Title: Effective Multi- Cultural Project Management: 
Bridging the gap between national cultures and conflict 
Management styles

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Abstract

Title: Effective Multi-Cultural Project Management: Bridging the gap between national cultures and conflict management styles
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Abstract: This study identifies the competencies needed by a multi-cultural project manager, and investigates a potential link between conflict management styles and national culture. It takes as its base the assumption that cultural differences are demonstrated during conflict, and may in fact be the cause of the conflict. As a result, the manager of a multi-cultural project team must be able to manage conflict constructively in order to realise the full potential of the team. The research begins by reviewing literature on project management, national culture, and conflict. A survey was performed on over 60 individuals from various cultural backgrounds, to analyse patterns in their methods of handling conflict. The study shows that there is in fact a link between different cultures and different management styles.

Keywords: Conflict Management, Emotional Intelligence, Project Management, Cultural Awareness, Management Training, Effective Management
Summary

Multi-Cultural Project Management is nowadays a very important issue since the last couple of 20 years immigration and global travel have been leading to a diverse workforce within Europe, USA and also the Asian region. International companies have to deal with cultural differences if they want to gain a competitive advantage for their organization.

There is lots of literature about culture and the term became more and more popular over the last twenty years as businesses tended to be more active internationally.

The literature review consists of secondary research on national culture, conflict, and the aspects of project management specific to multi-cultural projects.

Geert Hofstede identified culture to be mental programming of the mind and he identified individual, collective and universal as 3 layers of mental programming. Other researchers supported Hofstede and for instance Terry Garrison writes about the “collective mindset” and he developed the iceberg model.

Trompenaars created 7 dimensions of culture and his research is based on thirty thousand people from more than forty countries. For example, he writes about Universalism vs. Particularism and address the issue: “What is more important - rules or relationships?”

Above all, Thomas and Kilmann developed an instrument (TKI) which deals on the 5 conflict styles and modes. Each mode is appropriate in different situations. There are series of matched statements designed to identify an individual’s preferred method of conflict management.

The survey was based on the Thomas-Kilmann Conflict Mode Instrument and over the course of two weeks, 60 people completed the survey. The results by countries focused on the three nations the Netherlands, Germany and Sweden. One result of the survey for instance: The Dutch style of managing conflict is dissimilar to the average world-wide.

People from the Netherlands tend to be far more competitive than the average of all the countries. On the other hand, the Swedes score average on competing and avoiding.

As the result of the survey shows, there are differences between cultures. The study might be valuable for companies which want to expand their business abroad and project managers can be prepared for conflicts which could arise in another cultural environment. Furthermore, the literature states that there is a link between culture and the Thomas-Kilmann conflict management styles. The field research did also support the initial hypothesis.

Since a lot of cultures react different to conflicts, expertise on this area should be required.

Through the review of literature on culture, conflict management, emotional intelligence, and project management, we have defined the profile of the effective multi-cultural project manager.

This program is a great support for managers who are working in another cultural environment and furthermore, it might be also a comfortable backing for anybody who is involved in international business.
Acknowledgement

We want to thank Matin Arvidsson, a multi-cultural manager of Sandvik AB. Since Mr Arvidsson is quite often traveling around the globe for visiting business partners, he has got many contacts worldwide and thus we could benefit for our survey. Furthermore, he gave us a great background about the subject and also supported us with material for our thesis.
Preface

Why should project managers concern themselves with cultural diversity? Until recently, many would answer this with the statement that one must treat all team members exactly the same to avoid discrimination, regardless of their cultural background, and therefore, a project manager experienced in mono-cultural projects will be equally effective on a multi-cultural project. However, this assumes that team members from diverse backgrounds have the same motivations, the same methods of working, communicating, planning, and so on. In order to realise the full potential of the team, the project manager must understand the cultural differences within the team.

This study attempts to address this perception, by identifying the “competency gap” between a mono-cultural project manager and an effective multi-cultural project manager, and proposing a high-level programme for their development.

The research focuses on multi-cultural project teams; however, the principles may also be applied to line management roles over multi-cultural teams.

Please note that the purpose of this work is not to spread stereotypes. A person’s cultural background does not define them, but is a driver of their behaviour. One must therefore use caution in applying national cultural findings to individuals to avoid generalisations.
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1. Introduction

“The house that is walled on four sides, let all the windows be open; Let all the cultures blow in, but let no culture blow me off my feet.”
- Mahatma Ghandi (Sohmen, 2002 p9).

The story of Mahatma Ghandi is known to most of the people. He was open to all the cultures and treated these with respect but on the other hand he was aware of his own culture and wouldn’t be oppressed or tormented by others. Multi cultural project managers should be as open and aware of different cultures as Ghandi was in order to be effective.

The last couple of 20 years immigration and global travel have been leading to a very diverse workforce within Europe, USA and also the Asian region. This global village process is encouraging people to work across national borders more and more often. The changes within the global business structure demand the need of business managers which are capable to manage multi cultural projects and programs, but also of gaining a competitive advantage for their organizations through the mix of cultural values. (http://www.opendemocracy.net/globalization-hiv/health_3430.jsp, 2006)

Global projects are often large in terms of budget and people. They tend to be complex, with multiple time zones, language barriers, and differing legal requirements, as well as cultural differences. The project management team has to deal with logistical issues, governmental and language differences and resistance to the significant business changes required.

Different national cultures embrace different cultural value systems. The value systems are generated from a perception, i.e, or as noted earlier conditional perception, of existing means or resources, and needs. Cultures have different standards and some factors for example: actions, traditions or words of one culture can be observed as irrelevant or sometimes even threatening by other cultures. These unclearities can form cultural gaps between people within a workforce.

Not only do the different cultural value systems working together increase the potential for conflict and/or disagreement, but methods of handling conflict differ between the cultures. The project manager must be able to manage conflict using a variety of different styles, depending on the circumstances, in order to effectively manage a diverse team. (http://www.ifg.org, 2006)

There are significant competitive advantages that can be gained by efficient cross cultural project management. A multi cultural project group has a much broader range of knowledge, skills, abilities and experiences as a result of different cultural frameworks, and is therefore better equipped to solve problems and make decisions. (Gordon, 1999)

By sharing multiple cultural views a project group with diverse cultures has a broader range of alternatives before making a decision.

The different cultural frameworks can encourage creativity of thinking by allowing team members to think outside their own cultural “box”. By brainstorming with many different
cultures the ideas that come up will be far more diverse than brainstorming with a monotone culture.

“A diverse group of people, using their own creativity, innovation, judgement, intuition can do a better job in today’s world of constant change than any set of formal procedures or controls administered by a remote, centralised management” (Gordon, 1999 p5)

A team in which cultural differences are notable and enjoyed has substantial liberty. Team members tend to be more open about assumptions they make, and make a greater effort to communicate clearly. Exposure to different cultures can enrich each team member’s experience and understanding of the world around them.

In many cases, conflict in the workplace just seems to be a fact of life. But a conflict isn’t always exactly a bad thing. As long as it is resolved effectively, it can lead to personal and professional growth. In many cases, effective conflict resolution can make the difference between positive and negative outcomes.

It is up to the manager to be trained in the skills of conflict management in order to solve the arising problem as effectively as possible. The questions that arise are:

- What kind of conflict management skills should a manager possess in order to solve conflicts in a multi cultural project group?
- How could a manager become effectively culturally aware of project group their cultures?
- What kind of project management skills does this manager need in order to manage a group with success?
- What kind of emotional intelligence factors should the manager obtain in order to understand his project group?
1.1. Purpose

The purpose of this study is to identify the competencies needed for managing a multi-cultural project group.

To do this we have created three main objectives:

1. To prove or disprove the hypothesis that there are correlations between national cultural value systems and conflict management styles.
2. To define a profile of the multi-cultural project manager
3. To define training program describing the competencies required for effective management of projects spanning different cultures.

1.2. Limitations

Before beginning this study we identified the following limitations

Limitation of respondents

- Although the study includes international individuals, some may not be typical of their culture. Many people interviewed are international orientated people and may be influenced by other cultures.
- The rather differentiated sample group also imposes some limitations to the generalizability of the findings to the society of a country.

Therefore, a criticism of the study is that the sample may not be representative of individuals who fully espouse their own culture.

Limitation of time

In order to give a comprehensive result, there was a need to conduct research on a big scale. During the two weeks of active surveying we achieved to survey 60 people. If more time was planned for the survey more people would have participated and the reliability of the results would have increased.
2.1 Culture

How can we define Culture?

The word culture originated from the Latin word colere which means to inhabit or to cultivate. It can be defined as:

“... is the collective programming (thinking, feeling and acting) of the mind which distinguishes the members of one group or category of people from another.” (Hofstede, 2005 p4).

The term culture was introduced to business life in the late 1980’s, to refer to the attitudes and behaviour of members of an organisation or business unit. The term became more and more popular over the last twenty years as businesses tended to be more active internationally. This is the reason why understanding different cultures has become a business necessity. (www.Yourdictionary.com, 2006.)

Hofstede identified culture to be mental programming of the mind: every person carries within him or herself patterns of thinking; feeling; and potential acting which were learned throughout their lifetime (Hofstede, 2005 p4). He identified 3 layers of mental programming which are: individual, collective and universal. Based on these 3 layers he constructed his culture triangle (see figure 1).

The Individual level (personality) is focused on the mental programming exclusive to each person. Hofstede suggests that this level is at least partly inherited. The Collective Level (culture) is focused on the mental programming that is learned from others, that is specific to a group of people. The Universal level (human nature) is focused on all humans, and is also likely inherited: instincts for survival et cetera.

Figure 1: Hofstede's Culture Triangle

(Source: Hofstede 2005, p5)
2.1.1 Geert Hofstede

Geert Hofstede is for many the most well-known theorist on national culture. His research was based on employees of the information technology company IBM. He performed an initial study of IBM employees in the 1960’s and continued the study for thirty years. Nowadays his survey covers over 72 countries, and over 116,000 survey respondents from IBM.

Hofstede’s study consisted of the Values Survey Model (VSM), a collection of 33 questions designed to classify members of national groups into cultural dimensions. He initially found that four distinct dimensions could be ascertained from the survey results: (http://www.geert-hofstede.com/, 2006)

The first dimension dealt with is “individualism versus collectivism”. In an individualist society ties between individuals are loose and people look after their own self-interest. A collectivist society on the other hand is one in which ties between individuals are a lot stronger. It appeared that an individualist country is wealthier than a collectivist country. (Hofstede, G., 1983)

The second dimension is “power distance”, which shows the degree of inequality in a country. Within an organisation the term “power distance” is referred to as the degree of centralisation of authority. In his research, Hofstede found that a country with a high degree of power distance is also a collectivist country. Nevertheless, it does not imply that an individualist country automatically has a low degree of power distance. (Hofstede, G., 1983)

The third dimension researched is the “uncertainty avoidance”, which measures the degree of uncertainty and anxiety among people in a society about the future. Meaning that in a “weak uncertainty avoidance” society, people have a natural tendency to feel relatively secure. While in a “strong uncertainty avoidance” society, people try to avoid risk and create security, such societies have for example: religions established, and are looking for the absolute truth. (Hofstede, G., 1983)

The fourth dimension is “masculinity versus femininity” which deals with the issue of the degree of social sex role division in society. A country in which there is a sharp division in the roles man and woman need to perform is “masculine”. Whereas, in a country where there is a relatively small sex role division is “feminine”. In a masculine society it is more or less about “big is beautiful”, performance and achievement. A feminine society on the other hand, values caring about others and being service-oriented. (Hofstede, G., 1983)

Hofstede initially created four cultural dimensions, this set of dimensions were expanded by work from Michael Bond on the more eastern/ Asian background, using the Chinese Value Survey. Bond convinced Hofstede that his theory was lacking in eastern countries, so in the end Hofstede adopted a fifth dimension which was called the Confucian dimension / Long term orientation dimension. (http://www.geert-hofstede.com/, 2006)
The fifth dimension is “Long-Term Orientation” which deals with a society or company exhibits a realistic future oriented perspective rather than a conventional historic or short term point of view. (http://www.geert-hofstede.com/, 2006)

Many people questioned Hofstede’s theory due to the fact that his research was only based on one company namely IBM. Many believe that IBM’s American corporate culture had biased the clarity of the results. Most participants were fairly educated and prosperous, which may represent a minority in many countries. (Hofstede, G., 2005)

For example:
In South Africa during the time of Hofstede’s initial research, black people were not hired by IBM; therefore his South African figures represented only the white sub-culture of South Africa. The generalisation of this group of individuals to the national culture can be disputed. (Hofstede, G., 1983)

2.1.2 Fons Trompenaars

Fons Trompenaars studied under Geert Hofstede’s supervision at the Wharton School of Business. This was the beginning of his career as a cultural researcher.

Instead of focussing on one international company Trompenaars based his research on thirty thousand people from over more than forty countries. The sample size was composed out of 75% participants from management positions and 25% which covered a secretarial position. (http://www.thtconsulting.com/, 2006)

Instead of Hofstede’s 5 dimensions Trompenaars (in collaboration with Charles Hampden-Turner) created 7 dimensions of culture. These dimensions are:

Universalism vs. Particularism: “What is more important - rules or relationships?”

Universalism is defined as the application of rules to everybody: no exceptions. People in universalistic countries share the belief that general rules, codes, values and standards take priority over particular needs and claims of friends and relations (see example). Universalism looks for similarities in all members of a group, and attempts to apply common rules to them.

Particularism, on the other hand, searches out differences, and assumes that there will be exceptions to every rule. Rules are more replaced by human friendships, achievements and certain situations within a relationship.

Individualism vs. Communitarianism: “Do we function in a group or as an individual?”

This dimension is based on Hofstede’s cultural dimension individualism versus collectivism.

Trompenaars defines it as orientation to oneself or to a group which share common goals and objectives.
He used a case study of a defect in a factory to demonstrate that individualist cultures (Canada, Denmark, USA, Australia, Nigeria, Russia) would consider the defect to be the fault of an individual, whereas communitarian cultures (Indonesia, Singapore, Italy, Japan, Germany) would consider the defect to be the fault of the group. (Trompenaars, Fons and Hampden-Turner, Charles, 1997)

**Specificity vs. Diffusion:** “How far do we get involved?”

This dimension refers to the extent to which an individual engages others in specific areas of his life, as opposed to all areas. For example, in a specific culture, a manager has power over his employees only as in the workplace. In a more diffuse culture, if the employee and the manager meet on the golf course, the employee defers to the manager there as well.

Trompenaars demonstrates the difficulty in a team environment, when specific cultures, such as American rub up against diffuse cultures such as Chinese. The specific American team members are immediately friendly and welcoming to the Chinese team members, but do not expect that the Chinese team members will be a part of their lives outside work. The Chinese team members, on the other hand, are cautious and proceed carefully in making friends in the workplace, as these friends will be invited not only into a working relationship, but into a relationship with the person as a whole. (Trompenaars, Fons and Hampden-Turner, Charles, 1997)

**Affective vs. Neutral:** “Do we display our emotions?”

Trompenaars defines this dimension by the belief of participants in the appropriateness of showing emotion in public. In neutral cultures such as Sweden, Austria, Japan, and India, it is highly inappropriate to show one’s feelings in public, whereas in affective cultures, such as Spain, Russia, and France, it is entirely acceptable. He used the case study of an emotionally charged situation in the workplace to demonstrate this difference.

He also made a distinction between cultures that show emotion but separate it from reason such as Americans, and cultures that show emotion and do not separate from reason, such as Italians and other southern Europeans. (Trompenaars, Fons and Hampden-Turner, Charles, 1997)

**Achieved status vs. Ascribed status:** “Do we have to prove ourselves to receive status or is it given to us?”

This dimension describes how a culture determines the status of individuals. A culture rating highly on “achieved status” believe that individuals are judged according to what they do, whereas cultures rating highly on “ascribed status” believes that individuals are given status based on who they are: their age, class, gender, education, et cetera.

Trompenaars used the example of family background, and found that in Austria, India, Hong Kong, and Thailand respect depended heavily on one’s family background, whereas participants in the USA, Canada, the UK, and the Scandinavian countries believed that family background was immaterial in a business environment. (Trompenaars, Fons and Hampden-Turner, Charles, 1997)
Internal vs. External control: “Do we control our environment or work with it?”

This dimension refers to an individual’s orientation toward nature. Cultures that believe they control their environment are defined as “internal orientated”, whereas cultures that believe that their fate is pre-determined are defined as “external orientated”.

Using a case study that asked participants whether they believed they controlled their own fate, he found that participants from the UK, Canada, Australia, and the USA were strongly inner-directed, whereas participants from China, Russia, Egypt and Japan were outer-directed. (Trompenaars, Fons and Hampden-Turner, Charles, 1997)

Sequential time vs. Synchronous time “Do we do things one at a time or several things at once?”

Trompenaars defined this dimension as the culture’s view of time: sequential cultures view time as a series of passing events, whereas synchronous cultures view it as interrelated, with the past, present and future working together to shape actions. In sequential cultures, time is tightly scheduled, with specific time slots available for activities so that a late appointment will throw out the entire day’s schedule. Conversely, in a synchronous culture, it is considered rude not to interrupt an activity to make time for an unexpected visitor.

Tied in to the view of time as sequential vs. synchronous is one’s view of the past, present and future. This is similar to Hofstede’s dimension of Long Term Orientation. Trompenaars used a circle test, in which participants drew circles representing the past, present, and future, to show the perceived link between them. (Trompenaars, Fons and Hampden-Turner, Charles, 1997)
2.1.3 Edward T. Hall

Edward Hall described culture with three variables: Time, Context, and Space.

Time

Hall’s theory on time can be compared to Trompenaars’ Sequential vs. Synchronous dimension. It categorises cultures based on their attitude toward time. Monochronic cultures believe that time is a limited, restricted resource. Communication is direct and quick, work is planned, and execution within the time specified is seen as most important. Examples of monochronic cultures are North American and Northern European.

In contrast, polychronic cultures believe that time is infinite, and life is circular (Trompenaars’ time orientation test). One cannot control time, and so timescales are less strict and time-based planning seen as less important. The Buddhist cultures were given as examples of this.

Context

This dimension is based on communication patterns within a culture. In high context cultures, both parties take much for granted, and as a result communication only hints at much of the information. Collectivist cultures such as Japan score highly in this category. In contrast, in low context cultures such as the USA, communication is explicit, including background information. This results in greater need for documentation and legal fine print, in which both parties to a deal spell out the exact conditions.

Space

This refers to the boundary around an individual that is considered ‘personal space.’ For example, in the Indian culture, one’s personal space is much smaller, both in terms of physical space and in objects perceived to be personal territory, than in the USA. (Hall, 1996)
2.1.4 Leveraging Diversity

Due to the global village process many workforces become extremely diverse. The word diversity indicates variety among people, factors like age, gender, race, ethnicity, ability are factors in which people can differ. A diverse workforce is for a manager harder to manage but on the other hand a diverse workforce can have many advantages.

The study of culture has led to various theories on management of differing cultures. Thomas and Ely sum up much of the work being performed in organisations today. They describe three main perceptions for managing diversity in today’s organisations: (Thomas and Ely, 1996)

1. Discrimination and Fairness Perception:

This approach focuses on fair and equal treatment for all, with stress on equal opportunity recruitment and advancement.

The limitation of this approach is that employees are pressured to act the same, and the company loses the competitive advantage of a diverse workforce.

2. Access and Legitimacy Perception:

This perception assumes that the main advantage to an organisation of a diverse workforce is the ability to reach diverse markets. It may take the form of hiring Chinese employees in order to target a Chinese market, for instance. The effectiveness of this approach is limited, as it doesn’t take advantage of the different value systems and perspectives within the workforce. Differences tend to be at the edges of the organisation, not in the core beliefs.

3. Learning and Effectiveness Perception:

The third perception attempts to incorporate employees’ view into the main work of the organisation, by rethinking primary tasks, redefine markets, products, etc. It is the next step in diversity management and the most effective way to leverage diversity.

Managers require various capabilities in order to leverage diversity in an organisation. An organisation that is truly diverse must expect more conflict than a mono-cultural one, as differing viewpoints, value systems, and perspectives are brought together. In order to capitalise on this, employees must be trained in conflict management. Communication skills are most important, with active listening and understanding with different viewpoints stressed. (Thomas and Ely, 1996)
2.2 Conflict Management

The word conflict is defined as: “A state of open, often prolonged fighting, a state of disharmony between incompatible persons, ideas, or interests.” (www.Yourdictionary.com, 2006) The view, as described by yourdictionary.com, assumes that conflict is bad, and should be avoided, as it can have a negative effect on performance. On the other hand after the 1940’s specialists argued that conflict is natural and inevitable, and can have a positive or negative effect on performance, depending on how it is handled. The most recent perspective encourages conflict as a necessary component to change, innovation, and superior performance. (www.wikipedia.org, 2006)

Tjosvold (Cheung and Chuah, 1999) suggests that conflict in an organisation is inevitable, and can have positive or negative consequences depending on its management. He refers to a “positive conflict organisation”, in which conflict is used as an opportunity to improve group unity and project team performance, and emphasises the importance of the “collaboration” method of conflict management in achieving this goal.

Kezsbom (Cheung and Chuah, 1999) describes thirteen sources of conflict in a project, as shown in the left-hand column of the table (see table 1). The right-hand column contains cultural dimensions which may worsen the conflict. For example, the potential for conflict based on scheduling may be increased on a project with team members from polychronic and monochronic cultures. (Cheung and Chuah, 1999)
## Table 1: Sources of Project Conflict

<table>
<thead>
<tr>
<th>Source of Project Conflict</th>
<th>Cultural dimensions which may Increase Conflict</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scheduling: timing, sequencing, duration of tasks</td>
<td>Sequential time vs. synchronous time (Hall, Trompenaars)</td>
</tr>
<tr>
<td></td>
<td>Inner direction vs. outer direction (Trompenaars)</td>
</tr>
<tr>
<td>Managerial and administrative procedures: reporting relationships, scope, et cetera</td>
<td>Power Distance (Hofstede)</td>
</tr>
<tr>
<td></td>
<td>Uncertainty Avoidance (Hofstede)</td>
</tr>
<tr>
<td></td>
<td>Universalism vs. Particularism (Hofstede)</td>
</tr>
<tr>
<td>Communication: poor communication flow between team members or other stakeholders</td>
<td>Affective vs. neutral (Trompenaars)</td>
</tr>
<tr>
<td></td>
<td>Context (Hall)</td>
</tr>
<tr>
<td>Goal or priority definition: importance of certain goals over others on the project</td>
<td>Masculinity vs. Femininity (Hofstede)</td>
</tr>
<tr>
<td></td>
<td>Long term vs. short term orientation (Hofstede)</td>
</tr>
<tr>
<td></td>
<td>Individualism vs. Communitarianism (Hofstede, Trompenaars)</td>
</tr>
<tr>
<td>Resource allocation: competition for scarce resources</td>
<td>Individualism vs. Communitarianism (Hofstede, Trompenaars)</td>
</tr>
<tr>
<td>Reward structure/performance appraisal or measurement: inappropriate match between the project team approach and the appraisal system</td>
<td>Achieved vs. ascribed status (Trompenaars)</td>
</tr>
<tr>
<td></td>
<td>Long term vs. short term orientation (Hofstede)</td>
</tr>
<tr>
<td></td>
<td>Specificity vs. diffusion (Trompenaars)</td>
</tr>
<tr>
<td>Personality and interpersonal relations: ego-centred differences, or those caused by prejudice or stereotyping</td>
<td>Individualism vs. collectivism (Hofstede, Trompenaars)</td>
</tr>
<tr>
<td></td>
<td>Specificity vs. diffusion (Trompenaars)</td>
</tr>
<tr>
<td>Costs: lack of cost control authority, or disagreements over allocation of funds</td>
<td>Power Distance (Hofstede)</td>
</tr>
<tr>
<td>Technical opinion: particularly on technology-oriented projects</td>
<td>Uncertainty Avoidance (Hofstede)</td>
</tr>
<tr>
<td>Politics: based on territorial power or hidden agendas</td>
<td>Power Distance (Hofstede)</td>
</tr>
<tr>
<td>Leadership: poor input or direction from senior management</td>
<td>Uncertainty Avoidance (Hofstede)</td>
</tr>
<tr>
<td>Ambiguous roles/structure: particularly in matrix organisations</td>
<td>Power Distance (Hofstede)</td>
</tr>
<tr>
<td></td>
<td>Universalism vs. Particularism (Trompenaars)</td>
</tr>
</tbody>
</table>

(Source: Left column: Cheung and Chuah, 1999, Right column: van Lieshout and Steurenthaler, 2006)

A multi-cultural team is exposed to many of the sources of conflict to an even greater degree than a mono-cultural team, because of the different value systems on the team. Thus the multi-cultural project manager must be comfortable with conflict management, and be able to handle the conflicts effectively in order to improve the team’s performance.
2.2.1 Thomas and Kilmann

The *Thomas-Kilmann Conflict Mode Instrument* (TKI) is a medium to open discussions about how conflict handling styles affect personal and group dynamics (www.kilmann.com, 2006). It is based on five conflict management methods: competing, collaborating, compromising, avoiding and accommodating. It consists of a series of matched statements designed to identify an individual’s preferred method of conflict management. The questions are carefully matched to balance social desirability of the response.

The instrument is used extensively in management training and team building workshops. Thomas and Kilmann use the survey (see appendix 1) to identify an individual’s conflict management behaviour, but also to demonstrate that the individual can increase his/her effectiveness through deliberately choosing a mode in conflict situations.

The survey questions are based on the 5 factors stated in the Thomas-Kilmann Conflict Grid (see figure 2).

**Figure 2: Thomas-Kilmann Conflict Grid**

Assertiveness is the extent to which the individual attempts to satisfy his/her own concern, and Cooperativeness is the extent to which the individual attempts to satisfy other’s concerns. These two basic dimensions can be used to define the five specific methods of dealing with conflicts. These five ‘conflict-handling’ modes are shown below, where Competing refers to ‘forcing’ (win/ lose situation); Collaborating to ‘problem-solving’ (win / win situation); Compromising to ‘sharing’; Avoiding to ‘withdrawal’ (lose/ lose situation); and Accommodating to ‘smoothing’ (lose / win situation).

(Source: http://www.nccmpi.org, 2006)
2.3 Emotional Intelligence

The behavioural competencies highlighted in order to manage conflict and leverage diversity on multi-cultural projects led to a review of Emotional Intelligence literature.

Daniel Goleman defined Emotional Intelligence as follows:

- “Knowing what you are feeling and being able to handle those feelings without having them swamp you;
- Being able to motivate yourself to get jobs done, being creative, and performing at your peak; and
- Sensing what others are feeling, and handling relationships effectively.”

Goleman was writing about emotional competences. He believes that emotional competences are to be twice as important in contributing to excellence as pure intellect and expertise. (Goleman, 1998)

Researchers have defined Emotional Intelligence as consisting of a number of dimensions. (Goleman, 1998) Goleman’s framework (see table 2) is made of five dimensions as follows:

Table 2: Dimensions of Emotional Intelligence

<table>
<thead>
<tr>
<th>Personal Competence</th>
<th>Social Competence</th>
</tr>
</thead>
<tbody>
<tr>
<td>Self-awareness</td>
<td>Empathy</td>
</tr>
<tr>
<td>Self-regulation</td>
<td>Social skills</td>
</tr>
<tr>
<td>Motivation</td>
<td></td>
</tr>
</tbody>
</table>

(Source: Goleman P138, 1998).

Personal competences focuses on one’s personal capabilities and abilities to perform and act.

Self awareness stands for the awareness of one’s personal qualities and capabilities it consists out of:
- one’s personal emotions and their effect
- Knowing one’s strengths and weaknesses
- Sureness about one’s self-worth and capabilities

Self regulation stands for the regulation of the factors of self awareness:
- Managing disruptive emotions and impulses
- Maintaining standards of honesty and integrity
- Taking responsibility for personal performance
Self motivation focuses on improving the qualities and capabilities of the one’s doing and functioning.
- Striving to improve or meet a standard of excellence.
- Aligning with the goals of the group or organization.
- Readiness to act on opportunities.

Social competences focuses on the groups capabilities and abilities to perform and act.

Social Awareness stands for identifying and being aware of other’s capabilities and abilities to perform and act.
- Sensing others’ feelings and perspective, and taking an active interest in their concerns
- Anticipating, recognizing, and meeting customers’ needs.
- Sensing what others need in order to develop, and bolstering their abilities.

Social skills focuses on the social link between people in order to become aware and to deal with social competences.
- Wielding effective tactics for persuasion.
- Sending clear and convincing messages.
- Inspiring and guiding groups and people.

(The Consortium for Research on Emotional Intelligence in Organizations, 2006)

The dimensions mentioned above are subdivided further into competencies that support it. Self-awareness for instance is divided into Emotional Awareness, accurate Self-Assessment, and Self-Confidence. Emotional intelligence can be developed through training programmes, (Cooper and Sawaf, 1998) however, the most significant development is in early childhood which was described by Goleman. (Goleman, 1998).

Some other researchers found out the importance of the inter-personal competencies, Interpersonal Sensitivity and Influence, to performance. Dulewicz and Higgs’ (2002) model for Emotional Intelligence incorporates intellectual competencies and managerial competencies can be seen in the following figure (see figure 3):
Each element in this model is then related to the EI competencies. The **Driver** is Motivation, and the **Constrainer** is Conscientiousness. The **Intra-Personal Enablers** are Self-Awareness, Emotional Resilience, and Intuitiveness. The **Inter-Personal Enablers** are Interpersonal Sensitivity and Influence. Dulewicz’ and Higgs’ studies found that the Enablers are more open to development than the Drivers and the Constrainers, although they cast doubt on the ability to measure the competencies accurately. They recommend a modular approach to learning the competencies, with short formal course modules interspersed with on-the-job practice with a mentor.

Sparrow (2002) defined the EI competencies required for effective leadership as:

- **Other-awareness**: to be able to identify the type of leadership required
- **Flexibility**: an aspect of self-management, in order to provide the style of leadership required, and
- **Accurate self-assessment**, to be able to judge whether one can provide the required style of leadership.

This is particularly the case for multi-cultural project managers, for whom the requirements of the team members are based on a different set of cultural values.
Bristow and Ridgeway (1994) focused on successful international managers, as distinguished from emigrant workers who focus on a specific culture. They found that international managers face two major challenges: organisational complexity and cultural diversity. They suggest that in order to work successfully in a multi-cultural environment, managers must have a high degree of personal security, so they can see themselves and their beliefs in context. This links closely with the concept of self-awareness.

Projects, by their definition, promote change, and as such the project manager must be an agent of change. (Turner, 1996.) Orme and Germond (2002) describe the importance of the EI components of self-awareness and control, flexibility, and assertiveness in a change agent.

2.4 Multi-cultural Project Management

All the sections above describe the competencies required by a multi-cultural project manager from a different angle. There are three of them: culture, conflict, and emotional intelligence. This section examines literature on the multi-cultural aspect of project management.

In order to describe the nature of multi-cultural project management, a brief review was performed of project management in general. Turner defined a project as follows:

“…an endeavour in which human, financial and material resources are organised in a novel way to undertake a unique scope of work, of given specification, within constraints of cost and time, so as to achieve beneficial change defined by quantitative and qualitative objectives.” (Turner, 1999)

Turner describes a project manager’s role as follows (see figure 4):

Figure 4: Turner's Model of Project Management

(Source: Turner P 64, 1999)
The Project Manager must complete the Scope of the project, using the Organisation he defines, within a given Timescale and Cost budget, and to a specified Quality.

S. Jessen (Jessen, 1992) proposed that the requirements for power distance, individualism and uncertainty avoidance differ throughout the life cycle of a project, and therefore that different cultural values are more effective, depending on the phase of the project.

Law (Turner and Simister, 2000) suggests a framework for managing multi-cultural projects, based on the degree of multi-culturalism and the project complexity. She suggests a link between the degree of multi-culturalism on the project and the project complexity, and the focus of the project management, as follows (see figure 5):

**Figure 5: Law's Framework for Multi-cultural Project Management**

(Source: Turner and Simister P 23, 2000)

It describes the focus on four factors, namely:

**Plan:** The manager should focus on managing the project plan in order to make the project more effective, when the project has a High degree of multi-culturalism and Low project complexity.

**Costs:** The manager should focus on the costs involved in the process of producing a service or a product to make production more profit efficient, when the project has a Low degree of multi-culturalism and Low project complexity.

**Cultures:** The manager should focus on the group culture in order to obtain a better functioning team (teambuilding), when the project has a High degree of multi-culturalism and High project complexity.

**Output performance:** The manager should focus on the amount of products or services produced, when the project has a Low degree of multi-culturalism and High project complexity.
Sohmen (2002) focuses on a practical approach to multi-cultural project management. He emphasises the need to make communications as explicit as possible, and to recognise the impact of different cultures on communication. He also stresses that trust must be established between the project manager and the team members, particularly those of different cultural groups, in order to work together effectively. Meredith and Mantel (2000) warn that the manager of an international project should not expect to be voluntarily informed of problems and potential problems by subordinates.

The team-building skills of the project manager are of particular importance on a multi-cultural project. The team must be committed to a common goal, the participants must respect each others’ beliefs, and they must know how to work together in order to ensure the success of the project.

### 2.5 Development of Competencies

Each of the sections which are mentioned above approaches the competencies required by the manager of multi-cultural projects from a different angle. In this section of the dissertation it’ll be shown a starting-point for the development of the competencies.

David Kolb (Pont, 1991) described in a learning cycle four stages of adult learning (see figure 6):

#### Figure 6: Kolb's Learning Cycle

![Kolb's Learning Cycle](Source: Pont P 59, 1991)

Individuals’ experiences lead them to the need for learning. They collect the information, and reflect upon it. They then fit this data into their “view of the world” using abstract concepts and generalisations. The experimentation occurs as they attempt to modify their behaviour. When they have internalised this behaviour, the learning cycle is complete.

Gail Hughes-Wiener (1995) drew on Kolb’s learning cycle to support the Learning-How-To-Learn (LHTL) methodology. She relates this to teaching individuals how to learn about culture, by focussing on helping the learner to develop his or her own process for learning about other cultures. The learner must develop his/her own learning strategies, procedures and skills to be able to cope with multiple cross-cultural situations. This process teaches them how to do this, rather than teaching them about a specific culture.
Hampden-Turner and Trompenaars (2002) support an approach to learn how to work with different cultural values, based on dilemma theory. Dilemma theory, according to Hampden-Turner and Trompenaars, states that conflict, or a dilemma, occurs when cultural values clash. The resolution of this dilemma is via a “double helix” approach (Cultural viewpoints are connected in order to find a mutual ground), in which individuals with conflicting viewpoints swing, moving ever closer to a mutual agreement through examination of both sets of values.

Both of these processes focus on teaching the learner how to learn about different cultures, rather than focusing on learning about a specific culture. The multi-cultural project manager is likely to confront multiple cultural backgrounds on an international team, and this approach will be more useful than a more traditional expatriate style of training, where the focus is on learning about a specific culture.

2.5.1 Conflict Management Development Methods

The manager of a multi-cultural project team is likely to encounter more conflict within the team than within a mono-cultural team. Therefore, the ability to handle conflict constructively is vital.

Crawley (1992) describes constructive conflict management techniques in various situations; however, his approach to conflicts in a multi-cultural team situation can be summarized as follows:

- Remain neutral, and use an impartial, third party approach
- Verify your understanding of each of the viewpoints
- Work with the team members to establish options for resolution of the conflict
- Agree the course of action.

This method requires the team manager to step outside his/her value system (i.e. cultural beliefs), in order to remain neutral. It is intended to build the skills necessary to adopt a collaborative or synergistic style of conflict management.

Emotional Intelligence points toward self-awareness and other-awareness, or sensitivity, as key to the management of multi-cultural teams. Higgs and Dulewicz (1999) identify these as elements which can be developed through management training. They recommend a behaviour-based approach to the development of the elements, with a structured programme in which the individual describes the desired behaviours in detail, then develops an action plan with a mentor.

The sequence of development of the competencies is also important. Self-awareness is a precursor to other-awareness and sensitivity, and therefore must be developed first. (Goleman, 1998)

The literature focuses on two major competencies on multi-cultural projects: communication and team building.

Sohmen (2002) provides a framework of barriers to communication on multi-cultural projects, and potential creative responses, as follows (see table 3):
Table 3: Cross-Cultural Communication Barriers

<table>
<thead>
<tr>
<th>No.</th>
<th>Cross-Cultural Communication Barriers</th>
<th>Creative Responses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Distrust between ethnic groups</td>
<td>Build trust and transparency</td>
</tr>
<tr>
<td>2</td>
<td>Culturally insensitive leadership</td>
<td>Ensure culturally sensitive leadership</td>
</tr>
<tr>
<td>3</td>
<td>Culture shock and ethnocentrism</td>
<td>Explicate organisational diversity policy</td>
</tr>
<tr>
<td>4</td>
<td>Mono-cultural information technology</td>
<td>Acculturated information technology (IT)</td>
</tr>
<tr>
<td>5</td>
<td>Low-context communication</td>
<td>Codify and transfer explicit knowledge</td>
</tr>
<tr>
<td>6</td>
<td>High-context communication</td>
<td>Harvest tacit intercultural knowledge</td>
</tr>
<tr>
<td>7</td>
<td>Socio-cultural isolation</td>
<td>Enrich cross-cultural socialisation</td>
</tr>
<tr>
<td>8</td>
<td>Multiple languages</td>
<td>Use a common link language</td>
</tr>
<tr>
<td>9</td>
<td>Monochronic vs. polychronic time</td>
<td>Task-deadline-oriented polychronic time</td>
</tr>
</tbody>
</table>

(Source: Sohmen, 2002)

The appropriate skills for these creative responses are based on the cultural skills, emotional intelligence, and conflict management. Sohmen describes the culturally sensitive leader as follows:

“The project manager must be culturally sensitive, and preferably, one who enjoys cross-cultural interactions—with a successful track record of participating in (perhaps leading) overseas projects. Such a leader must be excited about creativity and innovation through effective cross-cultural communication, and must constantly visualise success while inspiring continuous learning. The project manager must articulate in verbal and non-verbal ways, a sense of pride in project team members, and enthusiasm about their potential—given their diverse backgrounds, skills and tacit knowledge. Such a leader builds trust through behaving consistently and motivating everyone to work toward common project goals.” (Sohmen, 2002 p42)

We can say that Sohmen focuses especially on efficient internal communication and team building skills in order to bridge the cross cultural communication barriers from table 3. In order to do so a manager should identify the cross cultural communication gaps to fill and apply the methods stated above in order to strengthen his team.
3 Theoretical overview

In order to identify the profile of the multi-cultural project manager and define a training program we have created the following model stated below. We clearly see the following parts: National culture, Project management and Conflict management.

- The link between national culture and conflict management is described using the Thomas-Kilmann method.

- In order to find out the multi-cultural project manager’s profile we can use the theory of:
  - Multi-Cultural Project Management Competency Model
  - Cultural Awareness and Competency: Culture: Hofstede’s and Trompenaars and Hampden-Turner’s cultural dimensions in order to find out how other cultures must be perceived. Emotional intelligence to find out what competencies are needed.
  - Conflict Management: Is based on the field research focussing on the connection between conflict management and national culture. Additional information is taken from the conflict management theory part.
  - Emotional intelligence: Goleman, Dulewicz and Higgs creating mutual trust in teams. Our field research survey is used as a secondary source to state that cultural backgrounds need different sorts of management.
  - Multi cultural project management: Is a combination between project management and national culture in order to find out how to efficiently manage a multi-cultural project group.

- To define a training program we can use the Multi-Cultural Project Management Competency Model in comparison with management training. We illustrate how the competencies can be met through training and reorganisation.
The research model (see figure 7) sketches the three main theoretical parts namely: national culture, project management and conflict management. Our field research part is based on these three theoretical parts. In our survey we compare national culture with conflict management.

Emotional intelligence and management training are secondary theoretical parts focusing on managerial competencies and to construct a management training program. Managerial competencies is focused on which awareness and qualifications a manager should have in order to manage an international project group. Management training gives us a brief overview of how these skills can be realized or advanced.

When all factors of this study are combined we can sketch how a manager is able to manage a multi cultural project group effectively.

Objective 1: Gives us a clear view regarding the ways to solve conflicts focusing on a specific cultural group.
Objective 2: Gives us an overview concerning the qualifications a manager should have in order to efficiently manage a (multi cultural) project group.
Objective 3: Sketches a program which aids a manager in becoming culturally fluent in managing.
3.1 Methodology

We have based this study on two distinct sections namely: the literature review and the field research which consists out of a survey of the company Sandvik AB. This study is mainly based on Sandvik AB due to the fact most respondents are working at the company. For the research we also questioned other international business people.

The literature review consists of secondary research on national culture, conflict, and the aspects of project management specific to multi-cultural projects which is the foundation of our research. This leads into the areas of emotional intelligence and management training, focusing on the competencies identified as requirements for the multi-cultural project manager. Linking these sources together we sketch the profile of the multi-cultural project manager in combination with the results from the survey. Page 31 the research model gives an overview of the structure and how we concluded our findings.

The field research consists of a quantitative survey designed to get information on an individual’s conflict management style, combined with questions on national culture. After the research we analyze the collected data against culture. This survey was send out to 280 individuals. Our target group were employees working for multi-cultural organizations. The information from this survey was taken to create the profile of the multi cultural project manager in combination with the literature review.

The survey was online for two weeks, in which time the following groups of respondents were contacted:

- Employees of Sandviken
- Personal contacts
- Current and former work colleagues
- A number of different embassies in Amsterdam.

Since the survey wasn’t uploaded for a long period and thus fewer respondents as maybe needed were received, there are doubts about the validity of the survey. The survey was based on the Thomas-Kilmann Conflict Mode Instrument and 30 statement pairs were given in English. Since the questionnaires were sent to employees working for multi-cultural organizations worldwide we are aware that language barriers exist. Although most of the employees are familiar with the English language, they might have answered different while the statements were given in their tongue language.

Although the population of the study was very broad and differentiated we can say that the information is reliable and valid. There was much consistency in the answers of the various culture groups. In order to make the survey more reliable, it should be targeted on only one specific group of people. By making a survey more specific the answers will also more and more reliable. The problem that will always remain is the fact that for example 100 people don’t represent a whole culture.

The discussion is split into two sections: the profile of the multi-cultural project manager, and the development of multi-cultural project management competencies. These sections draw on the
literature review and the field research to identify and describe the skills required by a manager of multi-cultural projects, and the methods by which a mono-cultural project manager may develop the skills.

### 3.2 Field Research Project

#### Objectives and Scope

The objective of our survey was to gather information on how different cultural groups handle conflict, in order to identify relationships between the conflict management styles and national culture. In order to not limit the scope the survey was open to all nationalities and not focussed on several nationalities. Instead, the emphasis was on a high number of survey responses, from which the nationalities with a reasonable survey size could be extracted. The survey was limited to a two week period, in which it was available on the Internet.

The average figures for conflict management for each nationality were then compared with the Hofstede dimensions of culture to define if there are relationships between the dimensions of culture and methods of handling conflict.

### 3.3 Fieldwork Methodology

#### The Survey

For our researchers we used the quantitative method. This method is dealing with numbers and everything that is measurable. Thus, it is different to the qualitative methods.

The survey was based on the Thomas-Kilmann Conflict Mode Instrument. This was chosen for the following reasons:

- It is widely available.
- It can be completed in a short period of time.
- It is a perfect framework to survey conflict management styles

The survey was supplemented with two questions to establish current nationality and nationality at birth. We asked approximately 280 individuals. Our target group were employees working for multi-cultural organisations. Participants selected responses from 30 statement pairs to discover which of five conflict handling styles is their preferred "mode". (see appendix 1)

The survey was posted on the Internet, using the program IMagic Survey Pro (Versions 1.24). IMagic Survey Pro hosted the web page, and collected the results, which were then downloaded to a Microsoft Excel file. This method of distribution of the survey and collection of data was chosen for the following reasons:

- Working with private information, the person taking the survey could participate anonymously.
- The expected high number of responses required an automated data collection tool.
- When using email, people tend to be sluggish with sending back information.
- The request to complete the survey contained only the hyperlink to the web page, so it did not take unnecessary storage space in email systems with attachments.
4. The Responses

Over the course of two weeks, 60 people completed the survey. 5 respondents neglected to enter a nationality, so those surveys were discarded. The following pie chart (see figure 8) demonstrates the percentage representation of each nationality in the survey.

**Figure 8: Number of respondents by nationality**

![Pie chart showing percentage representation of each nationality](image)

(Source: van Lieshout and Steurenthaler, 2006)

The pie shows us the percentage of people (from a sample plan of 60) who applied for the survey. As shown in the pie, most of the respondents were from Germany (34%), Sweden (18%) and Holland (17%).
4.1 Total survey results

Table 4 shows us the total amount of surveys taken by country. We have rated the countries on the average of the results. These results are compared to the total average.

### Table 4: Total outcome survey

<table>
<thead>
<tr>
<th>Country</th>
<th>Belgium</th>
<th>Canada</th>
<th>Denmark</th>
<th>France</th>
<th>Germany</th>
<th>Italy</th>
<th>Japan</th>
<th>Netherlands</th>
<th>Norway</th>
<th>Sweden</th>
<th>Switzerland</th>
<th>Total</th>
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</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>10.4%</td>
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**Effective Multi- Cultural Project Management**
Sjors van Lieshout & Jochen Steurenthaler

34
4.2 Results by country

The average values for countries with more than 9 survey respondents were then matched against the Thomas-Kilmann Conflict Mode Instrument. This smoothes the progress of the comparison of scores by country against the average scores of all the people who have taken the Thomas-Kilmann survey, in order to determine if there are specific characteristics of the conflict management style within a particular country.

Germany

The table below shows the average conflict management styles for the German survey respondents, against the Thomas-Kilmann total averages. The survey size for Germany was 19 respondents. (see figure 9)

Figure 9: Data Germany compared to average

According to the survey, German people tend to be slightly above the average for the competing and slightly under collaborating styles, which implies nearly the same level of assertiveness in conflict for Germans compared to the average level.

They are above average for the compromising and accommodating style, which concludes a high level of cooperativeness, and supports. German people try to avoid conflicts less often which results in not a lot of lose/lose situations.

However, overall the values are well within the average range for the instrument, and imply that the German survey respondents have a wide variety of conflict management styles from which to choose.
The Netherlands

The table below shows the average conflict management styles for the Dutch survey respondents, against the Thomas-Kilmann total averages. The survey size for The Netherlands was 10 respondents. (see figure 10)

**Figure 10: Data the Netherlands compared to average**

The survey showed that the Dutch style of managing conflict is dissimilar to the average worldwide. People from the Netherlands tend to be far more competitive than the average of countries. People tend to do more things by themselves than helping others. We can draw the conclusion from the low scores on collaborating, compromising and an average score on accommodating. Just like their neighbours Dutch people tend to avoid conflicts less often than average.

Sweden

The table below shows the average conflict management styles for the Swedish survey respondents, against the Thomas-Kilmann total averages. The survey size for Sweden was 10 respondents. (see figure 11)

**Figure 11: Data Sweden compared to average**
Sweden as a feminine society (Hofstede, G. 2001) scores high on collaborating and compromising. Thus, Swedish employees are used to working in groups and solving problems by working together. The analysis of the survey supports our own experiences with the Swedish society. Collaborating and compromising are of particular importance in the Swedish school system. This is different to for example in Germany where assignments have to be more arranged by the individual. Furthermore, the table shows that on competing and avoiding the Swedes score average.

### 4.3 Analysis of the Data

The raw data was taken through a series of steps in order to determine average values by country, as follows:

- Raw data was imported into a Microsoft Excel database (see appendix 2).
- The data was then standardized for consistency. For example, “Nederlands” in the nationality became “Dutch”, so all Dutch responses could be classified together.
- Finally, a table was created showing the average Thomas-Kilmann conflict management values for each national grouping, as shown below. (see table 5)

#### Table 5: Conflict Management Styles by Nationality

<table>
<thead>
<tr>
<th>Nationality</th>
<th>No. Recs</th>
<th>Competing</th>
<th>Collaborating</th>
<th>Compromising</th>
<th>Avoiding</th>
<th>Accommodating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Australian</td>
<td>1</td>
<td>32,14%</td>
<td>17,86%</td>
<td>17,86%</td>
<td>21,43%</td>
<td>10,71%</td>
</tr>
<tr>
<td>British</td>
<td>2</td>
<td>17,86%</td>
<td>19,64%</td>
<td>19,64%</td>
<td>25,00%</td>
<td>17,86%</td>
</tr>
<tr>
<td>Canadian</td>
<td>2</td>
<td>25,00%</td>
<td>21,43%</td>
<td>21,43%</td>
<td>21,43%</td>
<td>10,71%</td>
</tr>
<tr>
<td>Dutch</td>
<td>10</td>
<td>23,57%</td>
<td>16,43%</td>
<td>21,07%</td>
<td>19,29%</td>
<td>19,64%</td>
</tr>
<tr>
<td>Finish</td>
<td>2</td>
<td>12,50%</td>
<td>16,07%</td>
<td>26,79%</td>
<td>19,64%</td>
<td>25,00%</td>
</tr>
<tr>
<td>German</td>
<td>19</td>
<td>20,30%</td>
<td>17,29%</td>
<td>23,12%</td>
<td>18,80%</td>
<td>20,49%</td>
</tr>
<tr>
<td>Indonesian</td>
<td>1</td>
<td>14,29%</td>
<td>7,14%</td>
<td>28,57%</td>
<td>25,00%</td>
<td>25,00%</td>
</tr>
<tr>
<td>Italian</td>
<td>2</td>
<td>21,43%</td>
<td>12,50%</td>
<td>19,64%</td>
<td>25,00%</td>
<td>21,43%</td>
</tr>
<tr>
<td>Polish</td>
<td>1</td>
<td>25,00%</td>
<td>21,43%</td>
<td>17,86%</td>
<td>14,29%</td>
<td>21,43%</td>
</tr>
<tr>
<td>South African</td>
<td>1</td>
<td>22,22%</td>
<td>14,81%</td>
<td>18,52%</td>
<td>18,52%</td>
<td>25,93%</td>
</tr>
<tr>
<td>South Korean</td>
<td>4</td>
<td>7,14%</td>
<td>17,86%</td>
<td>19,64%</td>
<td>27,68%</td>
<td>27,68%</td>
</tr>
<tr>
<td>Swedish</td>
<td>10</td>
<td>20,00%</td>
<td>19,64%</td>
<td>24,64%</td>
<td>20,71%</td>
<td>15,00%</td>
</tr>
</tbody>
</table>
Table 5 shows the average Thomas-Kilmann conflict management values for each national grouping and the number of respondents. For example 19 Germans took part of the survey and the figures in table 5 show in per cent, how they scored on the different items.

5. Analysis

This study attempts to address this perception, by identifying the “competency gap” between a mono-cultural project manager and an effective multi-cultural project manager, and proposing a high-level program for their development.

The challenge is to develop project managers capable of utilizing the team members’ diversity to bring about the best possible results. From the literature review and partly from the survey we will create a profile and development process on how to become an effective multi-cultural project manager, based on cultural awareness, conflict management, project management expertise, and emotional intelligence.

5.1 Profile of the Multi-cultural Project Manager:

The skills needed to manage multi-cultural project teams are often ignored by companies that believe that a manager experienced in mono-cultural management will be equally successful in a more diverse environment.

Thomas and Ely’s, Discrimination and Fairness, is relied upon in business cultures. Team members are treated equally, despite their cultural background. They are expected to perform equally and work in the same manner. This results in not taking advantage of the multi cultural diverse perspectives and skill sets.

The following model summarizes the main competencies required for the multi-cultural project manager. Each area will be described below (see figure 12).

Figure 12: Multi-Cultural Project Management Competency Model
5.2 Cultural Awareness and Competency

To become an efficient multi-cultural manager, the manager should become fluent with cultural awareness and his competencies regarding cultural awareness. In order to become a culturally fluent manager he should follow these 3 steps:

- Becoming aware of cultural norms,
- Understanding the specifics of the cultures with which one is working, and
- Developing the relevant skill set.

According to the field research, the results might be valuable for companies which want to expand their business abroad. Project managers can be prepared for conflicts which could arise in another cultural environment. The Netherlands as the study shows, tend to be far more competitive then the average of countries. Thus, operating in the Netherlands is different than in Sweden. If a manager is quite well informed about this issue, he can benefit for his future operations. A lot of cultures react different to conflicts and thus, expertise on this area should be require.

5.2.1 Becoming aware of cultural norms

In order for the manager to lead the team according to Thomas and Ely’s (third perspective, 2.1.6. Leveraging Diversity), Learning and Effectiveness, he must first be aware of his own cultural values. Understanding the forces that drive his own behaviour is a critical step, as it leads to the understanding that his own value system, behaviours are not the only way of performing, or even the best way in all circumstances.

This objective analysis of his own cultural background allows him to respect the differing value systems of members on the team. A key driver in this area is the willingness to learn, and to accept other value systems as different from one’s own. This open-mindedness can not be forced, and if it is missing, will limit the person’s ability to manage a multi-cultural team effectively.

5.2.2 Understanding the specifics of the cultures with which one is working

The second area of understanding for the multi-cultural manager is the cultural values of the team members. Hofstede’s or Trompenaars’ cultural dimensions only cover half of this issue. They are country averages and do not apply specially to the team member. An individual could gain a deeper understanding by studying the history and literature of the country, learning the language, and even living in the country for an extended period. (Trompenaars and Hampden-Turner 1997.)

These steps may not be practical in a situation in which a manager is confronted with several different cultural backgrounds on a team. However he should be aware of the limitation of relying only on Hofstede’s research figures.
5.2.3 Developing the relevant skill set.

Thirdly, the manager needs the skills and understanding to utilise his own cultural awareness and awareness of the cultures on the team, to the team’s advantage. This is the most difficult step, and it is the one in which the Learning and Effectiveness perspective (Thomas and Ely, 1996) is demonstrated. It implies a willingness to step outside his own comfort zone of culture, and to accept new ideas. He must be comfortable with a free, non-bureaucratic structure that allows input from all team members. It also requires a high level of communication skills, both verbal and non-verbal. (Sohmen, 2002.)

5.3 Conflict Management

Cultures react different to conflicts and thus the manager of a multi-cultural team requires an array of conflict management skills. Conflicts on projects often arise when project pressures increase, when personalities clash, or when personal goals collide. This is intensified in a multi-cultural team by the different value systems on the team.

Team members bring different ideas, goals, values, beliefs and needs to their teams. These differences are a primary strength of teams. However, the same differences lead to conflict. Low conflicts were seen at our University, where students from different cultures worked together in groups. For example, a team member from Sweden, a culture which scores according to our survey high on collaborating and compromising, will struggle to understand why he doesn’t appear to care about the success of the group as a whole. Germany scores low on collaborating however, quite high on compromising, too. A German member might be not that familiar with group work but he is willing to compromise.

Conflict might escalate and lead to nonproductive results, or conflict can be beneficially resolved and lead to quality final products. For example at University, most of the conflicts came up through miscommunication between people but were mostly easily removed. Learning how to manage conflicts can decrease the odds of nonproductive escalation.
5.4 Multi-cultural Project Management

The literature shows, there are five aspects the project manager is required to manage: Time, Cost, Quality, Scope, and Organisation. However, this work assumes the project manager is competent in the skills required to manage a mono-cultural project, and focuses on those project management skills that, while not specific to multi-cultural projects, enhance his ability to manage a culturally diverse team.

One of the most important skills is the ability to draw on the strengths of the team members. This binds in with the interpersonal competences of Influence and Integrity, as team members must be able to trust the project manager before they can contribute wholly. An understanding of the skills required at different points in the project, coupled with an understanding of the value systems of his team members, can be useful to the manager of a multi-cultural project team.

6 Development of multi-cultural project manager’s competencies

This section offers a training programme for multi-cultural project managers. As shown in the figure above, it assumes a working knowledge of project management, and focuses on the multi-cultural competencies required. It uses the Multi-Cultural Project Management Competency model developed above to structure the objectives of the training programme at each level. Furthermore, it describes possible methods of teaching the competencies.

6.1 Building Cross-Cultural Competency

6.1.1 Cultural Awareness

The aim of the Cultural Awareness section is to provide the project manager with:

• An overview of culture theory, using a combination of the work of Hofstede, Trompenaars, Hall, and Garrison.

• An understanding of their own cultural background and value set. This critical step gives them an understanding of the forces driving their own behaviour. The following tools may be used to accomplish this goal:
  o Hofstede’s and Trompenaars’ country figures by dimension; Dr. Hofstede developed a model that identified four primary Dimensions to assist in differentiating cultures: Power Distance, Individualism, Masculinity, and Uncertainty Avoidance (2.1.1. Gert Hofstede)
  o Garrison’s Triangle Test

• An understanding of how their cultural background affects their management of projects (Edward T. Hall, 1996, Terry Garrison, 2001)

Project managers should finish this section of the course with the skills and information to
analyze the cultural backgrounds of members of a team, and begin to understand the implications of the differences on the project.

### 6.1.2 Cross-Cultural Competency

The Cross-Cultural Competency section of the course aims to provide attendees with tools and frameworks to use in understanding cultural value sets (Hughes-Weiner, 1995).

Hampden-Turner and Trompenaars (2002) provide a process for the achievement of cross-cultural competencies that has been adapted for a training situation. It focuses on the decision of values-based dilemmas to draw out the optimal solutions based on differing values systems, in a series of steps:

- Describe the case study. This should be set in a project environment, or at the very least in a business environment. It should represent a tension along one or more of the cultural dimensions.
- Chart the dilemma, using the dimensions. Discuss the positives and negatives at the extreme ends of each of the dimensions.
- Discuss possible solutions at the extreme ends of each value dimension, and of the compromise position.

### 6.2 Management Repositioning Programmes

#### 6.2.1 Conflict Management

The Thomas-Kilmann framework and development recommendations can be used to shape this section of the programme. Project managers will have gained an understanding of their own conflict management styles through this section, and potential areas for growth. Each attendee will complete the Thomas-Kilmann questionnaire, and a discussion will deal with the appropriateness of the different conflict management styles in different environments.

#### 6.2.2 Interpersonal Skills

This section of the programme is based on Daniel Goleman’s Emotional Intelligence theory. It focuses on Interpersonal Competencies, defined by Dulewicz and Higgs (2002) as Inter-Personal Enablers. Because Emotional Intelligence is such a personal and deep-rooted set of competencies, Studies have shown that classroom teaching in itself is rarely effective in building Emotional Intelligence competencies. This section is therefore in the form of a longer-term mentoring relationship. The choice of mentor for this training is important, in order to provide maximum benefit.
6.3 Multi-cultural Project Management Skills

This section of the programme describes the aspects of project management that may be affected by a multi-cultural team environment.

Yeacks and Smith (1990) emphasise the importance of team member selection and preparation. Team members should be open-minded and willing to learn from individuals with different value systems from their own. As well, in order to realise a competitive advantage from the cultural mix, a key objective of the project kick-off must be that team members are aware of their own cultural influences, and those they may encounter within the team. Note that this aspect of the kick-off does not make the usual objectives of familiarising the team members with the project and their co-workers ineffective.

Hofstede’s Power Distance dimension should be considered in the organisation of the project. In cultures with high Power Distance, a more strictly hierarchical structure is expected, whereas in cultures with very low Power Distance, a strict hierarchy may be resented. Hofstede’s Uncertainty Avoidance dimension also has a direct effect on project organisation. For example, South Korea has a high Uncertainty Avoidance tendency, whereas Germany’s rating is much lower. On a project with German and South Korea team members, this may manifest itself in several ways. The South Korean team member may prefer a more clearly defined team structure than the German, where each team member’s role is clearly defined and each knows what is expected of him, to ensure that he is able to fulfil expectations. The German team members may prefer a higher risk, quicker implementation, whereas the South Korean prefer more testing to ensure the quality of the project.

The project management tactic chosen should take into account these factors. A culture with high Uncertainty Avoidance and high Power Distance will likely be more comfortable with a more prescriptive tactic, whereas the reverse culture would prefer a tactic which allows team members the freedom to solve problems creatively, to manage their own time, and to modify the tactic to suit the project.

The overall culture of a project will be influenced by many factors. A key factor affecting the culture of the project is the value placed on cooperative working relationships, comfortable working conditions and security, versus high earning potential, recognition, and opportunity for advancement. A project with team members from a culture with a low Masculinity value may be more willing to spend time on team building exercises, and may appreciate the opportunity to get familiar in a social, less formal situation as opposed to a team from a high Masculinity culture. Members from these countries may be impatient with the team building functions, and prefer to dive right into the work required.

Individualistic team members are more likely to perceive the team as a collection of individuals with specific skills, and specific tasks and rewards. The collectivist team members will place more emphasis on the goals and tasks of the entire team, and may be more willing to put extra effort in to ensure the team’s success, even in areas not considered their direct responsibility.

When rewarding teams for performance, there are a variety of factors to consider. Team rewards, where each team member is rewarded equally for the team’s success, will be valued in a
collectivist culture. In these cultures, benefits and rewards that involve the team members’ families, such as company picnics may have a high value, whereas in individualist cultures, a “Pay for Performance” scheme focusing on the individual’s achievements may be more popular.

Cultural differences can have a major impact on the planning of a project, and the likelihood of the plan being followed. Poly-chronistic cultures view schedules and plans as less relevant than relationships. In these cultures, following a project plan, punctuality in meetings and loyalty to an agenda are less important than maintaining relationships with work colleagues, and keeping up to date on new developments on the project. Cultural values can play a significant role in team members’ preferences for training, and can either enhance or detract from its effectiveness.

For example, team members from high Uncertainty Avoidance cultures are likely to expect a detailed level of training, with precise documentation, giving them a higher degree of confidence that the job will be performed correctly. In contrast, team members from low Uncertainty Avoidance cultures may find such training tedious and prefer to “get on with the job”, and learn the skills required as they go. (Hofstede, G. 2001)

Team members’ attitude toward authority will also have a significant bearing on training. In a high Power Distance culture, team members are likely to postpone to the authority of the trainer, rather than questioning points on which they disagree. They may be less likely to ask questions when they don’t understand a concept, and as a result, the trainer may need to ask more leading questions and add more activities to ensure understanding. When training team members from a low Power Distance society, the trainer should start by defending his qualifications, in order to gain respect from the team members.
7 Conclusions and suggestions for future studies

7.1 Answers to our research questions

Objective 1:

Are there correlations between cultural value systems and conflict management styles?

After researching this objective, we can state that there are correlations between cultural value systems and conflict management styles. Our field research showed that there are differences between cultures and as shown in the analysis for example the Dutch style of managing conflict is dissimilar to the average world-wide. In some countries solving problems in a group is more common than in other countries. It is suggested that when coping with a multi cultural group, the manager should be aware that different cultures can result in different situations and reactions.

Objective 2:

What kind of skills and qualification should a manager posses in order to efficiently manage a multi cultural project group?

Through the review of literature on culture, conflict management, emotional intelligence, and project management, we have defined the profile of the effective multi-cultural project manager.

The profile consists out of being fluent in the following points of attention:

- Cultural awareness and competency: the manager should become aware of the cultural norms. He or she should understand the specific cultures with which he or she is working and last but not least he or she should develop a relevant skill set.
- Conflict management: the manager should have an array of conflict management skill. He or she should be aware of how a conflict can arise, how it is dealt with and how to prevent it.
- Emotional intelligence: the manager should know how to create trust between himself and the workforce.
- Project management: the manager should understand the strengths of his team and should be able to optimize these.

Objective 3:

What training or improvements are needed for a manager in order to become an efficient multi cultural project manager?

- The managers in question should become aware of their own culture, and develop cross cultural competencies.
- The manager should become aware of his or her own conflict management styles and the potential areas of growth. By attending the Thomas Killman questionnaire he or she can
identify the differences between his conflict management styles and the perception of his or her employees.

- The manager should become aware of the following emotional intelligence competences: self awareness (becoming aware of your own capabilities), empathy (becoming aware of other’s capabilities) and influences (becoming aware how to motivate and encourage others).

- The manager should train his multi cultural project management skills. Potential points of attention are: project initiation, organization structure, project culture, project communication, performance appraisal, skills transfer and training programs etc.

The results from this study might be valuable for companies which want to expand their business abroad. Since there are differences between cultures, project managers can be prepared for conflicts which could arise in another cultural environment. The Netherlands as the study shows, tend to be far more competitive than the average of countries. Thus, operating in the Netherlands is different than in Sweden. If a manager is quite well informed about this issue, he can benefit for his future operations. A lot of cultures react different to conflicts and thus, expertise on this area should be required.

### 7.2 Reflection

The creation of a research work of this size provides the opportunity for demonstration of a range of management competencies such as personal motivation, time management, organisation, and communication. It also requires the development of analytical and research competencies for the field research project.

The knowledge we acquired through this study has been useful for us. It was especially interesting to evaluate the survey and compare all different nationalities. However, if we had to do the questionnaire again, we would probably upload the survey for a longer period since it was quite difficult to get many respondents.

Furthermore we hope that our study add new knowledge in the multi cultural sector and it is useful for companies which are operating abroad or companies who want to expand their business in a foreign country.

Above all, the work has also provided us with a knowledge base that will be useful from a high-value consulting standpoint, in terms of multi-cultural team building and project management. This should be useful for our future education and our future career since both of us are very interesting in working abroad and thus, we will be probably actively marketing this area of project management.
7.3 Suggestions for future research

An area is the characteristics of effective multi-cultural project managers. The profile in this work is based on the literature review; however, it would be interesting to conduct a qualitative study and interviews of project managers of multi-cultural projects, to answer the following questions:

- How are project managers utilizing the diversity of the team members to increase the team’s effectiveness in real-life projects?
- What are the competencies that the most effective multi-cultural project managers have in common? How have they developed these competencies?
- Is there a link between effective multi-cultural project management and cultures with low uncertainty avoidance?

The challenge is to leverage the diversity of the team members, through collaborative problem-solving and mutual trust.
APPENDIX 1

Conflict management Survey

The purpose of the survey is to compare methods of handling conflict with cultural background, using Geert Hofstede's dimensions of culture. We hope to establish relationships between aspects of culture and the handling of conflict. The survey will take approximately five minutes to complete. Take a moment to consider a situation in which you find your wishes differing from those of another person. How do you usually respond to such situations? Below are several pairs of statements describing possible behaviour responses. For each pair, please select the one which is most characteristic of your behaviour. In many cases, neither statement may be very typical of your behaviour; but please select the response which you would be more likely to use. Note that phrases and questions may appear more than once in the questionnaire; please treat each pair of statements individually.

2. What is your nationality?

3. What was your nationality at birth (if different from your present nationality)?

4. I am usually firm in pursuing my goals.
   - I might try to soothe the other's feelings and preserve our relationship.

5. I try to find a compromise solution.
   - I attempt to deal with all of his/her and my concerns.

6. There are times when I let others take responsibility for solving the problem.
   - Rather than negotiate the things on which we disagree, I try to stress those things upon which we both agree.

7. I try to find a compromise solution.
   - I sometimes sacrifice my own wishes for the wishes of the other person.

8. I consistently seek the other's help in working out a solution.
   - I try to do what is necessary to avoid useless tensions.

9. I try to avoid creating unpleasantness for myself.
   - I try to win my position.

10. I try to postpone the issue until I have had some time to think it over.
    - I give up some points in exchange for others.
11. I am usually firm in pursuing my goals. I attempt to get all concerns and issues immediately out in the open.

12. I feel that differences are not always worth worrying about. I make some effort to get my way.

13. I am firm in pursuing my goals. I try to find a compromise solution.

14. I attempt to get all concerns and issues immediately out in the open. I might try to soothe the other's feelings and preserve our relationship.

15. I sometimes avoid taking positions which would create controversy. I will let the other person have some of his/her positions if he/she lets me have some of mine.

16. I propose a middle ground. I press to get my points made.

17. I tell the other person my ideas and ask for his/hers. I try to show the other person the logic and benefits of my position.

18. I might try to soothe the other's feelings and preserve our relationship. I try to do what is necessary to avoid tensions.

19. I try not to hurt the other's feelings. I try to convince the other person of the merits of my position.

20. I am usually firm in pursuing my goals. I try to do what is necessary to avoid useless tensions.

21. If it makes other people happy, I might let them maintain their views. I will let other people have some of their positions if they let me have some of mine.

22.
I attempt to get all concerns and issues immediately out in the open.
I try to postpone the issue until I have had some time to think it over.

23.
I attempt to immediately work through our differences.
I try to find a fair combination of gains and losses for both of us.

24.
In approaching negotiations, I try to be considerate of the other person's wishes.
I always lean toward a direct discussion of the problem.

25.
I try to find a position that is intermediate between his/hers and mine.
I assert my wishes.

26.
I am very often concerned with satisfying all our wishes.
There are times when I let others take responsibility for solving the problem.

27.
If the other's position seems very important to him/her, I would try to meet his/her wishes.
I try to get the other person to settle for a compromise.

28.
I try to show the other person the logic and benefits of my position.
In approaching negotiations, I try to be considerate of the other person's wishes.

29.
I propose a middle ground.
I am nearly always concerned with satisfying all our wishes.

30.
I sometimes avoid taking positions that would create controversy.
If it makes other people happy, I might let them maintain their views.

31.
I am usually firm in pursuing my goals.
I usually seek the other's help in working out a solution.
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