all candidates on each occasion that they are used. They are generally based on years of research. These tests are reliable and valid tools, and aim to be fair and not to disadvantage any group or individual. These tests are commonly used in employment situations both as coaching aids and to select and develop people and there are several types of these tests. For instance, aptitude tests(Clerical skills, IT skills), ability tests (verbal, numerical), interest/motivation inventories, culture/climate inventories and personality measures/emotional intelligence. (www.BPS.org.uk).*

nurturing a performance driven culture (Carmichael 2014).

Challenge 1: Defining performance metrics
The first challenge that organizations face is in clearly defining the performance metrics, also called goals, tasks and measures. The challenge lies in finding the quantifiable parameters for many tasks. The best discoveries can be done through discussions among the top leadership and the managers to decide what parameters/ guidelines should be set at all levels of employees. Key employees should be consulted before setting targets for them and their peers. Once the guidelines are set, a goal setting exercise engaging all employees should be conducted to ensure mutual consent of employees and their managers to set and define performance metrics. Managers should also ensure that a balance between quality of delivery and the quantity of delivery is maintained. For example: No sale should be done based on extreme promises of delivery or if the delivery efforts make the sale unprofitable.

Challenge 2: Collection, Reporting and analysis of performance evaluation data
The second challenge for a performance driven culture is managing the huge employee performance data that employees and managers feed into the system. There should be an easy mechanism to provide feedback and rate employee performance.

Measure Performance
The data should be well organized and able to report various information like employee achievements, how far they are from their targets, which business unit is performing better and which needs improvement. These inputs will be most valuable to managers and leadership as it will become the source of basis of measuring and improving the performance. Because your performance data is going to be quite large (even if you are a small company of 50 employees), it is impossible to manage it through paper based (or spreadsheet bases) system. Many organizations use a SaaS based software provided by leading vendors of Performance Management System.

Challenge 3: Identifying The Leaders among Performers
The third challenge of driving Identify Top Performers a performance based culture in the organization is finding the top performers among the many close matches. Based on the normal reports you can easily categorize your employees in broad categories like Outstanding, Excellent, Good and Average. However, for your succession planning, promotions, rewards, you need to find the leader among the performers. This a task of detailed analysis. Here is where you need to refer their past performances, co-relating various metrics, writing off the manipulated performances and look for consistency and the values that are best suited for the leaders in your industry. This may require you to have the previous evaluation history at hand. Most performance management systems (software) have this as an inbuilt/default feature.

Challenge 4: Appropriate Reward System, Pay for Performance
Once identified, you should take immediate steps to reward the performers (before your competition does). Rewards should be appropriate and matching the

performance, and to some extent the expectations of performers. It can be in terms of cash bonus, promotions, vacations etc. Sometimes HR can ask the performer to give their preference among a band of chosen awards. The more satisfying the reward is, the more it will create an environment of competition among peers to perform better than others. A poor reward system, on the other hand, will create an indifference of employees towards your performance management system. Linking performance with pay helps organizations to satisfy the performers and motivate the non-performers.

Challenge 5: Dilemma of training or dropping non-performers
One of the significant reasons why some employees and managers do not welcome performance management Employee Training Management system is the fear of exposure of non-performing team members. Unfortunately, in a performance driven culture non-performers have only two options: Improve to a minimum threshold or Exit. A performance driven culture cannot afford to drag the non-performers with it. Because non-performers can spoil the complete show by setting wrong examples for others and bringing down the average performance of the organization. Based on the performance evaluation data, you can easily find out the gray areas where the non-performers are lacking. A training and development plan should be chalked out to improve the performance of non-performers. They should be given special attention and time by their immediate supervisors. A suitable training will improve the performance of many of your non-performers.

5   METHODOLOGY

In order to gather more than one opinion on this matter, and to fulfill the purpose of this paper, collecting data and information has been mainly qualitatively, i.e., through many unstructured and semi-structured interviews and partly based on existing reports from various projects. For the sake of meaningfulness and even the scope of this topic, the Program managers and Project managers interviewed have been selected not only by their experience, but also a blend of different backgrounds, gender and age. Consideration has been taken to select individuals with a broad range of different managerial experiences both in numerous regular organizational works and project-oriented tasks, and who has been already in place within different countries and culture than its own.

The study consisted of few steps. First step started with having dialog with random samples of experienced project members about international projects they have been involved in, and also about known issues and perhaps improvement proposals. Next step started with unstructured open-ended interviews with a selection of project and program managers at Saab, these interviews have been performed by asking questions according to the query table (Appendix 2), and final step was gathering and collecting all retrieved data and picking up relevant data to answer the research questions in this thesis.

5.1   Research design and data collection

The purpose of these interviews is to establishing the differences found by managers who run projects with international team members. The data collection was obtained through a few interviews with seven Project managers who have been carefully selected according to their experience, gender, age and with different background. Most of them have many years of experience with large international projects that extend across borders. Some of them have also experience of visiting customers onsite all over the world and live in the project countries under long time during the project lifecycle. They usually lead several small or bigger projects at the same time and they sometimes lead a few hundred people involved in a project, also, very often with team members with different nationality and cultures. In some projects the team members have been from the same country as the PM i.e. Sweden. The last project, which one of these PMs has worked on, was a TOT project (Transfer of Technology), there he was responsible for transferring of manufacturing technology to a country in Asia. Two of them have worked at Africa recently years. And one of them has lived mostly in Sweden and some other countries around Europe.

All interviews were performed at Saab and all participants are current employees at Saab AB, which is applied as a single case study. The participants already have or had a role as a PM, manager or some kind of leading role with team member in an international project environment. Their experience extends between 5 to more than 20 years within international projects and they have been in direct contact with a

foreign customer in many projects. Some of them have lived in the project country for a short or longer time. The most adequate way of assessing how an individual functions in other culture is interviewing the person who is involved in the intercultural interaction. As Early (2003) affirms the definition of interview as "a conversation with a purpose." It may be unstructured, semi structured, or structured, depending on the degree of advance preparation to preset the order and wording of each question. The different forms of interview have different roles and can be meaningfully used to complement one another. An unstructured interview is where the assessor provides very little guidance to the respondent either in terms of questions or possible answers; it is like a stream-of-consciousness conversation. Unstructured interviews permit the interviewer to become creative and flexible. The interviewer does not have with him a set of predetermined questions; he is generally guided by a topic or a set of topics around which the conversation between the interviewer and the respondent takes place. He or she usually begins with a very general question and then continues by clarifying or summarizing what the respondent says. This form of interview makes it possible for better understanding of the dynamic of certain phenomena that have taken place in the new culture and gives the assessor a feel for how the individual is coping in the new country. The extremely structured interview is limited by the predetermined set of questions; they are less adaptive than the unstructured interview. The usefulness of the data collected has been satisfactory.

Question category divides the questions in to 3 categories. All questions are related to an international project with team members with different cultures.

1- Due questions in general
2- Culture related
3- Any other related

see Interview Questions - *Appendix 2.*

Case study

With a central focus on Saab AB, we can find a summary of corporate culture in the form of a small directive called "Code of conduct" where we find the text" ***Diversity is a basis for successful business***" (Code of Conduct P.4) and "***The Code of Conduct plays an essential role in creating a group wide culture of responsibility and commitment to Saab's values***" (Code of conduct p.12). In other words Saab emphasize the importance of culture and the company´s route to the success goes through creating the right culture. So, Saab, like any other global company indicates clearly that culture plays a key role, while at the same time underlines that a culture of diversity and equality are the foundation for success, indeed. Saab on his website significates that "*Our corporate culture will contribute toward personal and professional development among employees, regardless of our differences or other factors not related to the individual´s work-related skills, performance and development potential. At Saab, we treat each other with respect and consideration.*

We should be aware for any sign of prejudice and actively prevent all forms of discrimination". So, in short, Saab will perhaps assert that through respect, the company, with help of its corporate culture, creates motivation among its employees throughout the world, regardless of other types of culture. As Håkan Buskhe, President, Member of the Board and CEO of Saab AB, in the personal policy of Saab 2014, mentions: ***To build relationships is to achieve results. How we behave towards each other and towards the world around us are critical success factors for our company - business is done between people and our own expertise and innovation created in the interaction between people.*** Saab's Code of Conduct establishes a number of important principles and stipulates that trust is the foundation of its operations. Another key point to mention is the biggest challenge that Saab should take into account and be aware about the implementation of the **PDC** and to pair it with its personnel policy, which says that our staff is the most valuable asset we have, because if of any reason, creating of PDC fails, then it can be misadventure and misfortune for the company and the staff. Do not ever give up on changing the world, but you should start with yourself, and always remember the golden word "**Respect**". if we really try and intend to compete to other strong competitor around the world, then we have to understand the way they think and see the world with their eyes. while we insist on keeping our "Swedish" way of thinking, and trying hard to not welcome dissidents and instead repels constantly everything that does not exactly resemble ourselves. It is evident that sometimes the national culture dominates and controls the organizational culture of the practice, which affects the company's vision and goals and values which strive for globalism and international culture.

6   FINDINGS

All the findings in this chapter are the results and outcomes gained from my research and personal experience as well as the outcomes of interviews.

The result of interviews evidently indicate that despite some of the program managers and the project managers interviewed, considered a notional basis in pedagogic that it was not needed to exert knowledge transfer, apart from the ordinary reporting and administration of the projects, but still there is a pretty good information flow and knowledge transfer among most project managers.

It is extremely important when a project manager is working in a foreign culture, s/he will attain specific skills and gain some knowledge and experience just to eliminate the impacts on a global project and to prevent facing any kind of consequences caused by cultural differences regarding to the first question in this research.

So consequently, performance of a person, group or a part of an organization shall not cause a hindrance or affect negatively on other person´s, group or other parts of organization´s performance. Otherwise the battle of performance´s can create a huge barrier for organization to succeed, after all, it doesn't mean that PDC need be a reason or causes hindrances for a global project.

It is also important to share that experience and knowledge with others, but, as perhaps a project manager leads a large project extending over several years, and in some cases even a longer time, so it obviously happens that the knowledge is not transferred further immediately to someone else. They alleged that the skill lay in the personality and experience and this may mean that the focus is on the core business of the projects instead of knowledge activities.

One explanation may be that neither traditional project processes or project methodologies provides no support to knowledge business. With this, they mean that it is sufficient to acquire the knowledge by learning through practical applying methods such as lessons learned. In the big picture it is important to share experiences from different projects with others but to impart knowledge can mean something else than just ordinary communication. In the current state, project management training generally does not support the ability to transform tacit knowledge, motivate or teach the knowledge gained within a specific project. Most training focuses on educating project managers to think, feel, and perform according to instructions. This means that project managers have very little knowledge about dealing with unexpected situations, and develop new techniques and strategies. To change and develop new techniques and strategies in project requires a good knowledge of pedagogy.

The project manager´s biggest obstacle when dealing with lessons learned and transferring of this knowledge was that there was no dedicated time for the business. Time pressure and increased mission focus and an inability to identifying the

knowledge that is missing is the cause that creates stress in both the project manager and project team. The attitude of not sharing their knowledge or unwillingness to absorb others' knowledge is indicative of a climate character of insecurity and uncertainty. Project managers also indicate single competence and specialists with person bound expertise who has no time to meet all project requirements as an issue and obstacle, and this could possibly be perceived as a challenge that does not seem to be easy to tackle, because the problem is controlled by the company and not the project. A typical barrier is that there has been a lock in a particular project epoch despite the surroundings and the situation calls for a shift. For instance, the project's innovations and implementation logic is repeated even though there are other and better alternatives to prefer. The second barrier is that after a successful project the company does not focus on the uniqueness of the next project but referring to the success of the project.

Another barrier can be created when the company managed to shift the epoch so can the necessary absorptive capacity is lacking to convert business and technical skills to successful projects. A far-reaching project development strategy within an organization with PDC risks to losing the basic technical skills needed for collaboration with subcontractor or global counterparts who are still stranger to PDC.

So obviously, it creates ambiguities in inter alia communication, knowledge sharing and probably interferences in management in a global project. An organization that already has implemented PDC can perhaps stress the process as well as the working methods among its global counterparts, which in turn can mean dragging hand-break as a consequence for a PDC project.

A significant and potential barrier is that increasingly sophisticated and advanced project expertise shade and foreclose the entire activities and the operation of a global project. This means that it will be manifested such as a quest for ever-improved procedures and development that may result in reuse of the same individuals and routines developed for just their requirements and no one else. The risk of overloading these individuals is obvious, and it also makes it harder for newcomers to establish and develop their skills. A recognized experience of project managers is that the same mistake can be repeated over and over again and it may be due to the product development project belongs to the category of projects with the relatively large unique content. Product development projects non-recurring nature creates issues, because learning by repetition is not as extensive during the life cycle of these types of project. If project content is made up of a large amount of unique elements, then it can be argued that the opportunities for learning between projects will fall off substantially.

Indeed, we must consider that people are not machines; psychology is not exactly physics law or math. Human beings are a combination of logic and emotion, which makes it almost impossible to describe it, or handle it in a "completely right way".

Almost all participants involved in this research agreed that competence in culture and its different fields is vital, not only for the project manager but for all project members of an International Project. The performance in an organization with PDC will be reached only by creating motivation and creating personal relation.

It was also recognized and the culture of counterparts does not need to be a hindrance for an international project. PDC is a culture which implements in an organization and an organizational culture which has been welcomed by many companies around the world and it grows strongly every day, nevertheless, it has not had any major negative impact on our projects yet. All program and project managers have some kind of strategy and method in using lesson learned, learning/teaching style, solving conflicts or cultural issues using in their projects. All of project managers are aware about importance of cultural competencies and relevant expertise toward working in a foreign culture and no need has been identified which lift up any kind of cultural adaptation toward counterpart's culture, just being aware about values, showing respect and honesty has been sufficiently good enough.

6.1   The result of the interviews and Findings

A total of ten program manager and project manager were interviewed, but some similar results are taken out, therefore we select four out of all the interviews for visualization in this research.

The results of the interviews show that project managers are highly aware about that transfer of knowledge and experiences are an important activity, as well as see it really as a fun element in their project leadership. Normally, they use to have some experienced PM as reference when they start with a new project. Project managers believe that it is allowed to make mistakes where valuable lessons learned are included, whilst they see transfer of knowledge and experiences of their lessons as change development and see a need of highlighting the importance of not pointing out others as scapegoats. One of the project managers said that he 'rewarded a team who had done wrong and failed when they had missed an important milestone'. This miss and the reward resulted that the team became more committed and motivated the team than getting frustrated. The problem was that one of team members had failed to inform the rest of team about something important.

Some project managers consider dramatically when the transfer of knowledge takes priority in the project activities only when a problem arises.

The question about the differences between male and female leadership linked to management in a foreign culture was perceived as difficult to answer and they referred to situation based experiences, while generally no one had experienced major problems in this question. However, one male Project Manager interviewed pointed out that he had experienced that one of the female sub-project managers who worked together and close with him had some conflict with team members from another

country who had a little problem with female supervisors, but it all worked out in the end.

Some project managers have no theoretical knowledge in pedagogy. In addition, most project managers have not many internal training related to project management. Project managers were also reluctant to whether there was any advantage with theoretical basis in terms of pedagogic arguing that the skills lay only in the practical exercise. Some project managers reasoned that they might improve their practical execution if they had theoretical knowledge to presuppose. Project managers have their theoretical foundation in technological know-how which has meant that they have not thought about whether another theoretical basis necessary to become more effective in the role of project manager.

Some results of the interviews are very similar but nevertheless differ slightly. The result of all interviews is illustrated in the table and charts below. The results help us to recognize evidently some clear contrastive differences among management's method of all participants (PMs). Please consider that the result and the percentage/all the numbers in the table are calculated approximately and in my opinion and according to my own assessment/evaluation of what is said in interviews.

Please consider that the same result will be presented in different type of chart (Lines, Bars/Column and Radar/cobweb) just to facilitate understanding of the results.

Additionally, by looking at the average values for each interview question with great contrast among all answers, regarding to our research questions, we can understand how a project is influenced by each factor can function as a variable in different projects and how much these factors affect counterparts. The result has been calculated as a percentage indicating the amount of how much each part is affected in relation to a hundred per cent scale. As shown in the results, there are clearly significant differences between the various project managers and their differences on experience, leadership style and how they see the culture and its components related to an international project. See figure 6-4.

| The values in the table are given in %	PM 1	PM 2	PM 3	PM 4	PM 5	PM 6	PM 7
How much counterpart´s culture affect your project	20	10	5	5	10	25	40
How much PDC influence your project	50	75	50	40	40	30	25
How much PDC influence your counterpart´s culture	10	15	10	10	5	10	10
Using Lesson learned, Learning/Teaching Style	75	90	75	50	90	90	100
Using own methods to solve conflicts/Cultural issues	70	90	80	80	25	100	100
The range of impacts/consequences working with other cultures	10	15	10	25	10	10	5
The importance of motivation	100	100	100	100	50	80	100
The importance of relevant competence in international project	100	100	100	75	50	75	100
Need of Adaptation/adjustment of our culture to our counterparts	5	10	15	5	5	5	5

Table 6-1   The result of interviews
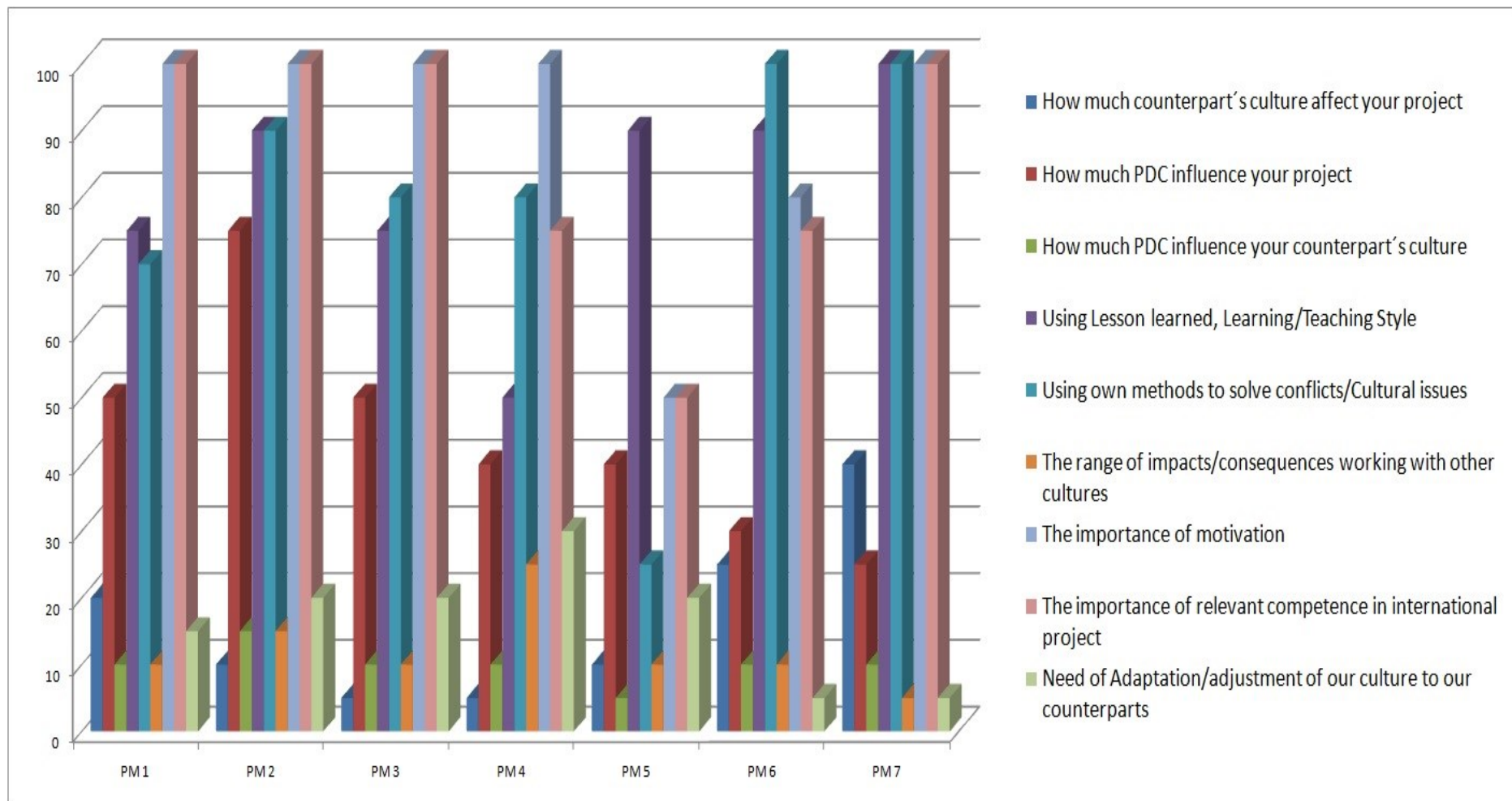
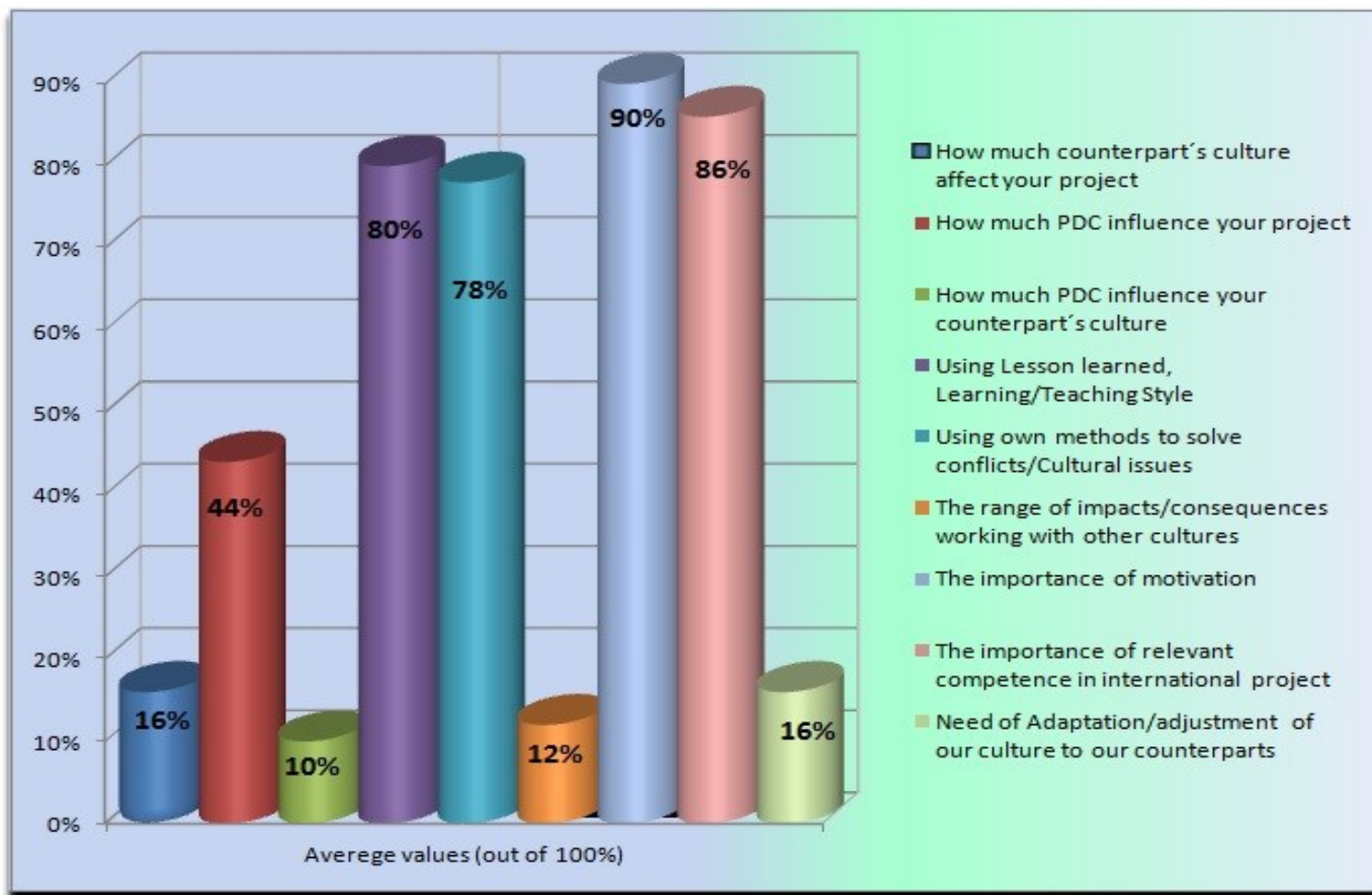**Figure 6-1** **The result of interviews (column)**

Figure 6-2 Average values of answers of interview questions

6.2   Culture, competency and motivation

Normally, one of the major issues used to be lack of knowledge and information about other people and cultures, and this concerns the project both internally and externally. Regardless who we are or who is our counterpart in a different culture, we should address and identify possible issues and never forget to take into account the impact of these issues. There are five main cultural issues that must be considered before approaching of any international project when it comes to cultural challenges. And these issues are: Religion, Communication, Values & attitudes, Social structure and Language.

Almost all PMs interviewed agree the main issues mentioned here and that having the right competency and knowledge reduces the possibility of a project failure. The ingredient for project success in a multi-cultural team is effective leadership, cross-cultural communication and mutual respect through knowledge about each other´s cultures. Being a smart international project manager requires gaining knowledge and cultural competencies of team members with other cultures or customer's culture is vital. This means that the project management team has to be culturally sensitive, creative, motivational and flexible as well as widely competent in cultural issues. As many PMs interviewed in this research mentioned it is impossible to avoid all possible risks and their influence on our project but trying to avoid or prevention of consequences is a fact that eminently can be taken into account. As a matter of fact, in order to possess the skills to cope with most of the criteria of the points mentioned above, a wise and clever IPM may overcome the art of influencing other people. In order to influencing other people you must be an Ace to creating relationship, because it really plays a crucial role. But first, in order for a project manager to be able to influence the project members must be aware of certain facts to gain skills and knowledge that contribute to the control of the project.

One of the most important skills is likely to be culture, and it means *culture at various levels and types.* There are many invisible gaps of knowledge within management, especially within the field of psychology and management of a foreign culture, that undoubtedly create undoubtedly unexpected obstacles, conflicts, or other problems that may prevent a project manager to proceed with the project. The question is if a company like Saab really need to change its culture just because of adapting to its counterpart or perhaps we are going to a new era with a similar globally culture? One of outcomes after interviewing many program managers as well as project managers at Saab emphasized that there is no such need, because there is good enough knowledge about each other´s culture which in turn cannot necessarily be perceived as a hindrance within our international projects. The responsibility for a good communication lies on the project manager and the project management team and that the right tools are used. Lots of effort must be put on a special cultural skills and communication structure or communication plan since almost 90% of all project failures depend on lack of influence, commitment, trust and communication. Creating trust, confidence and a good communication structure helps to effectively prevent

possible risks of project failure and makes the project to be adaptable to possible changes. All strategies must be correctly implemented and be followed by skilled project Manager to prevent all kind of negligence that is in touch with the project and its members. Given the multicultural makeup of most countries and the thrust toward globalization with the resulting growth in international organizations having diverse workforces, obviously, given the multicultural make-up of many countries and the power toward globalization with the resulting growth in international organizations having diverse workforces, there is evidently a growing need to measure the competence level of international managers and staff. For instance, careers in international or culturally diverse organizations, primarily those using team approaches, require a positive attitude toward cross-cultural differences, each person who has not some level of the competence to handle such diverse situations is closing the door to many career opportunities. Mostly and in many cases, efforts on assessment should not only lead to an effective management of cultural diversity in organizations, but even will help individuals in their own strategic career development.

6.3   PDC (PDOC)

In accordance with outcomes from what was mentioned and discussed during interviews and side conversations with project managers interviewed in this research it was found that in the challenge of defining performance metrics, there is a risk that by any means the performance is measured in a wrong way, which in turn can lead to misjudgments, therefore it is of great importance to avoid misjudgments and choose an adequate and reliable way and tool to get a fair result. Due to managing the huge employee performance data that employees and managers feed into the system, having a reliable and easy to use system, otherwise it could be nonsensical with gathering this data. Regarding to Identifying the Leaders among Performers to find Top Performers may lead to classification of humans can be perceived against a rule of equality and diversity that goes against psychological motivation and participation policy in many Organizations. It should be based on the normal reports you can easily categorize your employees in broad categories like Outstanding, Excellent, Good and Average, without having a large gap between these categories. In fact, there is nothing wrong with the Reward System and Paying for Performance, and once a performance with good result is identified, you should take immediate steps to reward the performers and rewards should be appropriate and matching the performance. It can be in terms of cash bonus, promotions, vacations etc. But immediately, the risk arises that this can create a race and the main focus will be mostly on the race itself than results and performance business in addition, the greatest risk might be that a negative stress is created in whole organization, which in the long term perspective can lead to mental health disorders and bustle as main results, which in turn can lead to long-term illness or at worst, destruction of the ability to having a normal work life which normally could be compromised in the future. And finally, the Dilemma of training or dropping non-performers which is one of the significant reasons that many employees

and managers worldwide chose to not welcome the performance management. Consequently, in a performance driven culture, non-performers have only two options: Improve to a minimum threshold or Exit. As mentioned earlier a performance driven culture denies to drag the non-performers with it. Because non- performers can stop the show and probably act as a brake for the success as well as bringing down the average performance of the organization.

And biggest issue with this concept and it´s challenges is those who can't improve with all possible efforts from organization's part, must be moved to some other department or be graciously asked to look opportunities outside. As no organization can afford to carry dead wood! Therefore, probably, this concept may be perceived as that is not compatible with all slogans as advocate humanity and human rights which can be a whole other discussion that does not belong here and now.

Another absolutely significant and noteworthy challenge or perhaps we should call it an issue related to the PDC is knowledge transfer and communication which in turn create a dysfunctional management, leadership or organization. Obviously, when a project manager during a project, has acquired knowledge and experience, will use it as a tool to deliver high and the performance, rather than to give it away for free. Thus a willingness to share the knowledge disappears dramatically, this construction under these circumstances has already created a competitive behavior, which in turn contributes to the creation of many invisible barriers signposted with PDC, and a big competition environment, where no one will share their lessons learned with others, because only the strong ones who perform best are the chosen ones who will survive. so the question is what do we want? A competence-based, a performance-based organization or an organization with main focus on Product Profitability? Perhaps, the best solution is a combination of these plus managing not only the organization or the project, but even cultural differences and consequences.

A project manager must be neutral when responds to a conflict regardless to the people with different conflict-styles in an ongoing conflict. Indeed, a project manager must develop his ability to be able to identify the different phases of a conflict in order to address and resolve it as soon as possible in a pleasant and skillfully way. PM should also be aware to eliminate the reason and sources of conflicts so safely to ensure that the conflict does not relapse later of same reason. It is also important that a PM must use lesson learned from previous cases as a tool, must learn to develop flexibility in dealing with for him/her unknown types of conflicts. Nevertheless, knowing where, how and when to intervene and finally to learn the art of remaining neutral when facing different types of conflict for instance inter-personnel conflict which is probably more common in international projects.

So, in accordance with Schein (2004) can "*Performance Driven Culture*" be named here as SAAB is implementing in the organization and its international projects as well as global sites. Culture is truly such a feeling, it can be interpreted or described totally different depending on who is describing it. Several people gathered at one

place and do the same thing can get different experience and feeling their description afterwards can be very similar but still different.

With "Performance of Project Manager in a Project itself and the Project Psychology" refers to how active a project manager undertakes the responsibility to process the project from a psychological perspective, i.e., motivation, influencing people, conflict management, etc.

6.4 AXIOM (Self-explication) and Prejudices

During different interviews and conversations with various PM who were interviewed in this research, the discussion about prejudice was obviously anticipated and it was recognized that prejudices often occur as an issue which can create significant negative impacts on an international project which in turn leads to costly consequences as result for an international project manager. This is one of the most important findings in this research, therefore, it is significant to mention it here.

Consequently, everyone has prejudices, but they all usually do not cling to them.

There is a strong need and even stronger indication that strives for dissent and diversity, but the national and individual values and prejudices are like a mountain in front of the company's performance against the internationalism. What is missing is knowledge that avoids your arm stretched out like a stop sign, which do not produce the different ideas a chance so you should have been thinking for the case as they could be useful before being ruled out as different and consequently weird.

All limitations and lack of knowledge or its flow can lead to some kind or level of prejudice and self-evident. In fact, this matter could easily be eliminated by an active and professional development of competence. Consequently, in the absence of this competency, it is not easy to understand other cultures, and thereby create motivation, lead a team or project, as well as disseminate this knowledge within team or organization. For this reason now, when it comes to upgrade skills, it becomes a little unclear and vague about what skills exactly we are talking about. So as a result of all the interviews and along the research in this subject in order to explicate and clarify this, "competence" is apparently split into three different areas or dimensions as are described next here.

A clear example on cultural prejudices is while during a meeting everyone from the same culture communicate with facial expressions and eyebrows for getting a confirmation of each other in order to push down or sometimes condemn a new point of view from a person with different culture or ancestry, then after confirming each other, they will continue with "Their Old Fashion Way" that is a kind of "narrow-mindedness". The interpretation is "why should I think twice or change my mind when I am always howsoever right." Without having listened carefully and thoroughly or thinking twice beforehand as they already condemned that person's words or act to not be acceptable. The outcome will be that the person chooses silence ahead and choose "do as everybody else here", no comments and just agree with everything the

other says only to retain the respect of the group. The outcome of the whole thing may result in single sided cultural development for those people who have confirmed each other that they are always right and think correct, which it will possibly jeopardize the future business during a negotiation with people from other cultures involved resulting "no contract" in the end. This will be the price of getting stuck recklessly at their own culture and do not like to be criticized by others and resist the cultural changes that will lead to improvements. My own experience and research in this area evidently shows that there is a huge hidden cultural clash within many organizations which have employees with a different background than Swedish. It is not difficult to find cases in which a large group consisting of many participants in which one of the participants has a different background sitting in a discussion forum or meeting. During discussions might happen that the person with the different background offers ideas and solutions, which in case, almost every time and immediately, the new idea is interpreted as strange or unreal as it seems to be different than we are used to.

7   DISCUSSION

Culture is a significant component of what makes us human beings and as any authors mentioned in this research highlights the importance of relevant competencies within culture and motivation which is a vital part of competencies for an international project manager, especially for a global project manager. It is kind of origin which we select without doubt, to construct our reality. In this we have discussed many useful theories from different authors. We should consider that every theory has its advantage and its disadvantage. For instance, the **Hofstede Model of Cultural Dimensions** is a good method to use for a better understanding the global culture and how to deal with it.

Apart from Hofstede´s (2011) cultural dimensions, we have chosen here to split the cultural competencies of a leader in three different force components and calling them **cultural competence dimensions**, thus, although they often have roots in the same place (here shown as the Origo in a coordinate system), but they tend to grow in different directions.

7.1   3 Dimensions of cultural competency in leadership

Now it is clearer and easier to understand why culture is so important to understand and why we do need knowledge and competence in this field, especially people with leadership role. As Schein (2004) argues; as members of different occupations, we are aware that being a doctor, lawyer, engineer, accountant, or other professional involves not only the learning of technical skills but also the adoption of certain values and norms that define our occupation. So if we violate some of these norms we can be thrown out of the occupation. But where do these come from and how do we reconcile the fact that each occupation considers its norms and values to be the correct ones? The concept of culture helps to explain all of these phenomena and to normalize them. If we understand the dynamics of culture, we will be less likely to be puzzled, irritated, and anxious when we encounter the unfamiliar and seemingly irrational behavior of people in organizations, and we will have a deeper understanding not only of why various groups of people or organizations can be so different, but also why it is so hard to change them.

As an important perception in this research we have recognized the importance of competence but for a more clear and better discussion of the outcome we will divide the competence into three different dimensions or perhaps parts as below, there "D" means Dimension. D1= first dimension, D2= second dimension and D3 means third dimension. The Numbers in the colored areas in the circles means the common areas between these dimensions.
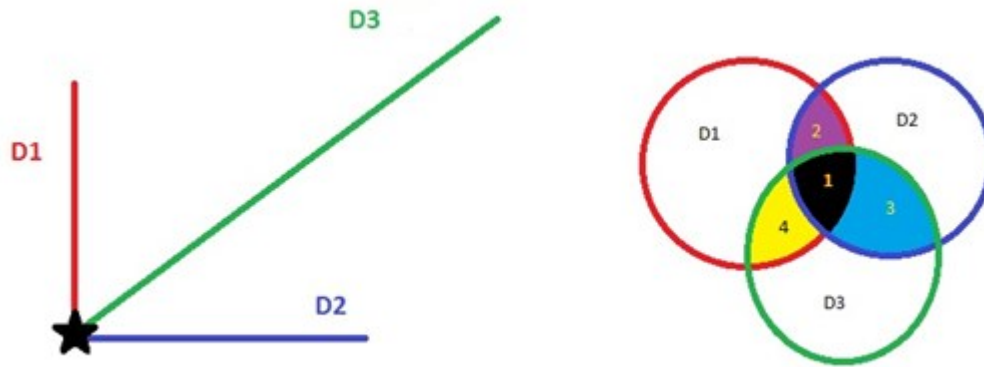
The personal and individual competencies of a person can be seen as a point in a three dimensional space. Where that point is momentary takes place is depending on the level of competence and depth of knowledge in each respective culture area. Here the level of competence means the knowledge and general expertise in different cultural area of the individual, national and organizational culture area. Each area of competencies is illustrated as a ring, and the depth and level of the actual competence is illustrated as an axis/direction on a coordinate system, i.e. D1: management competences, D2: social and culture competences, and D3: personal and individual competences. When a person such as an international project manager will learn / gain knowledge in every field then raises the level of each axis. This means when he / she learns about their private and personal culture or gain knowledge about the national (domestic or a foreign culture), and so the knowledge of the national and foreign organizational culture, depending on which area he/she has developed in then "the point", indicating his/her level of competence moves in the respective directions parallel during the same time-section. It is clear that in any cultural area, there are several levels or areas of so called "sub-cultures", but we don´t see any reason or need to delve into the sub-cultures areas here and now, but rather the common areas, where the knowledge of all these areas are included will be examined and discussed, as well as what it can mean for an international project from a cultural perspective.

7.1.1   D1 – Management Competencies

The first dimension of competence

This dimension of management competence (D1) covers overall and project management skill (cf. Binder, 2007; De Mascia 2012) in general, and it is clear that a project manager should be able to cover this area quite fundamentally. Mostly, it's about the general knowledge, such as knowledge about the resource management, economics, tools/methods and other similar knowledge and expertise. But as we mentioned in this paper, the requirements on knowledge of a manager or project manager, adapts to the times and the situation in which he/she is in at the moment. One of the requirements that emerged over the time and is expected of a project manager, to know, understand and spread it in his/her organization, is a type of

organizational culture, which in recent years has spread globally and exponentially within most organizations and companies.

Additionally, it has been found that the results of the performed interviews on Saab, indicates clearly, that most leaders at Saab are on the right track, when it comes having a high level at the general skills as well as they have realized the PDC in entireness, indeed.

7.1.2   D2 – Social & Culture in General competencies

The second dimension of competence

This area covers the knowledge and skills of the general cultural area such as culture within a community, city, area or domestic or national (Boddy 2002, Hofstede 2010, Gesteland 2012 etc.). For these areas, international project managers must have the competence of predominantly culture relating their own country, area, various cities in their own country and perhaps general and roughly on world culture. Thus, this area covers all other area that affects the human society so long as that does not concern the private individual and the organizational culture project managers must obtain an overall, general knowledge of national culture affecting different society around the world, including his own. Knowledge and expertise in this dimension might include sociology, geography and potentially even a little history of the world.

This dimension is the most important area of an International Project managers must immerse themselves in and acquire knowledge on culture. There must be many cultural separation criteria that create the cultural differences around the world, and it is precisely the lack of knowledge of this area that creates a lot of difficulties to manage an international project. There must be lots of ideas and reviews of how culture in general is interpreted. For instance, we can mention Gesteland (2012) and how he introduces the various cultures in his own way, and creates a pattern when he divides cultures as he puts some limits between them.

7.1.3   D3 – Personal/individual competencies

The Third dimension of competence

The third area is the personal or individual area, which is aimed to the individual and level of competence in this area. How much a project manager need to know or gain advantages by obtaining knowledge about him/herself and the other individuals whom of any reason might be involved or in touch with the project or organization as discussed in many references like Earley (2003) and Gesteland (2012).

It's about knowing how committed a person can be to develop in question depends, and how devoted a person can be to the given tasks, but may also depend on whether there are other criteria that create the conditions for the individual as society, the media, employers, etc.

This dimension is most "artful and invisible" compared to the other two, as many people are not really themselves when they are not alone. Thence it is not easy to explore their personality in the workplace or in society. For a PM, it is extremely important to evaluate and know him/herself prior to continuing to evaluate other. This is included in the expected skills of a PM. How can it be related to a culture?

According to Early (2003) who claims in most cases, each individual brings to a situation a somewhat different mix of cultural intelligent abilities, which are often influenced by one's values, learning history, interest, and goals. First, the centrality of an individual's values shapes how one engages in particular actions over others. These values are the standards that lead individuals to take position over certain cross-cultural issues, predispose them to favor particular ideologies, and guide their behaviors in the new environment. In addition, these values will shape the evaluation and judgment that they will make concerning other cultures. Second, each individual's learning history is unique.

7.2   Recommendations

Why is Human relation important?
Skills such as having a global perspective, being a team player, and exhibiting flexibility would help the remaining workers adapt to a changed work environment including global product and safety teams. Effective human relations skills contribute to organizational and individual success. In fact, most people are fired because they cannot get along with others or they have poor work habits. Far fewer people lose their jobs because they lack actual technical knowledge. Additionally, managers spend hundreds of hours each year dealing with employee personality clashes. The average worker will make 3 to 11 major career changes during his or her life. While different careers may require different technical skills, all positions require similar human relations skills. People with these human relations skills will always be in great demand (Dalton, Hoyle, Watts 2011).

Some other recommendations are some points to remember:

- Focus on Customer and the goals of the project
- Constant communication with the customer
- The most commonly used methods to deal with multi-cultural teams are Communicate goals/objectives openly and clearly
- Identify conflicting areas of interest and practices for each culture
- Getting qualified/Coordinating cross-culture training sessions
- Connecting corporate strategy with brand strategy for clients
- Recognize any progress and provide sensible feedback about "Pros and cons" of every decision which will be made
- Treat individuals as individuals and how you expect to be treated
- Bring trust and create motivation
- You may give people a chance to participate in discussions and debates
- Finding out if the global culture will replace or possibly exist with the local cultures

- Don´t forget that one and the same culture can be seen and be interpreted totally differently depending on who is viewing it, regardless what culture or what level we're talking about.
- Thus, it is important to be down to earth and responsive but retains toughness........

A competent and well-experienced project manager should see with his/her mind and not only with the eyes.

The Global Awareness Profile (GAP test) is a 120-item self-scoring inventory that is designed to measure awareness and knowledge of global geography and issues (Corbitt 1998). It assesses knowledge in different geographic regions, in the areas of environment, politics, geography, religion, socioeconomic, and culture, along with twelve questions about broad global issues.

There is a need to remind and point out that management is not curtailed in the topic we have discussed in this paper, especially the part that involving the culture and values, without there are many other areas such as knowledge transfer, change management, communication etc. which definitely goes very closely hand in hand with the culture part of a project. At a possible further advanced studies on this topic, and for a deeper view of this topic in future, due to the internal and worldwide interaction between Saab and its counterparts including virtual teams and their behavior, the way they communicate is recommended.

Future study recommendation within competencies

Cultural, cross-cultural, or intercultural competencies are increasingly being viewed as indispensable by globalizing businesses, diplomatic corps, educational institutions, military services, people-to-people exchange groups, missionary societies, nongovernmental organizations (NGOs), and many other organizations with international scopes of activity (for example, United Nations, World Trade Organization, European Union, APEC, and so on). An inventory of cross-cultural competencies has been identified by researchers, practitioners, and consulting firms that specialize in cross-cultural training:

- Communication skills (Beamer 1992; Gudykunst 1993; Hamilton 1993; Kim 2001; Ting-Toomey 1999; Wiseman and Koester 1993)
- Tolerance for ambiguity (Hannigan 1990; Pedersen 1988; Taylor 1994)
- Empathy (Hannigan 1990) Open-mindedness (Church 1982)
- Flexibility (Ptak, Cooper, and Brislin 1995)
- Ability to adopt a dual focus: focus on both task and relationship (Tung 1987)
- Positive attitude to learning (Taylor 1994)
- Tolerance for different styles and cultures (Christopher 1988)
- Cultural knowledge (Harris and Moran 1979; Stening and Hammer 1992)
- Ability to succeed in multiple and diverse environments (Tung 1981, 1987)

Based on this list of cross-cultural competencies, two important observations can be made. First, the list covers knowledge (for example, cultural knowledge), skills (for example, communication skills), abilities (for example, ability to succeed in multiple and diverse environments), as well as dispositional traits (for example, empathy and open-mindedness). Second, there is a common assumption of "the more of these, the better." But some practitioners hold the view that in operating across cultures, the valuable skills are in balancing and reconciling competencies, not in having extremely large amounts of one or the other. It is clear in operating internationally, for instance, that flexibility is good, but if all one does is to be flexible, how does one know where to draw the line, for example where ethical standards differ across cultures. It seems, therefore, that it would be more useful that training in cultural intelligence should produce individuals who understand when it is culturally appropriate in that culture to be flexible, and when not to be.

8 Proposals for future research

There should be periodic reviews of the project manager's actions related to the soft factors such as the ability to create commitment and motivate teams.

The activities related to the project manager's competence regarding cross-cultural management should be a natural area of responsibility linked to existing projects office.

As an international project manager, you should vary your managerial style to suit each individual's needs in your team and find common ground to cope with issues across cultural boundaries.

Many successful managers use **strategies** to tackle problems related to multicultural team management and should gain competencies and obtaining knowledge about Cultural differences, difference of communication styles, working styles and quality of work, Difference in time zones and Lack of proper communication.

A wise project manager should know that just as every person is unique, alike is every culture. It allows us to share a richness of experience if we can allow ourselves to be open to it.

Another area that needs to be explored and researched a little deeper is working Agile in conjunction with PDC.

9 CONCLUSION

In both literature as well as the case study, it has been recognized that there is a lack in research concerning culture within international projects. The research focuses on ***what is the impact and the consequences of working with an international counterpart culture for a project and project manager***. At the same time many organizations all around the world trying to implement PDC into their organization to keep up to the daily high speed development, changes and improvements, there many other smart organization who want to survive or perhaps get a bigger palace at the global market or simply be among the best and successful ones. Although implementing PDC may affect international projects in different ways depending on project, organization and leadership. This research has also tried to looking for what are potential improvements within current international projects but also in the future international projects. To find out answers for these research questions, a research and study have been performed at Saab as a single case study. According to the varying perceptions answer to the first research question is that almost everyone involved in this research agree that competence in culture and its different fields is vital, not only for the project manager but for all project members of an international project. Project Managers must have the ability to create motivation among his members project, by obtaining cross-cultural competencies such as knowledge about the other party's culture including national culture, organizational culture and even values, diversity and equality and the most important to be aware about axioms and prejudices. Regarding the next research question in this research, ***How does a performance driven organization culture (PDC) influence global projects***, it was found that PDC can be a good culture to bring performance and efficiency to a company, although it has its dark side and dilemma to manage it without creating some disturbance in the culture and organizational environment especially when working with an international counterpart and its unknown culture. It will be much more difficult to create motivation among people with other culture despite a main reason for creating of motivation is intentionally creating PDC. So consequently, performance of a person, group or a part of an organization does not need to cause a hindrance or affect negatively on other person´s, group or other parts of organization´s performance. Otherwise the battle of performance´s can create a huge barrier for organization to succeed; after all, it doesn't mean that PDC need to be a reason or causes hindrances for a global project to succeed if project manager is just aware about it. The last research question on ***what are potential improvements within current international projects but also in the future international projects*** is a much broader and deeper fields of research area there an international project manager needs to obtain knowledge and expertise in a wide range of fields which not always it can be possible, mostly because of lack of time. To put it briefly, it can be shortened as that a global manger need to acquire skills in areas such as knowing foreign culture within the geographical areas where the project extends, and be aware and well informed when it

comes to motivation, respect, prejudices and axioms, which each one of these cultural elements can have major impacts on the International Project.

Despite our prior experience, no matter how diverse, cannot prepare us for the situation we are about to accept. Just because we share the same workplace, values, country or culture does not mean that two people are exactly the same, thus, it is important to respect, adapt and adopt as far as it does not harm the relationships, other people or the values. Sometimes the best communication equipment cannot replace a face- to- face meeting, and the human touch. Because they have ability to create the impression that they are acting in a more culturally consistent manner, they might be seen as more acceptable to members of the host culture, thereby facilitating the acculturation and its process. Furthermore, since conflicts happen by nature, it would be better to come out rather so early than later. The point is how to find a solution for them and remove them from the project as soon as possible. Cultural differences need to be seen as an asset, not a liability. Managers need to be culturally aware and flexible in their leadership styles. **A company does not need adapt its culture to a counterpart**, but awareness, paying complete attention and giving respect is vital. Many project managers have problem in engaging members of other cultures because of some prior prejudice or bias. These prejudices or bias could have come about due to one's value orientation or from unpleasant past experiences. In accordance with literature used in this research that emphasize, besides technical knowledge, there is a good amount of consensus on some basic predictors for cross-cultural success. These predictors are empathy, respect, interest in local culture, flexibility, tolerance, initiative, open-mindedness, sociability, and positive self-image which lack of any of these elements may build a barrier between a project and "happy ending" for a project manager or a company. Other flaws and impediments can be absence of cultural competencies which in turn leads the project to "nowhere". *Project leadership is the application of 'soft skills' to obtain commitment, foster innovation, negotiate conflicts and create a team spirit that increases the quality of the deliverables and customer satisfaction. Having* an overall view from a cultural perspective over the project (a **Helicopter view**) can sometimes help the project manager to identify problems and issues based on cultural differences. Although, we understand that when the general globalism, daily, expands drastically, and global organizational culture extends across borders, the concern over the lack of knowledge regarding cultural differences in terms of the cultural differences is significantly reduced, while the individual culture still need to be identified in order to by any means adapt it to the global organizational culture.

10 Limitations

It was not so easy to find relevant scientific literature that directly engages the topic of this research and what we have addressed here. Furthermore, despite a wide and extended searching, it did not look so promising to find a suitable case study that may be relevant to this research. The reason could be many but to mention a few can be defense-related case cannot be raised and discussed openly, likewise not only company confidential information but also extremely confidential Defense information causes it difficult with descriptions and penetration into many exemplary reality-based cases.

My framework in this research seems to be very breadth, but no deep diving into every session and subject, because many areas very closely completing each other due it´s essential to consider all elements to highlight a clear view of international management cross borders.

As a matter of fact, it is extremely important to consider and remember that most of the literature used as references in this paper and their authors who are often from some western country, which unfortunately generalized culture by using some kind of stereotyping which constantly divided the cultures into Western versus not-wester.

11   LIST OF FIGURES

12 LIST OF TABLES

13   References

Bhagat, R. S., & Prien, K. O. (1996). Cross-cultural training in organizational contexts. In D. Landis & R. S. Bhagat (Eds.), Handbook of intercultural training . Thousand Oaks, CA: Sage

....

Binder, Jean (2007), Global Project Management—Communication, Collaboration and Management Across Borders**, ISBN:9780566087066

....

Boddy, David; (2002), *Managing Projects, Building and leading the team.*
ISBN: 0273651285

....

Carl, D., Gupta, V., & Javidan, M. (2004); **House et al., (2002)** Power Distance. In R. House, P. Hanges, M. Javidan, P. Dorfman, & V. Gupta (Eds), Culture, leadership, and organizations: The GLOBE study of 62 societies. Thousand Oaks, CA: Sage

....

Carmichael Evan (2014), Performance Driven Culture.
http://www.evancarmichael.com/Human-Resources/3363/Performance-Driven-Culture--Key-to-Organizational-Success.html(Website)

....

Christopher, E. (2012), *INTERNATIONAL MANAGEMENT . Explorations across cultures.* ISBN: 9780749465285

....

Dalton Marie, Hoyle Dawn G.,Watts Marie (2011), Human Relations, fourth edition**.
Student Edition ISBN-13: 978-0-538-73108-9, ISBN-10: 0-538-73108-7
(2009 South-Western, Cengage Learning)

....

De Mascia, Sharon. (2012), *Project Psychology, Using Psychological Models and Techniques to Create a Successful Project.* ISBN: 978-0-566-08942-8

....

Earley, P. C.; Mosakowski, E. (2000): *Creating Hybrid Team Cultures: An Empirical Test of Transnational Team Functioning.* The Academy of Management Journal, Vol. 43, No. 1, pp. 26- 49

....

Earley, P Christopher and Ang. Soon (2003), *Cultural intelligence: individual interactions across cultures.* ISBN: 0804743126

....

Erez, M., & Gati, E. (2004), *A dynamic, multi-level model of culture: From the micro level of the individual to the macro level of a global culture. Applied Psychology: An International Review*, 53, 583-598.

....

Evans, Keith (2014), *The Role of Culture in Leadership*, (eHow Contributor),
http://www.ehow.com/info_7787192_role-culture-leadership.html#ixzz2rG6sGiKL

....

Fiske, T. Susan and Taylor, E. Shelley (1991), *Social Cognition* , ISBN-13: 978-0070211919 ISBN-10: 0070211914 Edition: 2nd   .

....

Gesteland , Richard R. (2012). *Cross – Cultural Business Behavior. A guide for global management.* ISBN: 9788763002387

....

Griffin Ricky W. & Pustay Mike W. (2003), *International Business:* *A Managerial Perspective* ISBN-10: 0131230174, ISBN-13: 978-0131230170

....

Hofstede, Geert. (1997). *Culture and Organisations: Software of the Mind: Intercultural Cooperation and its importance for Survival. McGraw-Hill.*

....

Hofstede, Geert H.; Hofstede, Gert Jan; Minkov, Michael (2010), *Cultures and organizations. Software of the mind : intercultural cooperation and its importance for survival, McGraw-Hill. New York.*

....

Hofstede, Geert H.(2011), *Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, 2(1).* ISBN: 978-0-9845627-0-1
http://dx.doi.org/10.9707/2307-0919.1014

....

Tate, Rick & White, Julie (2014), *About Best Practices for Creating a Performance-Driven Culture* (e-book, Impact Achievement Group)

....

Norman Francis (2010), *International Project Management Communications*, *A discussion site for communications issues associated with international and virtual team project management.* *http://intpmcomms.com/project-communications-across-time-zones/*

....

SAAB AB   www.saabgroup.com
http://www.saabgroup.com/en/About-Saab/Company-profile/Code-of-conduct/
(Saab AB. Interviews with managers and project managers on different levels at Saab Electronic Defense Systems.)

....

Schein Edgar H. (1985). *Organizational Culture and Leadership.* John Wiley & Sons.
http://www.relationsandmore.com/scheins-three-levels-of-culture.html#sthash.0LBeNZmN.dpuf
http://www.relationsandmore.com/scheins-three-levels-of-culture.html

....

Schein Edgar H. (1990), *Massachusetts Institute of Technology, Sloan School of Management, American Psychologist, 45, 109-119. February 1990*
http://ciow.org/docsB/Schein%281990%29OrganizationalCulture.pdf

....

Schein, Edgar H; (2004), *Organizational Culture and Leadership 3rd ed.*
ISBN: 0-7879-6845-5

....

 Tang, Zhao, Cao, Inkpen (2011), John C. Tang, Chen Zhao, Xiang Cao, Kori Inkpen, (2011), *Your Time Zone or Mine? A Study of Globally Time-Shifted Collaboration.* Microsoft Research
1065 La Avenida No. 49, Zhichun Road, Haidian 1 Microsoft Way Mountain View, CA, 94041 USA Beijing 100190, China Redmond, WA 98052 USA {johntang, chzha, xiangc, kori}@microsoft.com

....

House (1999), The Globe Project, Robert House, *Robert J. House et al., Culture, Leadership, and Organizations: The GLOBE Study of 62 Societies, Sage Publications, 2004.*

....

Van Emmerik, Gardner, Wendt and Fischer 2010 - *Van Emmerik Hetty, Gardner William L, Wendt Hein and Fischer Dawn, (2010), Association of Culture and*

Personality With McClelland´s Motives: A Cross Cultural Study of Managers in 24 countries. Group and Organization Management 2010 35:329 DOI: 10.1177/1059601110370782 (SAGE journals)
http://gom.sagepub.com/content/35/3/329

....

14   Appendices/Annex

Appendix 1: SAAB in brief

Appendix 2: Interview Questions

Appendix 3: The GLOBE project

SAAB in brief

Saab serves the global market with world-leading products, services and solutions from military defence to civil security. With operations on every continent, Saab continuously develops, adapts and improves new technology to meet customers' changing needs

Our Vision: It's a human right to feel safe

Our Mission: To make people safe by pushing intellectual and technological boundaries

Our Values:

- *Expertise*: We combine a strong history of knowledge with continuous learning.
- *Trust :* We are honest and reliable citizens of the world and we keep our promises.
- *Drive:* We have a passion for innovation; we are open to change and are committed to being fast and flexible.

Our business concept

Saab constantly develops, adopts and improves new technology to meet changing customer needs. Saab serves the global market of governments, authorities and corporations with products, services and solutions ranging from military defence to civil security.

For more details refer to Saab´s official website:

http://www.saabgroup.com/

Interview Questions

Question category divides the questions in to 3 categories. All questions are related to an international project with team members with different cultures.

1- Due questions in general
2- Culture/project related
3- Any other additional related data/information which is missing here, there participants may feel free to tell or discuss.

Question Category	Questions
1	General questions related to personal information about participants
2	How much counterpart´s culture affect your project?
2	How much PDC influence your project?
2	How much PDC influence your counterpart´s culture?
2	Using Lesson learned, Learning/Teaching Style?
2	Using own methods to solve conflicts/Cultural issues?
2	The range of impacts/consequences working with other cultures.
2	How important it is to motivate project members?
2	How important it is to obtain relevant competence, especially cultural competencies in an international project
2	Need of Adaptation/adjustment of our culture to our counterparts.
3	Any other relevant missing questions here that participants may ask.

GLOBE Leadership (and the GLOBE project)

Global Leadership is the interdisciplinary study of the key elements that future leaders in all realms of the personal experience should acquire to effectively familiarize themselves with the psychological, physiological, geographical, geopolitical, anthropological and sociological effects of globalization. Global leadership occurs when an individual or individuals navigate collaborative efforts of different stakeholders through environmental complexity towards a vision by leveraging a global mindset. As a result of trends, starting with colonialism and perpetuated by the increase in mass media, innovation, (brought about by the Internet and other forms of human interaction based on the speed of computer-mediation) a host of meaningful new concerns face mankind; consisting of but not limited to: human enterprises toward peace, international business design, and significant shifts in geopolitical paradigms. The talent and insight it will take leaders to successfully navigate humanity through these developments have been collectively gathered around the phenomenon of globalization.

Cross-Cultural Competency (C3): A set of 40 general cross-cultural learning statements (knowledge, skills, and personal characteristics) were recommended by a DoD focus group in order to foster the career development of cross-cultural competence in military and civilian personnel.

- Willingness to Engage
- Cognitive Flexibility & Openness
- Emotional Regulation
- Tolerance of Uncertainty
- Self-Efficacy
- Ethnocultural Empathy

Project GLOBE: The GLOBE (Global Leadership and Organizational Behavior Effectiveness Research) project took Hofstede's original 1980 research findings (Hofstede, 1980) and dedicated an entire academic effort into exploring the differences of cultures (Hofstede, 1980). "Conceived in 1991 by Robert J. House of the Wharton School of the University of Pennsylvania, and led by Professor House, the GLOBE Project directly involved 170 "country co-investigators" based in 62 of the world's cultures as well as a 14-member group of coordinators and research associates. This international team collected data from 17,300 middle managers in 951 organizations. They used qualitative methods to assist their development of quantitative instruments.[4]" The research identified nine cultural competencies and grouped the 62 countries into ten convenient societal clusters (Javidan & Dastmalchian, 2009).

Globe cultural clusters: The GLOBE researchers used acquired data to put nations into cultural clusters that are grouped based upon cultural similarities due to shared geography and climate conditions, which all influence perceptions and behavior:

Anglo Cultures England, Australia, South Africa (white sample), Canada, New Zealand, Ireland, United States

Arab Cultures Algeria, Qatar, Morocco, Egypt, Kuwait, Libya, Tunisia, Lebanon, Syria, Yemen, Jordan, Iraq, UAE, Bahrain, Saudi Arabia, Oman

Confucian Asia Taiwan, Singapore, Hong Kong, South Korea, China, Japan, Vietnam

Eastern Europe Hungary, Bulgaria, Romania, Czech Republic, Slovakia, Poland, Lithuania, Latvia, Estonia, Serbia, Greece, Slovenia, Albania, Russia

Germanic Europe *Dutch-speaking* (Netherlands, Belgium and Dutch-speaking France) *German-speaking* (Austria, German-speaking Switzerland, Germany, South Tyrol, Liechtenstein)

Latin America Costa Rica, Venezuela, Ecuador, Mexico, El Salvador, Colombia, Guatemala, Bolivia, Brazil, Argentina

Latin Europe Italy, Portugal, Spain, France, Switzerland (French and Italian speaking)

Nordic Europe Finland, Sweden, Denmark, Norway

Southern Asia India, Bangladesh, Indonesia, Malaysia, Thailand, Iran, Philippines, Turkey

Sub-Sahara Africa Namibia, Zambia, Zimbabwe, South Africa (Black Sample), Nigeria

GLOBE cultural competencies: The nine GLOBE cultural competencies are:

1. **Performance orientation -** refers to the extent to which an organization or society encourages and rewards group members for performance improvement and excellence.
2. **Assertiveness orientation -** is the degree to which individuals in organizations or societies are assertive, confrontational, and aggressive in social relationships.
3. **Future orientation -** is the degree to which individuals in organizations or societies engage in future-oriented behaviors such as planning, investing in the future, and delaying gratification.
4. **Human orientation -** is the degree to which individuals in organizations or societies encourage and reward individuals for being fair, altruistic, friendly, generous, caring, and kind to others.
5. **Collectivism I: Institutional collectivism -** reflects the degree to which organizational and societal institutional practices encourage and reward collective distribution of resources and collective action.
6. **Collectivism II: In-group collectivism -** reflects the degree to which individuals express pride, loyalty and cohesiveness in their organizations or families.
7. **Gender egalitarianism -** is the extent to which an organization or a society minimizes gender role differences and gender discrimination.
8. **Power distance -** is defined as the degree to which members of an organization or society expect and agree that power should be unequally shared.
9. **Uncertainty avoidance -** is defined as the extent to which members of an organization or society strive to avoid uncertainty by reliance on social norms, rituals, and bureaucratic practices to alleviate the unpredictability of future events.

After extensive review of the research the GLOBE strategically grouped over 21 primary leadership dimensions into six encompassing dimensions of global leadership and made recommendation about how the dimensions of culture and leadership could distinguish influences of one country from another.

Culturally endorsed implicit leadership (CLT): The six Globe dimensions of culturally endorsed implicit leadership (CLT) are:

1. **Charismatic/value based –** characterized by demonstrating integrity, decisiveness, and performance oriented by appearing visionary, inspirational and self-sacrificing, but can also be toxic and allow for autocratic commanding.
2. **Team oriented –** characterized by diplomatic, administratively competent, team collaboration and integration. A Toxic leader would be malevolent alienating the team, but driving cohesion
3. **Self-protective –** characterized by self-centered, face saving, procedural behavior capable of inducing conflict when necessary while being conscious of status
4. **Participative –** characterized by (non-autocratic) participative behavior that is supportive of those who are being led
5. **Human orientation –** characterized by modesty and compassion for others in an altruistic fashion
6. **Autonomous –** being able to function without constant consultation

As globalization continues to thrive and change, the concept of global leadership will adapt to serve the best interest of a world being made incrementally smaller.

http://en.wikipedia.org/wiki/Global_Leadership