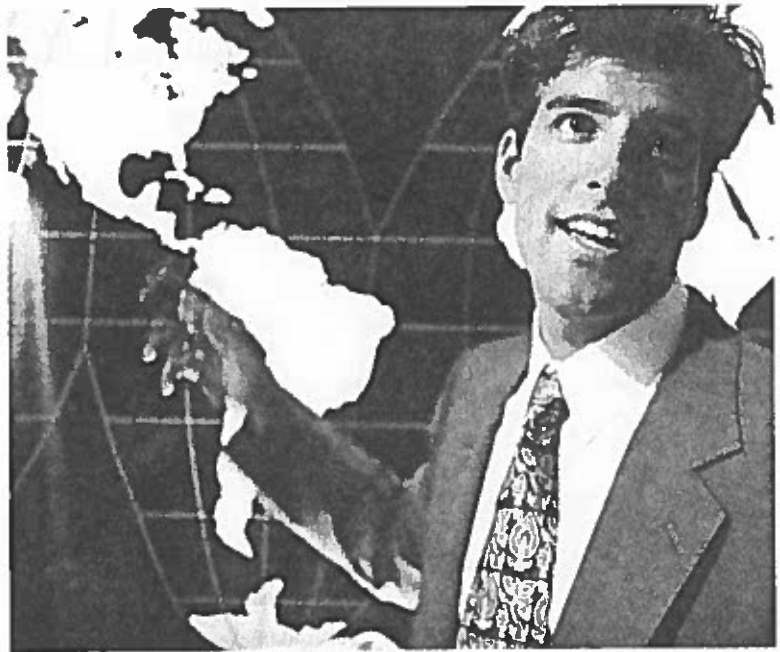


# A Parallel WBS for International Projects

by Cornelius Grove, Willa Hallowell,  
and Cynthia J. Smith



Cross-border and  
cross-cultural  
obstacles need  
not catch international  
project managers  
by surprise ...  
if they have  
planned ahead.

Arriving team members from abroad face difficulties in acquiring housing ... using metric specifications proves far more difficult than anticipated ... dismissing an unproductive local worker runs seriously afoul of local law ... government functionaries perform at a snail's pace—unless “compensated” ... the local joint venture partner has a distressingly flexible view of the contract ... local workers remain unmotivated by pay-for-performance schemes ... training events that “worked” well at home yield poor results here ... the key local manager is enraged—and the International Project Manager (IPM) can't figure out why.

The first four items in this list are “cross-border” challenges: obstacles grounded in the logistical necessities of relocating employees, and in unfamiliar governmental policies and regulations, legal structures, and business practices. These are easily recognizable because they have a certain “in-your-face” quality (including, in some cases, official sanctions for noncompliance).

The last four items are “cross-cultural” challenges: obstacles grounded in the differing assumptions, values, habits of thought, and patterns of behavior of the various national/ethnic groups cooperating on the project. These are *not* easily recognizable because they are outside of people's conscious awareness.

Comprehending and overcoming hurdles such as these is rarely mentioned in an IPM's job description. Yet, experienced IPMs will attest that the efficiency and effectiveness with which projects are completed is definitely affected by their success in handling cross-cultural and cross-border challenges.

**Preparing for the Inevitable.** The types of obstacles listed above are inevitable in projects carried out across national and cultural boundaries. Significantly, most of these difficulties are predictable; business anthropologists and cross-cultural researchers have devised ways of reducing or even avoiding their negative effects. Now, at the turn of the millennium, IPMs have an unprecedented number of resources that can help them plan wisely for managing across mindsets.

To draw on these resources, an IPM and his or her direct reports must become educated about what is known from research and experience. But learning to think about project management in a culturally sophisticated way cannot, by itself, reduce risks. The IPM and his firm must commit time,

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Cornelius Grove, founder of Cornelius Grove & Associates ([www.grovewell.com](http://www.grovewell.com)) in New York, recently became a Fellow of the prestigious International Academy for Intercultural Research. He is also the author of two books in the intercultural field.

Willa Hallowell is an anthropologist who, with Dr. Grove, owns and manages Cornelius Grove & Associates. A member of the National Association of Practicing Anthropologists, she is responsible for the firm's training and research with expatriates and their families.

Cynthia J. Smith is an applied organizational anthropologist. She has studied international project management and has co-authored chapters in *Global Project Management Handbook* and *Handbook of Management by Projects*.

## WBS for Cross-Cultural and Cross-Border Challenges

1. "Culture Risk Management (CRM) Team" Identified, Assigned, Funded, Charged
    - 1.1 Responsibilities of "CRM Team" specified (see 2 through 9 below)
    - 1.2 Structural and functional location of CRM team in project unit addressed
      - 1.2.1 Budget and charge number allocated; reporting relationships determined
      - 1.2.2 Manager and members' assignment conditions, rotations, determined
      - 1.2.3 Formal status reports from CRM team: timing and dissemination planned
  2. Cross-Cultural and Cross-Border Information Collected
    - 2.1 Identify means of collecting relevant information
      - 2.1.1 Existing means within firm: HR, T&D, library, legal department, etc.
      - 2.1.2 Published materials: books, journal and magazine articles, web sites
      - 2.1.3 Informants: host nationals, "old hands," cross-cultural consultants
    - 2.2 Collect and catalog relevant information
      - 2.2.1 Business, regulatory, legal, international trade
      - 2.2.2 Religion, family, education, economics, politics, etc.
      - 2.2.3 Work relationships and work styles, incentives, communication, decision-making, etc.
      - 2.2.4 Technology transfer issues related to local trainees and larger society
    - 2.3 Study and evaluate the most relevant collected information
    - 2.4 Disseminate selected information across entire project team, translating if necessary
  3. Project Plans and Company Business Practices Risk-Assessed
    - 3.1 Assess cross-cultural/border risks in project objectives, WBS, budget, timeline
    - 3.2 Assess risks in company's business, quality, personnel practices when applied abroad
    - 3.3 Prepare a formal risk assessment statement
  4. Strategy Developed, Recommendations to Project Manager Delivered
    - 4.1 Develop strategies, including specific WBS, for avoiding/reducing major perceived risks
    - 4.2 Recommend specific risk-reduction strategies to senior management
  5. Foreign Project Personnel Oriented and Supported
    - 5.1 Determine difficulties commonly faced by foreign assignees at project site(s)
    - 5.2 Determine sources of cooperation and aid within, and external to, the company
    - 5.3 Develop and deliver supportive services to assignees directly or via consultants
      - 5.3.1 Create and distribute orientation handbook
      - 5.3.2 Deal first-hand with assignees' practical relocation and settling-in concerns
      - 5.3.3 Provide pre-departure and in-country cultural coaching and language training
  - 5.3.4 Develop procedures for health/safety, R&R, crisis support, emergencies
  6. Host National, Foreign Assignee, Home-Office Personnel Integrated
    - 6.1 Compare work style and work relationship patterns of foreigners and host nationals
    - 6.2 Assess home-office/field-site relationships and communication hurdles
    - 6.3 Compare social and entertainment traditions of foreign and host cultures
    - 6.4 Develop working arrangements and events to gradually integrate different groups
      - 6.4.1 Work style and colleague relationship expectations, reporting arrangements
      - 6.4.2 Home-office / field-site relationship, communication facilitation
      - 6.4.3 Welcoming events for newcomers; milestone events to celebrate successes
      - 6.4.4 Social and holiday events drawing on different cultural groups' traditions
  7. Cross-Cultural and Cross-Border Training Delivered
    - 7.1 Determine pressing cross-cultural and cross-border concerns of project personnel
    - 7.2 Compare training and education traditions of foreign and host cultures
    - 7.3 Develop and deliver training and/or coaching for project personnel
  8. Culture-Conflict Damage Containment Strategy Developed
    - 8.1 Predict most likely cross-cultural conflict/misunderstanding situations
    - 8.2 Develop strategies for CRM team's response to ameliorate conflicts
  9. Organizational Learning Based on CRM Team's Experience Realized
    - 9.1 Include cross-border/cultural risk reduction in Quality Assurance reviews.
    - 9.2 Prepare and periodically disseminate CRM team formal status reports
    - 9.3 Rotate high-potential personnel as Culture Risk Manager and CRM team members
    - 9.4 Debrief by senior policy-makers of manager and team members
    - 9.5 Disseminate widely a summary report of CRM overall effort
- Additional Resources.** "Project Management Across Borders: Leveraging Human Resources Strategically," in *International HR Journal*, Spring 1999, by Cornelius Grove, Willa Hollowell, and Al Gossie, addresses human resource concerns related to international projects. In 1994, McGraw-Hill published the *Global Project Management Handbook*, edited by David I. Cleland and Roland Gareis [ISBN 0-07-011329-7]. Of the 32 chapters, two are fine discussions of cross-border and cross-cultural factors that can impact international projects: "Managing the International Project Environment," by Robert Youker (Chapter 7); and "Capturing Global Project Investment and Development Potentials," by William R. Yeack and Cynthia Joseph Smith (Chapter 8). Also, "International Project Management: Do Other Countries Do It Better?" by C. Michael Farr (Chapter 23), includes a well-informed section on individual and cultural differences. ■

funding, and human resources to the handling of cross-cultural and cross-border challenges. Culture *can* be managed, but not merely through educated thinking.

**A Parallel Work Breakdown Structure.** We recommend a parallel Work Breakdown Structure for managing the international dimensions of a project. By *parallel* we suggest

that every such project can benefit from *two* WBSs: an extensive one for the principal project, and a modest one for managing the project's international dimensions. Each has a budget, assigned personnel, and delivery dates. Completion of the parallel WBS ensures that the principal WBS is completed well, on time, and on budget. Think of it as

low-cost insurance for risks that are certain to occur.

A budget for this parallel WBS should incorporate expense categories for which international projects customarily allocate funds: translators, language teachers, welcoming and milestone events, assistance for team members from abroad, and certain

kinds of training. Atypical expense categories need to be added, as will become apparent. An adequate budget for managing these risks will be a tiny fraction of the budget for completing the principal project.

We propose a parallel WBS, as shown in the sidebar. This generic model can be adapted for use with a wide range of international projects.

**The Culture Risk Management (CRM) Team.** Our generic model calls for the direct involvement of project team members in managing the risks inherent in the project. The CRM team is headed by a Culture Risk Manager who, we believe, should be a high-potential employee with aspirations to become an International Project Manager. His or her CRM responsibilities should be on a part-time basis. CRM team members need to reflect the major ethnic and national groups working on site. Team members can be rotated periodically, enabling more employees to learn first-hand the cultural realities of international project management.

The Culture Risk Manager needs to be held accountable for reducing or avoiding cross-cultural and cross-border risks. He or she needs both human resources (team members, clerical help) and material resources to make good on that accountability: an office, a library, communication and travel capabilities, formal reporting requirements, and an adequate budget.

**Information Management.** As the principal project gets under way, the CRM team needs to gather reliable information about cross-cultural and cross-border challenges. This responsibility need not be theirs alone. Existing resources within the firm, such as the HR, T&D (training and development), and Legal departments and/or the firm's technical librarian, can assist. Cross-border information will be relatively easy to locate because much of it is legal and regulatory in nature. We anticipate perplexity about where to find information about cultural differences in assumptions, values, habits of thought, and patterns of behavior. Besides print and online sources, such information can be acquired from experienced people ("informants") through interviewing. A cross-cultural consultant can assist by identifying pathways to information and knowing productive questions to ask informants.

Information undigested is as useless as information undiscovered. In order to skillfully perform their next, critical function—risk assessment—CRM team members must

dedicate time to understanding the information collected.

**Risk-Assessment and Strategy Planning.** The objective of the CRM team is to predict potential risks, then plan to reduce or avoid them. We're talking here about everything from the obvious (foreign exchange regulations), through the easily discoverable (whether local workers are accustomed to

participatory or authoritative supervisory methods), to the subtle and obscure (whether the cultures represented on-site tend to value harmony or accuracy in communication, and how this may affect relationships).

Another category of risk to assess concerns the reaction of local nationals to business practices and social values being imported into their environment. The three of us have



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come to recognize how typical it is for Americans to be guided by the unexamined assumption that their values and ways of life have universal applicability. Since people in many cultures value harmonious relationships more than do Americans, the degree to which locals *actually give voice* to their concerns may not be a reliable gauge to how well they will cooperate in the long run. Two examples: Being from an individualistic, accomplishment-oriented culture, Americans use performance evaluations to reward employees, and they are accustomed to promoting young fast-trackers over older plodders. How does this play out in other cultures? And consider the cutting-edge technology that most projects introduce into their host communities: How might local people react to this?

A third category of risk assessment involves a direct examination of the formal project statement, objectives, work breakdown structure, and resource requirements to determine if any create, accentuate, or fail to account for risks associated with the project's

international dimensions. Three examples: Is the time projected to complete certain phases unrealistic, given that local national workers are far less driven by the clock than Americans? Has a step believed essential by local people—such as a *feng shui* evaluation of a building site—been omitted? Have face-to-face visits been planned with key players located off-site so that good personal relationships can lead to loyalty and trust?

Risks perceived need to be transformed into risk-reduction strategies recommended to those in authority over the project's objectives, budget, and timelines. Regardless of whether the risk-reduction strategies are adopted, all perceived risks should be documented to better facilitate organizational learning.

**International Project Personnel Support.** The support of project team members arriving from abroad is a key function of the CRM team. The cultural coaching and relocation support of such people is a well developed, well documented blend of art and science that can easily be applied in the case of inter-

national project personnel. There are two significant questions. The first is whether any support will be provided for project personnel beyond the bare minimum that delivers them physically to the project site. If "yes," the second question is, "To what extent and at what level of quality will support be provided?"

No international assignee program is state-of-the-art unless it delivers coordinated coaching and support in both host (project site) and sending countries. Note, however, that *any* level of support beyond the bare minimum is preferable to none at all, and that support delivered in the host country is more cost-effective than support delivered before assignees leave home.

The CRM team's fundamental objective is to do whatever is necessary so that recently arrived assignees from abroad are not preoccupied with the details of settling into their new living and working environments (cross-border issues), nor with the frustrations of rubbing elbows daily with people whose values and patterns of behavior are different

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(cross-cultural issues). An orientation handbook, face-to-face advice and assistance for team members from abroad, and procedures for handling routine and emergency situations are all helpful. To the extent that a CRM team can communicate or even coordinate these services with HR departments in the sending countries, so much the better.

**Integration of Project Personnel.** Integration of project personnel should address not only those working on site but also those at other locations worldwide who are contributing substantially to the project's eventual success. On-site integration involves relatively simple, enjoyable events such as banquets or other social events (consistent with local

practice) for welcoming newly arrived assignees, milestone events to celebrate successes, and holiday events drawing on the traditions of the various cultural groups on-site. On-site integration also involves more substantial concerns such as investigating work-relationship and problem-solving patterns of the different cultures and developing hybrid "third ways" of getting things done.

Since 1990, researchers have been addressing the challenges faced by "global teams," people working together on one project from several distant sites. Such teams encounter major hurdles to communication and trust building. To the extent that a project has "virtual" participants, such issues are grist for the CRM team's mill. (In August 1996, *PM Network* published an article on this topic: "Virtual and Real Organizations: Optimal Pairing," by William Yeack and Leonard Sayles. See also "Spinning Your Wheels?" by Cornelius Grove and Willa Hallowell, *HRMagazine Focus*, April 1998.)

It is unlikely that the work of any CRM team would totally eliminate every possible cross-border and, especially, cross-cultural risk. As its final responsibility, the team needs to give advance thought to the processes it can put in place to contain the damage from a major misunderstanding or conflict.

**Toward Organizational Learning.** A CRM team can be thought of as an expense ... or as an investment. Any large firm completing one international project is almost certain to be planning or completing others as well. The information and expertise gained by a CRM team is transferable to other projects, but only if its work is evaluated, documented, reviewed by senior management, shared verbally and in print with other IPMs, and cataloged in the firm's archives.

To this end we recommend that (1) the CRM team's progress be formally assessed in Quality Assurance reviews, (2) team personnel be rotated, (3) the Culture Risk Manager occasionally brief senior policy-makers, (4) periodic CRM team reports be disseminated to project personnel, and (5) annual CRM team reports be disseminated to all the firm's employees and other stakeholders.

APPLYING THE TOOLS of project management to the human issues of cross-cultural work gives us a structured way to tackle a confusing issue. It's just one way in which project management will play an important role in our rapidly globalizing economy. ■

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