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# INTRODUCTION

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During the past decade effective project management has become a desired skill that every organization is seeking in people. Projects are now more complex and dispersed among different countries and their successful operation is the key for the organizations and their businesses.

As this is the era of globalization and the market is very competitive, project managers need to be able to understand the sophistications in the problems and come up with ways of solving them within the scope and limitation of the projects. They are the people that need to be smart enough to devise problems into sub problems and use all the members in the project team according to their area of expertise and bring the best outcome from them.

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Virtual project management is the system by which virtual teams collaborate for a finite period of time toward a specific goal. A virtual team is a small temporary group of geographically, organizationally and/or time dispersed knowledge workers who coordinate their work with communication technologies in order to accomplish one or more organization tasks. The virtual teams entail a large set of benefits, such as access to talent, focused virtual knowledge base, reduction of international investment and lower labor costs and on the other hand virtual teams also pose variant challenges like motivation, geographical and cultural differences.

High tech firms increasingly form projects composed of team members with different cultural backgrounds to respond to their customers’ needs. Prior studies have regarded multicultural projects as an important instrument for developing products, yet little effort has been investigated on the issue of onsite projects. This study aims to fulfill the gaps in onsite project management and multicultural teams. In particular, it examines the features of project management and challenges mediated by the teamwork processes and moderated by the different backgrounds of team members represented by their cultural values. Chapter 5 of this paper dedicated to features of onsite projects management with multicultural teams: the paper commences with the concept of a project management and collocated team definitions and proceeds to the major aspects of traditional teams on the basis of group challenges.

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# INTERCULTURAL PROJECT MANAGEMENT

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# INTERCULTURAL VIRTUAL PROJECT MANAGEMENT

## Chapter 1: Virtual Project Management

### 1.1 Background Area - Going Virtual

The phenomenal growth of mobile technologies, as well as the global adoption of the Internet, have altered the way people access and share information. The division of technical knowledge, brought about by cultural differences and inequalities that fragment societies and the capacities of individuals, has been quickly overcome by a faster and cheaper exchange of knowledge. This provides technological know-how to a wider range of cultures and communities around the world, opening up the possibility of incorporating international workforce with minimal expansion needs. Global markets exceed nationalities and seek key advantages in terms of cost, quality and flexibility.

The virtual teams entail a large set of inherent benefits, such as increased pool capacity, access to talent, long active shifts with dispersed teams, focused virtual knowledge base, smaller sites, reduction of international investment and lower labor costs. Coming to lower wage markets. From the perspective of team members involved in distance work, there are a substantial number of recognized benefits and on the other hand virtual teams also poses wide variety of challenges like geographical difference, motivation and cultural differences.

A survey of more than 1,000 respondents created by Wrike, Inc. shows that the three main benefits identified are time savings (41%), productivity increase (29%) and opportunity to focus on work, instead of office politics (10%). On the other hand, the main challenges identified by the respondents are lack of direct communication (38%), difficulty accessing data (21%) and poor visibility of peer actions (19%). (Filev, 2013).

Project managers, regardless of the typology of the project, are not able to carry out their work without the help of a project team and the proper evaluation of the stakeholders. Therefore, an effective project manager must be able to calculate a balance between technical, personal and conceptual skills, in order to help the manager to analyze and interact properly.

### 1.2 Virtual Project Management

One of the most prevalent project management document is the Project Management Body of Knowledge (PMBOK) edited by the Project Management Institute (PMI) defines Project Management as *“the application of knowledge, skills tools, and techniques to project activities to meet project requirements.”* (Project Management Institute (PMI), 2008)

Virtual project management is the system by which virtual teams collaborate for a finite period of time toward a specific goal. There is a multiplicity of factors that may explain the increasing adoption of virtual project management in the current international workplace. The current increase in virtual projects and their economic importance within the project management industry make it a convincing case to investigate the factors that affect the success of the virtual team. This “Virtual Project Management” paper aims to explore the characteristics of progress, motivation and challenges in intercultural virtual environments.

### 1.3 Virtual Teams

Across literature there are multiple definitions of virtual teams. In the literature section there is a wider definition. An introductory definition is the one that Ebraim (2009) summarize from their own literary review:

*“A virtual team is a small temporary groups of geographically, organizationally and/or time dispersed knowledge workers who coordinate their work predominantly with electronic information and communication technologies in order to accomplish on e or more organization tasks.”*

### 1.4 Intercultural Virtual Projects

Culture is a differentiating aspect that has usually been used to describe Diversity. In each culture there is a specific capital of beliefs, ideas, values, myths and, above all, those that unite a community. An individual from that community, when involved in the working group of individuals from other communities to achieve the goal, forms the Intercultural Project environment. If all individuals are not correlated and work at a distance, they form the virtual intercultural project environment.

### 1.5 Challenges in Intercultural Virtual Projects

In the new virtual project environment, team members seldom share a common workplace, rarely seen, perhaps never worked together before, and may never work together again once the project is complete. In other words, when on-site project management has to manage virtual teams, it becomes virtual project management.

Intercultural virtual projects face tougher challenges than onsite projects. It is harder to manage the virtual teams to be successful than onsite teams. One of the reasons is the difficulty to create the common environment for the people from the different culture background and to foster motivation for the team as a whole, directly affected by the lack of face-to-face interaction. The consequences of low motivation can be directly connected to increased difficulty in monitoring the team performance, misunderstandings and perceptions of isolation within projects.

The platform of virtual projects allows organizations to surpass the boundaries of geographical distance, time zones, and cultural differences, however they are not deprived of specific challenges. The four major areas in which the management of global virtual teams face significant challenges: communication, culture, technology, and project management.

With the rise of virtual projects, it is particularly important to adapt management and leadership strategies to the new paradigm. Project management knowledge and techniques need to be applied on virtual projects, however, reduced direct human interaction, technical complexities and other characteristics require that project leaders of virtual teams address various issues of enhanced difficulty when approaching intercultural virtual environments.

## Chapter 2: Theory and Literature Review

### 2.1 Virtual Projects and Teams

The virtual project is one in which the participants are geographically distributed to an extent that they may seldom, meet face-to-face as a team.

A virtual team is a set of individuals who work independently working together to provide business solutions. A virtual team will typically include members who work primarily from home and may have a small, centralized meeting office and group projects can be planned and executed.

Virtual teams reside within the interaction of three larger systems: people, processes and technology. These are the components of virtual teams, and as such, need to be addressed in order to have a successfully collaborating team.

As it has been shown, virtual teams main characteristic derives from the lack of physical existence. The tasks, goals, or missions that they intend to accomplish do not introduce necessary differential aspects, however, it is the way these tasks are accomplished, and the unique constraints they face, that differentiate virtual teams from onsite ones.

### 2.2 Challenges in Virtual Projects

In a way, the most challenges identified relate to some of the special characteristics of virtual teams. As it has been pointed out, space and time are some of main characteristics, however, these factors have four main causes for concern: geography, culture, organization, and social issues.

Geography, culture, organization and social issues offer serious challenges in all types of projects, or even, any type of enterprise that has a wide-territory and that involves a multiplicity of individuals. It is true, that virtual environments are affected more severely from these challenges. Thus, the only truly challenge that is only present in virtual teams that has not relation in on-side ones resides in the lack of face-to-face interaction. However, trust, innovation, and leadership are challenges that exist in collocated teams, as well. With this in mind and as a fitting broad summary of virtual team challenges. The first challenge is precisely building trust within the team, which in virtual environment stems on performance consistency, rather than social bonds. The second challenge is maximizing process gains and minimizing process losses. The third challenge deals with overcoming feelings of isolation and detachment associated with virtual teamwork. The fourth challenge is balancing technical and interpersonal skill among virtual team members, which links back to selecting the right individuals for specific virtual environments, due to their technical skills rather than interpersonal skills.

### 2.3 Motivation in Virtual Projects

The fact that motivation is discussed separately because it is challenge and a solution at the same time. Motivation is positively related to productivity, makes it an area worth to be invested in. The two types of work factors influence motivation: hygiene factors and motivation factors. Hygiene factors refer to the contextual features of the working environment, such as salary, working conditions, interpersonal relations, etc. Motivation factors refer to the characteristics of the work itself, such as sense of achievement, responsibility, advancement and growth; in other words, progress.

## Chapter 3: Methodology and Analysis

### 3.1 Data Collection with Google Forms

The google form interviews are the main data sources for this paper. The interviews consist of a series of multiple choice, mandatory, optional questions followed by some description questions that aim for an extended reply or clarification. The questions are divided in different categories which at the same time can be focused into three main blocks: background and experience of the respondent, virtual projects, motivation and culture.

### 3.2 Data and Analysis

#### 3.2.1 Virtual Environments

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **ADVANTAGES** | **DISADVANTAGES** | **TIME ZONES** | **FACE TO FACE** |
| Respondent 1 | The challenge of meeting new cultures and establishing new relationships. Travel. | Language barriers. Making everybody understand what needs to be done. | It's not a problem. It's a challenge that can easily be bridged. | Depends on projects. |
| Respondent 2 | Flexibility in working schedule. | Not being able to physically interact with people. | Not a problem. | Normally there's no face to face interaction nor meetings. |
| Respondent 3 | Access to talent, flexibility of working hours, higher productivity. | Scheduling everybody is difficult. | It's not a problem. | Depends on the project. |
| Respondent 4 | More flexibility. Higher productivity as you can work with the best talent in continuous shifts. | It's hard to keep up with the progress of team members. | It's not a problem. | It's important to do it as much as you can. |

Table 1 Virtual Environments

The category identified is the one regarding virtual environments and how the respondent experiences their particular characteristics. This category shows interesting points that all respondents seem to have experienced. Challenges, cultures, talent, focus are some of the words that are mostly used. The time variable is a particularly interesting one, as several respondents show the advantage of higher productivity due to the possibility of having continuous shifts across the world in different time-zones.

#### 3.2.2 Virtual Teams (Bruce Tuckman’s Model)

It is important to look into the key activities in the lifecycle of virtual team management. While tradition team dynamics lifecycle stages are defined by Tuckman (1965) as Forming, Storming, Norming, Performing, and later on Adjourning.

The first phase is Phase A: Preparations, where the mission of the project is developed, team members are assigned, tasks are designed, rewards systems are defined, technology is selected, and an organizational integration is planned.

Phase B: Launch starts with a Kick-off event, on which team members get acquainted, the goals are explained and clarified, and a set of rules are set.

The third phase, Phase C: Performance Management revolves around leadership regulation of communication, assessment of motivation and emotions, and knowledge management.

Phase D: Team development is the fourth phase, and holds the assessment of needs and deficits of the team. Individual and/or team training is conducted, as well as the evaluation of the effects of the training.

Finally, Phase E: Re-integration of team members into the organization or other projects.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **FORMING** | **STORMING** | **NORMING** | **PERFORMING** |
| Respondent 1 | Project team members vary from project to project. | Team harmony and positive peer pressure are infectious. | 90% of communication happens via phone and conference calls. Teams are encouraged to communicate. | Knocking down barriers. |
| Respondent 2 | Teams are mixed with client and team members. | Teams are approached on one- by-one basis. | Communication is done with email, IM, phone. | Aim for a very open environment so that everyone can communicate any direction they want. |
| Respondent 3 | Project team members vary from project to project. | Team dynamics are difficult to get going. | Daily Skype meetings with tasks assigned in meetings and followed by emails. | Using the pyramid of communication. Between face-to-face and email. |
| Respondent 4 | Members are dispersed. | The stress lays in the planning phase, instead of brainstorming. Task oriented approach. | Communication is constant with email, instant messaging and Skype. | Use a team site where people can share things or show their profiles. |

Table 2 Virtual Teams (Tuckman’s Stages)

The categories chosen for this theme are taken directly from Tuckman's (1965) stages of group development model (Tuckman, 1965). The patterns that emerge from the first category are the way the teams are created. The teams are assembled normally by a multi-organization approach with different (and sometimes conflicting) roles and goals, and normally are delivered to the project managers already assembled.

The second category, since is symbolically linked to the storming stage deals with the dynamics that teams follow when interpersonal challenges arise. The narratives of the respondents are surprising when they try to think about this process. All respondents mentioned that either they did not experience problems, or that the problems between team members are negligible due to the limited interactions and the higher task oriented nature of Virtual Project Management environment.

The third category, the norming stage defined by Tuchman, responds to the dynamics on which virtual teams communicate or how tasks are assigned and delivered to the teams.

The fourth category of this theme, Performing, which relates more to the way the team performs as a team, instead of the actual tasks and process produced and delivered by the team.

#### 3.2.3 Motivation in Intercultural Virtual Projects

The importance of motivation in Inter-cultural virtual projects is provided in two ways. The first one in a scale from 0 (not important at all) to 10 (critically important). The second one in relation to virtual projects. The responses show a very definite pattern. The value of importance averages 7.75, which signifies a high importance of motivation in virtual teams. However, almost all respondents clarified that the importance of motivation is equal in any type of project, virtual or not. They all agree that fostering motivation in virtual projects is particularly more challenging and difficult than in onsite projects and specially motivation becomes quite challenging in intercultural environment.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **IMPORTANCE** | **INTER CULUTRAL ASPECTS** | **MOTIVATORS** | **DEMOTIVATORS** |
| Respondent 1 | 9 out of 10 | With similar cultures it's easy to see if they're motivated. Overseas is more difficult. | Important to set goals together and build relationships in the beginning. | It's difficult to maintain high motivation if people fear for their jobs. |
| Respondent 2 | 7 out of 10 | Being virtual is a challenge. Having experience in the field is a big leverage point. | Knocking down Cultural barriers for the team. Focus on communication and the good things. | Big changes in the direction of projects. |
| Respondent 3 | 7 out of 10 | The best way to see if they're motivated is by looking at the completion of objectives. | Meaningful work. Listening to the team and the individuals. | Bossing people around. |
| Respondent 4 | 8 out of 10 | It shows because people don't do what they have to. | Choosing the right personality for virtual projects. Task driven people will be motivated. | Can't think of anything. |

Table 3 Motivation in Inter-Cultural Virtual Projects

If motivation is important, how do managers see if the team is motivated or not. If the individuals are doing their work, on time, and as requested, that is a sign of a motivated individual. If the project continues its course and moves forward, if it progresses, motivation should be high. In this case, it is not because of progress that team members are motivated, it is because managers see progress that they assume the team members are motivated. It is a little but important difference.

The last 2 categories try to capture the respondent’s experiences in regards of motivators and demotivators within an inter-cultural virtual project. It is worth pointing out that these factors are not necessarily different from those of onsite projects, as, for example, the cultural difference is a well-known demotivators in any kind of working environment. This category below is probably the most important of all, as provides a self-reflection quality that puts in perspective the other answers.

#### 3.2.4 Self-Motivation in Inter-Cultural Virtual Projects

|  |  |
| --- | --- |
|  | **WHAT MOTIVATES YOU IN INTERCULTURAL VIRTUAL PROJECT?** |
| Respondent 1 | Diversity of projects and dealing with different people of different cultures around the globe. |
| Respondent 2 | New challenges. See the group complete a project successfully motivates me. |
| Respondent 3 | Learning new technology. Pushing myself to more difficult levels. |
| Respondent 4 | I'm motivated by the fine salary I get at the end of the month. |

Table 4 Self-Motivation in Inter-Cultural Virtual Projects

This category is probably the most important of all, as provides a self-reflection quality. It is particularly interesting that all but one responses refer to purely intrinsic motivators. Diversity of projects, new challenges, learning, pushing oneself, attaining the goal, the sense of responsibility, pride in accomplishing something bigger, becoming better, self-accomplishment and a fine salary at the end of the month. All these factors are related to the internal gears that drive each individual and have little or no connection to external factors.

Obviously, this does not mean that without motivators, like a salary, or recognition, these individuals would continue working with the same motivation levels. What it means is that when given the opportunity of reflecting on what drives them, they think of factors that come from within. Even more interesting is that, the only person that acknowledges a motivator as the primary source of motivation is Respondent 4.

## Chapter 4: Observation and Conclusion

### 4.1 Observation on the Analysis

The observation about the first category, Virtual environments, is the fact that advantages noted by the respondents have a background of own personal enrichment. However, the disadvantages are linked directly to the social aspect of virtual projects. Team building, communication, misunderstanding, language barriers, enthusiasm, all seem to fit in a pattern of social interaction and intercultural environment.

The second category, Virtual teams, presents one of the main challenges of virtual teams and some of the problems that may derive from it. The lack of physical meetings and face-to-face interactions introduce a difficult situation.

Motivation in Intercultural virtual projects is the third and fourth theme emerging from the responses and are probably the most revealing of all. The main personal motivators of each respondent are so strong and genuine that everyone can feel as own motivators.

### 4.2 Conclusion

This study has been a personal journey that offered both expected and unexpected results. The expected results came in the shape of a lack of motivational features in intercultural project environment.

However, a complete set of unexpected results came with the notion of motivators and the way that translates into actual working settings.

challenges in virtual settings. The progress and the notion of improvement is an extremely powerful motivator that drives us and the salary as motivator is negligible whereas recognition, appreciation and learning curves with different people having different cultural background seem as good motivators.

# INTERCULTURAL ONSITE PROJECT MANAGEMENT

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## Chapter 5: Challenges of Intercultural Onsite Projects

### 5.1 Background

National project management has an extended scope with different challenges like multi- cultural and cross-cultural conditions which is cause mainly by foreign people including team members and stakeholders from diverse cultures with different ways of thinking and working procedures. It is the project manager’s responsibility to eliminate obstacles and to execute the project plan successfully within a limited timeframe. Due to the strong pressure and the fast moving environment project managers are used to working very efficiently. They are trained to set up a project plan and to adjust its structure to the local legal conditions as best as possible.

According to PMBOK Guide (A Guide to the Project Management Body) *a* ***project*** *is a temporary endeavor undertaken to create a unique product, service, or result. The temporary nature of projects indicates that a project has a definite beginning and end.* The project is managed by a **project manager** (The PMBOK Guide - 2015) is the person assigned by the performing organization to lead the team that is responsible for achieving the projects objectives. Beside team, stockholders are required to be managed by project manager. **Stockholders** groupincludes all members of the project as well as all interested entities that are internal or external to the organization. Some examples of stockholders: Sponsors, Customer and users, sellers, Business parties, organizational groups (internal stockholders), Functional managers, etc.

Projects are inherently collaborative efforts. The very nature of projects is such that project teams are usually comprised of multiple team members. Team members can not only be employees, but also clients, vendors, sub-contractors, and other third parties. Halverson & Tirmizi (2008) defined: The **multicultural team** is a collection of individuals with different cultural backgrounds, who are independent in their task, who share responsibility for outcomes, who see themselves and are seen by others as an intact social entity embedded in one or more larger social system, and who manage their relationships across organizational boundaries and beyond.

**What is an onsite project?** Onsite or collocated teams are those which can work side-by-side with one another. They normally share a working environment and benefiting from joining efforts and creating synergy.

### 5.2 Objectives

This study aims to fulfil the gaps with specific objectives as follows:

* To determine the most important challenges of multicultural teams.
* To determine the effects of workplace on team members from different cultural backgrounds
* To examine the popularity of cultural diversity in collocated teams.

The content of this paper is based on a research following by a survey to find out most prominent challenges of onsite projects for those who have experienced multicultural work environments. In addition, drawbacks and benefits of this type of project which have been pinpointed by participants will be declared. This paper will be useful for top level of management and project managers to have a better understanding of onsite projects aspects (drawbacks, benefits, challenges) once working with a multicultural team.

Result of this survey is based of participants’ responses from different cultures including Indonesians, Nigerians, Lebanese/Syrians, Belgians/Germans, Indians, and Pakistanis. The outcome can shed some light for project managers to manage and lead team members effectively and efficiently. I hope that this paper will help you with the management of diverse staff in your organization and inspire you to analyze and rethink your current situation.

### 5.3 Survey Method

To collect the data across cultures, the original questionnaire was developed in English

and distributed to willing participants (project managers and team members). The online questionnaire was implemented by [www.smartsurvey.co.uk](http://www.smartsurvey.co.uk) send through emails and social networking to colleagues and co-workers from different culture, geographically distributed in the south Asia and Europe.

Project managers and team members were requested to participate in this study through direct messages or indirect messages (forwarding my message to other people by receivers). Ultimately, 117 completed questionnaires were received.

### 5.3 Analysis and Results

The factors mentioned in this paper are the most influential ones chosen by participants of survey supported by some information and example of other resources. It is worth to mention that some of benefits may have negative effects, while some of the drawbacks may have some positive effects. For example, working in the same office might increase networking feasibility, however, it may probably bring less flexibility in work schedules.

### 5.3.1 Workplace

A relax working environments where project manager can have more control (70% of project managers) on internal and external parameters of interruptions and conflicts can increases productivity. But, what are the advantages of going to office for team members?

|  |  |
| --- | --- |
| Working environment | 63% |
| Meeting people from other cultures | 65% |
| Discussion and problem solving | 88% |
| Brain storming | 53% |
| Work-life balance | 41% |

Table 1- Benefits of multicultural work place

The most enjoyable task in onsite projects is discussions and solving problems (88%) following by meeting people from other cultures (65%). It was clearly determined by participants that cultural diversity plays a great role in solving problems. Their cultural backgrounds broaden team’s perspective to the problem, as a result tackling problems are much easier. Differing ways of looking at the world, interpreting experience, solving problems and predicting future possibilities work together to produce a distinctive mental tool set. Groups with this sort of variety consistently outperform groups working with a single problem-solving perspective. Brain storming identified by almost half of people as an advantage (53%) which is fairly difficult in virtual teams. In the end, problem solving is about people working together to make the organization and the people it serves better.

Nearly tree quarters believe that working in the same place is pleasant and motivating. “*Sense of family*” was mentioned by more that 60% of people. They basically, appreciate the chance to empathize and assist other colleagues to improve. It is one of aspects which is less likely to have in virtual teams. Generally, flexibility in work schedule is less than distributed teams. Since, under some policies, employees must work a prescribed number of hours a pay period and be present during a daily “*core time*”. Although, traditional 9 to 5, 40 hours work per week dose not allow employees to vary their arrival and departure times, and they prefer more flexibility at work. Office work schedule is yet another benefit of going to office. For example: One of participants mentioned that “*To me, leaving office in the afternoon means time to work is over, so it helps me to invest my time on other dimensions of life.”*. In other words, work-life balance (42% approximately) is considered as a benefit of going to workplace.

On the other hand, there are some drawbacks of working in an office with all colleagues. Understanding office rules and regulation is the most challenging issue for foreigners – mentioned by one quarter. It takes a while till they adherent rules independently without receiving hints and reminders from human resource or project managers. For example: requirements for attendance, leave and time off, having limited personal items and dress code are considered irritating. When companies create ridiculous and demoralizing rules to halt the outlandish behavior of a few individuals, it’s a management problem. There’s no sense in alienating your entire workforce because you don’t know how to manage performance. It makes a bad situation that much worse. The other negative point might be “discriminations”: as employees have closer contact with each other in workplace, they know more details about each other, any type of discrimination can be easily tangible and visible by the entire team (this is pinpointed by about 30% of participants). Needless to say, negative discriminations have destructive impact on the team. Due to less cultural diversity in onsite projects, majority of team members are from the same culture and expats automatically considered as minority in office. Therefore, cultural influence of minorities is less and they basically need to follow the dominated culture (local culture). It the third drawback of working in the same workplace identified by 25% of participants.

|  |  |
| --- | --- |
| Following office rules | 34% |
| Being a minority and having less power | 25% |
| Discrimination | 29% |
| Understanding regulations | 42% |

Table 2- Drawbacks of multicultural work place

### 5.3.2 Multicultural as a key parameter

As globalization becomes more common, more and more projects involve working across different countries or regions. This can give rise to some additional complexity. The effect of culture while interacting with co-workers is inevitable. Following table illustrates culture role:

|  |  |
| --- | --- |
| 0%-30% | 19% |
| 31%-50% | 45% |
| 51%-70% | 10% |
| 71%-90% | 27% |
| 91%-100% | 0% |

Table 3- Impact of culture on work interaction

Responses to this optional question reveals that people who had more intercultural experience determined less impact of culture on their interactions (about 19%). Even some of them added some sentences in comment part like “These questions are racist. We all learn from each other.” or “Personality plays more important role”. This group of response was related to those with a significant work experience (more than 12 years). However, the vast majority believe it as very important parameter (between 31-90%) and subsequently can not be ignored. This parameter may have negative result like misunderstanding our positive effect like more innovation. It is crucial for project managers to provide an encouraging ambiance in office where every once is interested to know about other cultures.

**What are disadvantage of mono-cultural teams?** These need not all be negative points. Studies of intercultural teams show that their variety and different approaches can actually give a better result than mono-cultural groups, provided appropriate expertise in dealing with different cultures is developed and available.

According to the survey, monoculture teams for some cultures has some negative sides:

For people from **Iran** the most important drawback is that “underestimated training”. There are few guide lines and instructions written and available for every one. As a result, newly joined team members have to learn by “try-error” mechanism which time-consuming and not efficient.

Among **Syrians and Lebanese, “**making all team members following office rules” is irritating. As they described themselves, people from different cultures in their countries are more willing to have their own rules to obey. For a project manger it takes time to coordinate them.

In **German and Belgium** cultures, team members are supposed to inform project managers in case of problems but once they don’t speak out the problem stay hidden and will cause unexpected side effects.

In **Indian** teams, probably “competition to prove your skills” adds more work pressure and exhausts members after a while. They explained that finding a job is not easy in India, if you do not show that you are noteworthy, there are plenty of candidates that can be replaced by you.

|  |  |
| --- | --- |
| Mono-cultural | 37% |
| Multicultural | 63% |

Table 4- Multicultural popularity

Cultural diversity at work placed was likable for majority of participants. Only 17 percent prefer mono-cultural work office because of some reasons like: language, less misunderstanding and less conflicts. Multicultural attract employees by other aspects. For example: communicating and learning cultural perceptions and learning language.

### 5.3.4 Communication

Even for onsite projects where coworkers are benefiting from most effective way of communication: face-to-face, yet the main challenge is understanding different cultural perceptions. It is mentioned by about 70% of participants. Language is another barrier (28%) although all team members speak in the same language and also they can include facial expressions and body language, etc.

Effective communication is the most import parameter in team working. Intercultural factor deteriorates it and makes it more challenging.

|  |  |  |
| --- | --- | --- |
| Face-to-face | 30 | 1 |
| Virtually (phone, email, skype, ...) | 21 | 2 |

There are plenty of reasons for success of face-to-face communication:

1. Body Language: Facial expression and body posture can communicate along with words. Specifically, in high-context cultures, it plays an important role to reduce misunderstanding.
2. Ensures Engagement: Opposite virtual commination, when people can have a conference call and check their mail boxes at the same time, in face-to-face communication you can for sure say people are involving it.
3. Drives contribution: As attendees sitting in meeting rooms and the atmosphere encourage them to participate in discussions.

It is also inevitable in many cases like project kick-off meetings where the entire team should be onsite to set and hear expectations for projects. Also to build rapport amongst the team document how the team will work together during the project.

These may not be the only times when the teams should be together, but I believe these are the most critical.  If the client is struggling with understanding the solution and taking ownership of the solution, then more onsite work may be required.  Consultants need to watch for this and be flexible to change the schedule to best meet customer needs.

In addition, a lack of personal engagement in discussions limits the development of relationships among team members (Stough et al., 2000). In particular, if the team members are unknown to each other previously, there is unlikely to be trust among members because they do not feel at ease with each other (“Nortel and BP Succeed,” 2003). However, trust is a prerequisite for virtual teams, because team members rely on the trust, judgment, and self-motivation of talented people working on a project, while their structures often contradict establishedcommand-and-controlstructures (Cascio, 2000; Shirley & Morton, 1998). Powell, Galvin, and Piccoli (2006) have explained this as virtual teams compared to colocated teams often showing strong relationships between work processes and trust, and between trust and effective commitment.

Human relationship breakdowns as well as lack of trust could lead to virtual team failures (“Nortel and BP Succeed,” 2003; Pauleen, 2003). To avoid such failures, face-to-face meetings and video conferencing are essential components of virtual teams. In the absence of face-to-face interactions, managers should also create alternative strategies for developing mutual trust and reciprocal commitments in such areas as the supervision and coordination of project stages, the clarification of questions, and the conduct of performance appraisals.

Impact of onsite projects on building relationship:

|  |  |
| --- | --- |
| Small talks | 35.29% |
| Making friends | 41.18% |
| Mutual understanding | 47.06% |
| Face-to-face meetings | 52.94% |

According to Peters and Manz (2007), the problems in virtual teams compared with traditional teams are mainly due to a lack of opportunities for team members to build relationships and trust, as well as to address issues caused by heterogeneous membership in terms of location and culture. Physical isolation and a lack of planned and unplanned face-to-face interactions among team members can thus have adverse effects. Members might have different habits and methods of working, few opportunities for informal information exchange, and so on. In addition, team members might have to deal with mistrust, unequal (or unknown) expectations, and different team dynamics. Furthermore, the suitability of conventional management styles and techniques in dealing with the issues encountered in virtual teams are questionable (Lee-Kelley et al., 2004). Considering the lack of face-to-face contact within teams, different skills are needed to interact in the global community and succeed in a virtual world. Part of the leadership functions such as monitoring team performance, implementation of solutions for problems, development of team members, and so forth are to be accomplished by leadership substitutes and/or distributing them to the team members themselves (Hunsaker & Hunsaker, 2008).

**Disadvantages**: Many project team members complain about spending too much time in meetings to update project status. No solution is going to ever replace the need for human communication and meetings. However, many teams talk about having too many meetings where everyone goes around the room and updates the project manager on his/her tasks. Often people feel that this is not the best use of their time.

Another common model for updating project and task status is the project manager asks each team resource individually where the tasks stand. The problem with this model is that the project manager becomes a 'glorified administrator,' and spends time updating the Microsoft Project file or Microsoft Excel file. Instead, project managers could be managing more projects or strategizing about higher level project concerns.

Getting real-time project and resource information instead of relying on time intensive status meetings can save project teams time and money.

Cost of communication and meetings in onsite teams is higher as members of virtual teams work in different locations and take advantages of virtual communication tools which are in general cheaper than traveling for a face-to-face meeting.

### 5.3.5 Less turnover

|  |  |
| --- | --- |
| Mentoring | 17.29% |
| Flow of information | 66.18% |
| Stability of colleagues | 52.94% |

Where the turnover occurs in a virtual team the effects can be both immediate and delayed and can have very deep effects on relationships between locations. Personnel working in virtual teams form their trusting relationships over long periods of collaboration with their virtual colleagues, they will often become close friends and learn to understand each other’s communication styles and cultural differences as they learn to work together, when one person leaves these relationships it can take considerably longer to re-establish relationships than a similar change in a co-located team.  When the person is removed involuntarily their virtual colleagues can feel the change even deeper and unless they are kept fully informed and appraised of the reasons for the change and informed immediately of the departure of their colleges may feel cheated that they did not get the opportunity to say good bye and equally may feel that the business is hiding something from them.

The worst scenario however is when someone leaves a virtual team and their distributed team colleagues don’t know, these colleagues may be waiting for output from the person who has left, output that will never arrive, or they could be working on seething that the departed colleague was themselves waiting for and then find themselves not knowing what to do with the work when they find out about the departure

The India IT job market is plagued with high turnover. I have seen figures ranging from 20 to 50 percent. You need to be aware that the person you are working with today may not be the person you will be working with tomorrow. Further, your current team may not have been there very long.

This represents a huge potential for knowledge loss and an overall low level of expertise with your system. Be prepared for it and manage it as best you can.

### 5.3.6 Less cultural diversity in recruitment pool

|  |  |
| --- | --- |
| Meeting people from other cultures | 64.71% |
| Brain storming | 52.94% |

Older (traditional), finding project managers are easier, people have more experience in this type. Some members may not be psychologically fit for virtual teams. Onsite is the most traditional type of project management which is quite familiar for the majority of team members, stockholders and project managers.

Co-located teams have an advantage in productivity, because communication is simple.  Managers also feel they are easier to manage, because most managers have experience managing groups by personal interaction.  However, they are increasingly difficult to arrange, because it's hard to get all of the necessary talent in one place.  Geography makes it hard to get these teams together.  In any given locality, there appears to be a talent shortage.  And the natural and random movement of people makes it hard to keep them together.

Human resource managers normally look for local people to hire but what if there is a shortage of skilled and qualified workforce? They need to utilize expats who on average have higher salaries.

Moreover, cultural diversity in onsite teams are lower than other sorts of project teams. Considering beneficial points of diversity such as innovation and performance,.. onsite projects seems to be less effective due to lack of various culture types.

**Recruitment** pool is limited to the location of project. Availability of a pool of employees regardless of location, and possibility of easily expanding the workforce Require developing skills of employees on special virtual teaming supporting applications Few companies today can identify the unique management challenges of a virtual team, beyond the obvious issue that a virtual manager may never come face-to-face with their direct reports. Equally rare are those companies that provide management training tailored to the needs of the virtual team manager.

In addition, diverse cultural backgrounds of project team members could promote creativity(Bouncken, 2004) that may lead to development of an innovative product.

Even though rarely defined as a cross-cultural project team in the literature, a global team composed of members from different nations could be a cross-cultural NPD project team as well, since diverse cultural backgrounds may bring new ideas for the development of new product (Bouncken, 2004). Cox and Blake (1991) also claim from their study that people of different genders, nationalities, and cultural groups hold different attitudes and perspectives on issues; therefore, cultural diversity should increase team creativity and innovation.

They need to utilize expats who on average have higher salaries.

### 5.4 Conclusion and recommendations

### 5.4.1 Conclusion

The very nature of projects is such that project teams are usually comprised of multiple team members. Trust is a prerequisite for virtual teams, because team members rely on the trust, judgment, and self-motivation of talented people working on a project.

Impact of onsite projects on building relationship: Small talks 35.29% Making friends 41.18% Mutual understanding 47.06% Face-to-face meetings 52.94% According to Peters and Manz, the problems in virtual teams compared with traditional teams are mainly due to a lack of opportunities for team members to build relationships and trust, as well as to address issues caused by heterogeneous membership in terms of location and culture.

Part of the leadership functions such as monitoring team performance, implementation of solutions for problems, development of team members, and so forth are to be accomplished by leadership substitutes and/or distributing them to the team members themselves.

Cost of communication and meetings in onsite teams is higher as members of virtual teams work in different locations and take advantages of virtual communication tools which are in general cheaper than traveling for a face-to-face meeting. Cultural diversity in onsite teams are lower than other sorts of project teams.

Even though rarely defined as a cross-cultural project team in the literature, a global team composed of members from different nations could be a cross-cultural NPD project team as well, since diverse cultural backgrounds may bring new ideas for the development of new product.

### 5.4.2 Action point for future

There are some limitations associated with this study and it is noteworthy to address

these limitations for future study. First, this study was conducted utilizing individual team

members mainly working on software projects across countries; therefore, product type role “software” for this case was ignored. There are some elements like country of workplace and dominated culture could not be measured, due to necessity of having question according to projects. Not surprisingly, some responses were ignored because of it’s insufficient numbers: For example, there were only one participants from Russia.

In addition, for this study only national cultures were taken into account and cultural dimensions (e.g.: specific vs diffuse) were omitted.

Regarding above research limitations, it may be interesting to examine the function of type of products in multicultural teams. For instance, architectural products are impacted significantly by cultures; how location and culture diversity influence the final product. Additional research may elaborate culture to cultural dimensions or cultural groups in every nation, in order to cater more concise and measurable information. It may also worth knowing that how effective the location of company is. Moreover, it might be beneficial to expand the participants either in general or in specific cultures.

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