

# Influence of Cultural Differences on Implementation of International Projects: Sample of International Educational Projects

Ruta Ciutiene and Evelina Meiliene

Kaunas University of technology, Department of Management

Email: ruta.ciutiene@ktu.lt, evelina.meiliene@ktu.lt

**Abstract**—The paper investigates the role of cultural factors on international educational projects. When international project is being implemented by representatives of different countries, the problems are being faced such as different culture of the countries, different scales of values. Legal, geographical, economical and other factors influence the life cycle of international of projects. Based on theoretical analysis of cultural dimension, the paper presents the results of empirical research. The research has been implemented at the institution of high education in Lithuania.

**Index Terms**—international project, project management, and cultural dimension.

## I. INTRODUCTION

Phenomena of globalization and fast competitiveness create a necessity for organizations to go beyond mere local projects, and strive for innovations, implementation of new technologies. Therefore organizations more often are to implement international projects with organizations or enterprises of other countries. Recently Project Management become one of the most important management innovations topicality of which is beyond controversy in of activity both business, public sector or educational institutions. In order for international communication to be efficient, first it needs to be understood that there exist cultural differences of countries. Formatted team of international project helps to identify them, accept them and understand their influence on the process of international project management. Thus, this study would help to identify cultural differences and their influence on international projects. Culture per se is the object of researches of many authors. Culture influences individual's (social group's) thinking and actions, determines their economical behaviour [1]-[2]. When international project is being implemented by representatives of different countries, the problems are being faced such as different culture of the countries, different scales of values. The necessity appears to take into consideration peculiarities of other country partners' character, which are

determined by the national culture of the country. It was noticed in scientific literature, that influence of cultural differences on international projects is not the area, which was universally analysed. The authors G. Hofstede [3], R. R. Gesteland [4], R. D. Lewis [5], B. Tomalin and M. Nicks [6] analyzed cultural differences and identified them in accordance to the countries. Influence of cultural differences on implementation of international projects was studied by a long ways less. The authors B. P. Lientz and K. Rea [7] determine international projects, distinguish factors influencing their execution. However, specifically the influence of cultural differences of countries on project implementation was little researched.

*The goal of the research*—to evaluate the influence of cultural differences of countries on implementation of international projects. Analyzing the problem of the research scientific literature was used, its comparative analysis performed, and, in empirical research, there were analyzed international projects under implementation by Lithuanian high schools.

## II. THEORETICAL BACKGROUND

### A. International Projects

In order to analyze international projects, they should firstly be defined. A project is often defined as a temporary goal-orientated activity designed to produce a unique product or service. Strictly defined project activity and the requirements for activities are assigned as the main features of a project [8]-[10]. According to W. Briner, C. Hastings and M. Geddes [11] "projects are dynamic means of change" but "new style projects are a significant mechanism in creating boundless collaboration inside organization as well as outside among organizations". In any case project implementation is a unique activity where a successful result can be achieved by having a well prepared document [11]-[17]. An international Project cannot be approached in exactly the same way as local Project. The Project goals, deliverables, participants, partners or executors of which are „global“ or „international“ could be called as international project. Project's execution place may include few countries or cultures as well. Thus, International project is a project covering multicultural countries, units of organizations or business.

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The main characteristics of an international project are limited costs, risk, uniqueness, complexity, dynamics and diversity. Cultural differences in such activities shall be taken into consideration [10], [18]. An international project is a complex, coordinated, one-stop endeavour limited by cost budget resources and targeted performance specifications that meet consumer needs [10], [13]. Prevailing competition and development of innovative technologies will promote/motivate organizations to develop their activities in foreign countries. For this reason, cooperation with foreign partners is of core importance [12].

J. M. Nicholas and Steyn's [9] argue that there are four issues and unknowns in an international projects, most of which concern aspects of project's locality: local institutions and culture, local stakeholders, local natural environment and local technology. With reference to B. Lientz and K. Rea, international projects are being influenced by such actions as cultural and social differences of the enterprises that are implementing the project, differences between the countries, technological and infrastructural differences, even religion differences [7]. Besides, the authors indicate that international projects differ from the standard, local projects by the following attributes:

*Organization.* Multipartite organizations with different subdivisions having distinctive interests prevail in international projects.

*Systems and technologies.* While standard project is being prevailed by usual technologies of one kind, international project faces the use of multiple systems and need for local knowledge.

*Society.* Standard project is being prevailed by one and common culture, while in international project there are few different cultures.

*Company's culture.* International project faces different cultures of different enterprises from different countries.

*Employees' motivation.* Employees' motivation is strongly affected by such attributes determined by different countries, nations, as culture, traditions. It is not easy to understand and evaluate properly motivation of employees in international projects.

*Regulation.* Regulation and law are often considered as matter-of-course in many countries. However laws and regulations can be interpreted very differently. In such case it is necessary not only to know the law or rule, but also to understand its interpretation in one or another country.

Economic, legal/political, cultural, geographical, environmental and infrastructural factors are indicated in scientific literature as having impact on international projects [16]-[17], [19].

*Legal factors.* During the implementation of project there is a need to work in a certain legal context. Political stability and legal context influence how project will be implemented. For this reason, it is important to clarify the legal basis of a country, especially, laws and regulations of a particular country that regulate project management.

*Geographical factors.* The planning of a project must take into account the impact that the country's geography will have on a project. Especially, there may be a need to purchase additional equipment in order to adapt to the climatic conditions of a particular location.

*Economic factors.* Basic economic factors of a country such as gross domestic product of a country, currency fluctuations, hyperinflation, and education level of workforce and market size may influence how project will be implemented.

*Infrastructure.* It is a very important factor which reveals a country's capability in providing communication, transport, energy, technology, educational system services.

Specialists of organizational theories Jaeger and Kanungo [20] highlight that social-cultural factors play important role in analyzing employees' norms, values and expectations in work place [13].

#### B. Role of Cultural Dimension on International Projects

Cultural dimension, as particularly important factor, is analyzed by many researches. Cultural dimension is considered as one of the project's success factors, management of which is one of the tasks of the project manager [2], [21]-[22]. Hofstede describes culture as „collective phenomenon [21], because it is at least partly shared with people who live or lived within the same social environment, where it was learned“. Baba [22] proposes to distinguish cultural differences into three categories: traditional organizational structure, managerial differences and differences in fundamental concepts and philosophy which contracts and laws are based on.

It is not enough to thoroughly understand methods of project management when international project is being implemented. Perception of intercultural differences determines successful project implementation. Analysis of the impact of cultural differences on project implementation is based on cultural dimensions distinguished by such authors as G. Hofstede [3], R. D. Lewis [5] and R. R. Gesteland [4].

G. Hofstede [23] suggested a paradigm where he distinguished five cultural dimensions (problems that every culture encounters and solves themselves according to which separate cultures can be defined and compared.

*Power Distance (PDI)* dimension shows how society tolerates uneven distribution of power among members, how it is associated with a preference or non-preference of inequality in society, as well as levels of dependency and interdependency.

*Individualism-Collectivism* dimension (IDV) reveals how important to individual is his/her personality compared to a group he/she belongs to; to what extent priority is given to individual interests over group's interests. Emphasis is put on an individual and family in those countries where there is strong individualism and low collectivism.

*Femininity- Masculinity dimension (MAS)* reveals relative importance of professional and personal aims within community. It defines what is emphasized more

by community members persistence and work aims (e.g. earnings and promotion) or care and individual achievement (e.g. friendly environment, good relationships with managers and personnel).

*Uncertainty Avoidance dimension (UAI)* reveals how members of community express wish for defined and structured situations i.e. rules and procedures; how ambiguity, lack of tolerance and need of formal rules are expressed.

*Long-Term – Short-Term Orientation dimension (LTO)* shows the importance of long-term and short-term relations for organization and its members.

B. Shore and B. J. Cross also indicate: dimensions of future orientation, performance orientation and human treatment [24]. Future orientation describes society's attitude towards planning of future activities, performance orientation – employees' orientation towards level of achievements and accomplishments, human treatment – the degree to which society rewards behaviour that is kind and considerate of others.

R. R. Gesteland [4] distinguishes criteria that define cultures and peculiarities of diverse countries: deal-focused and relationship-focused cultures; formal and informal cultures, rigid-time and fluid-time cultures.

*Deal-focused* (task-oriented) and relationship-focused orientation (people-oriented). Orientation towards deals, i.e. work and tasks, dominate in certain countries while others pay more attention to human relations. Therefore, there is misunderstanding and conflicts among representatives of different cultural models, especially if they are not aware of that in advance.

*Formal and informal cultures* cover both egalitarian and hierarchy based cultures.

*Rigid-time and fluid-time cultures* define respect/freedom towards time and concern. Every country treats time differently. Therefore, it is important to evaluate/have in mind that in certain countries a lot of attention is dedicated to time; and where punctuality, fixed agendas and deadlines are valuable (monochronic cultures). Other cultures treat time freely – these are polychronic cultures.

R. D. Lewis categorizes nation cultures according to the way representatives treat the outside world [5]:

*Linear active* (attention is focused on achieving goals, therefore, time is used purposefully for doing one thing at a time) and *multi-active* (attention is focused on people, thus lots of things are done at a time) cultures. People of multi-active culture are more flexible. As a matter of fact it is understandable and acceptable in Portugal to interrupt, even though it disturbs the communication of interlocutors; whereas this is not allowed in Sweden, Germany or Great Britain. Linear and targeted people such as Swedes, Swiss, Dutch or Germans do one thing at a time, concentrate and do it as scheduled. In their opinion in this way more and better work can be done.

*Reactive culture* focuses on respect to an individual. Representatives of this culture rarely initiate an activity or discussion and tend to firstly listen to other, find out his/her position in a society and according to that form their opinion.

*Data and dialogue-oriented cultures.* R. D. Lewis [4] indicates that interaction among diverse cultures not only covers types of communication, but also methods of information collection;

*Listening culture* is dominant in moderate cultures where data base and information publications are valued, where people by nature are able to listen and start a favourable conversation (Japan, Finland, Singapore, Taiwan). People of listening culture think to be correctly collecting information. They do not resort to rash actions, allow ideas to grow and adapt themselves in decision making.

Four Hofstede's dimensions were analyzed in Project life cycle point of view and it was determined that in phase of project execution, medium level affects Uncertainty avoidance, Individualism-Collectivism and Femininity- Masculinity dimensions [13]. In phase of execution, power distance has low influence, however high – in phase of initiation, and medium – in termination phase [13]. In phase of execution much attention goes to project team management. Cultural factors can affect and create barriers to the deployment of Project management [25]. Cultural dimensions influence behaviour of project team members [26]-[28] and create assumptions while selecting proper means and methods of team activity organization, motivation and control.

### III. METHOD

Qualitative research method has been chosen to research influence of cultural differences on international projects. Qualitative methods allow us to perceive the process of change and carry out its analysis. Data obtained by using qualitative methods that are described as phenomena reflecting the approach to researched problems and opinions of the person who carry out investigation as well as the respondents.

In-depth interviews have been used for data about influence of cultural differences on international projects and their project developers collecting. In-depth interview is a useful qualitative data collection technique that can be used for a variety of purposes, including needs assessment, program refinement, issue identification, and strategic planning. In-depth interviews are most appropriate for situations where the researcher wants to ask open-ended questions that elicit depth of information from relatively few people (as opposed to surveys, which tend to be more quantitative and are conducted with larger numbers of people). Semi-structured format has been used, key questions have been pre-planned. The interview has been promoted to be conversational, with questions flowing from previous responses when possible.

Questionnaire of semi-structured interview has been prepared based on the theoretical findings. The questionnaire has been designed in a way that it would allow to find out:

- How often institutions of higher education participate in international projects;
- Which countries are usually chosen for implementing international projects;

- What problems are usually encountered by international management team;
- What problems project developers encounter;
- What kind of influence cultural differences have on the implementation of international projects.

In order to perform empirical research there was selected an educational institution, i.e. university. International projects are concurrent in the activity and development of the university. The number of international projects performed by the university increases every year. Since 2009 to 2013 the university executed 29 international projects, 15 of them were executed in 2013.

In order to obtain representative enough results, targeted survey segments and research sampling have been set so that it would reflect the distribution of population of the researched. In order to ensure the representative results questionnaire respondents were chosen with the help of systematic sampling. Paniott's formula has been used to calculate sample size (number of respondents), i.e. to ensure reliability of research of 95%, 60 respondents were questioned. During the research developers of international projects (including the main partners of these projects from Spain, Italy, Portugal, France) were questioned. International projects for empirical research were chosen using the method of „snowball“. Partners of the selected projects were from Italy, Spain, France and Portugal.

#### IV. RESULTS

TABLE II. SELECTION OF PARTNERS WHILE PARTICIPATING INTERNATIONAL PROJECTS

	Lithuania	Portugal	Spain	Italy	France	Germany
Lithuania	x	20	10	5	35	40
Portugal	11	x	45	22	11	11
Spain	23	38	x	31	8	0
Italy	10	40	40	x	10	0
France	20	20	20	30	x	10

The research has shown that teachers of higher education institutions are mostly motivated to participate in international projects for the possibility of professional development, while team rating is least motivating. It is pleasing that such a virtue as money or motive for better payment does not play the core role. Lithuanians are mostly motivated for participating in projects by management approach (indicated by 50% of respondents) and professional development (indicated by 50% of respondents).

*What problems are usually encountered by international management team and what problems project developers encounter?*

Having calculated the results it has been found that a great majority of respondents think that it is harder to work in an international team. This research has been intended to find out respondents' opinion on possible problems that are encountered during the implementation of an international project (Fig. 1). The answers have revealed that a great majority of respondents indicated

56 international project developers that took part in international projects were questioned: 20 from Lithuanian institutions of higher education (36%), 10 from Spain (18%), 10 from Italy (18%), 8 from France (14%) and 8 from Portugal (14%).

*How often institutions of higher education participate in international projects?* Frequency of respondents' participation in international projects is presented in Table I. The research was participated by the *institutions of higher education* that are participating researches more than once and have experience of international projects implementation.

TABLE I. FREQUENCY OF RESPONDENTS' PARTICIPATION IN INTERNATIONAL PROJECTS

Country	Frequency		
	Once per year, %	More than one time per year, %	First time participated in the project, %
Portugal	15	70	15
France	25	60	15
Italy	12	88	0
Spain	20	80	0
Lithuanian	40	60	20

*Which countries are usually chosen for implementing international projects?* Selection of partners while participating international projects is presented in Table II. The research results show that during selection of partners more attention is given to cultural and geographical dimensions.

that project developers encounter problems of cultural differences (stated by 45% of respondents) and different scales of values (indicated by 45% of respondents).

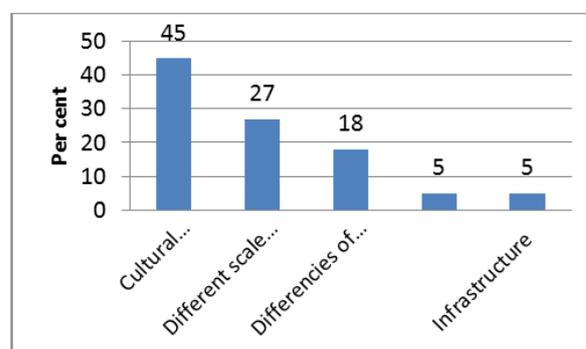


Figure 1. Problems faced by international project developers

A less number of respondents (18 %) mentioned facing the problem of difference in language and education.

What kind of influence cultural differences have on the implementation of international projects?

External factors may influence international project, therefore, respondents during research were asked to express their opinion on that. Several variants of answers have been provided: economical, legal, infrastructural, cultural, geographic factors (Fig. 2).

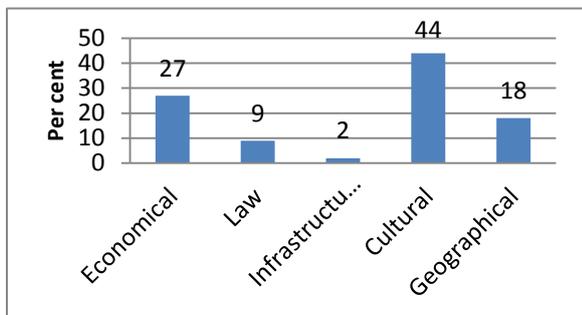


Figure 2. Factors that influence the implementation of international project most

A majority of respondents have indicated cultural (44% of respondents) and economical (27% of respondents) factors as having the greatest impact while 18% of respondents noted that geographical factors also have quite significant impact on an international project.

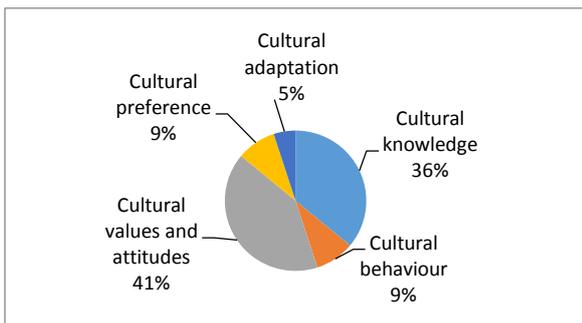


Figure 3. The most important knowledge while executing projects with representatives of other countries

Respondents were asked to evaluate *which knowledge about other cultures are the most important*. Respondents were given multi-choice answers to the question which included: cultural knowledge (the main information that is needed to understand realities of daily life); cultural behaviour (how the main profile of a country is defined and compared to our country); cultural values and approaches (knowledge and reaction to them are important in finding out partners' expectations, and models of behaviour); cultural preference (what is prioritized in culture); cultural adaptation (the main areas of cultural differences because of which countries may not reach agreement) (Fig. 3).

Having calculated all the results, it can be claimed that respondents are mostly annoyed by the approach towards time (35%), following the agenda too strictly or not following it at all (36%). Respondents were also asked to express their opinion on what could help from preventing conflicts to develop because of cultural features among representatives of different cultures. Respondents mostly agree with the proposition that "<...> efforts shall be

made in order to know cultural features of other countries (30%). 25% of respondents indicated that it was very important to organize meetings where project participants could discuss and try to find solutions to the difficulties that had arisen. Although, it should be noted that it is very complicated to organize meetings for international project participants. Since all participants of such a project are from different countries, and communication usually takes place by means of telephone, e-mail or Skype (Fig. 4).

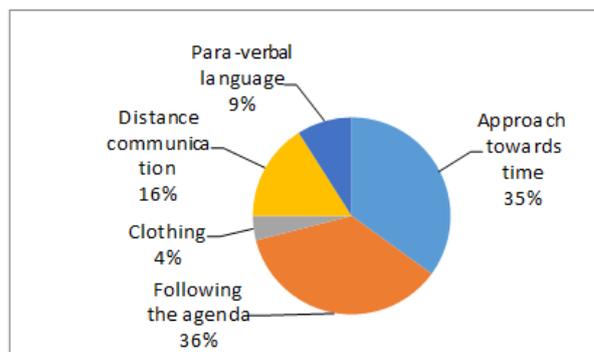


Figure 4. Cultural features that mostly affect work in a multicultural team

## V. CONCLUSIONS

International projects in scientific literature are defined as an activity regardless of countries' bounds. They differ from local projects implemented inside each country; therefore knowledge of project management is not enough to implement international projects.

Management of international projects is influenced by cultural, infrastructural, geographical and legal factors. During the implementation of international project the problems that are faced are as follows: problems of differences in culture and values, language and communication; differences in laws and procedures, and formal orders of countries; difficulties in people's social and physical mobility.

The research has revealed that cultural differences have influence on the implementation of international projects by institutions of higher education. Different understanding of other countries' values may cause problems when implementing international projects. In order to avoid such misunderstandings project developers should bear in mind that different behaviour of other countries' representatives is due to different cultural values not individual's personal traits. What can be a polite and appropriate behaviour in one culture can turn into very impolite and insulting in another. Ability to predict actions and reactions of partners from other countries, would make everybody's work more effective.

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**Rūta Čiutienė** is a Doctor of social sciences. Doctor degree was earned at ISM University of Management and Economics (Lithuania) in 2006. The topic of doctoral dissertation – „Coordination of Employees and Organizations Interests in Career Development“. She is PROFESSOR at the Faculty of Economy and Management, Kaunas University of Technology, since 2013 September - COORDINATOR of Project Management Master programm. Current fields of scientific interests – Project management, human resources management, career management problems.

**Evelina Meiliene** is a Doctor of social sciences. Doctor degree was earned at Kaunas University of Technology (Lithuania) in 2008. The topic of doctoral dissertation – „Evaluation of industry's export competitiveness of the state in transition“. She is ASSOC. PROFESSOR at the Faculty of Economy and Management, Kaunas University of Technology, HEAD of Development projects department . Current fields of scientific interests – Project management, project risk management.