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# Future+: Intercultural Challenges and Success Factors in an International Virtual Project Team

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## 1 Possible answers

### 1.1 Assess what are the main factors influencing the project and assign them to the three-factor model. What are the main problems and intercultural challenges?

Influencing factors	Challenges
<b>Context</b>	<p><b>Place:</b> Distance between the locations at which development and production take place. Regular work rhythm and regular meetings are difficult to arrange.</p> <p><b>Socioeconomic environment:</b> As a result of the very difficult competitive situation, innovative product development is strategically very important for the company.</p> <p><b>Market:</b> Whereas the French company and its products are strongly represented and very well known in southern Europe and Latin America, the German company's products are well represented in German-speaking countries and Scandinavia.</p>

	<p><b>Background/history:</b> The German company took over the French company. This made a subsidiary out of a previously independent company. However, the French company has a longer history and tradition, something which is clearly communicated by the French staff.</p> <p><b>Organizational structure:</b> The French subsidiary is partly responsible for research and development, production and sales. The management of the project leads to a matrix structure and thus to questions about “sovereign power” and decision-making authority.</p> <p><b>Organizational processes:</b> Multi-site project management for product development under pressure of time.</p> <p><b>Power relationships:</b> The Germans “deposed” the French by taking up top management positions and centralizing functions such as sales and marketing. The French company’s name is to be retained only as a product brand.</p>
<b>Culture</b>	<p><b>Expectations:</b> Different expectations with respect to the product (technical features, quality, price) and the project design and implementation.</p> <p><b>Stereotypes:</b> The context (history and power relationships) results in stereotypes and prejudices. The French are afraid of being “overwhelmed” by the Germans. The Germans think the French are unreliable and do not work effectively.</p> <p><b>Communication and language:</b> Cooperation is made difficult by the use of the English language but also in particular by the differing understanding of the denotation of words, such as “quality”, and the connotation of words, such as “collaboration”.</p> <p><b>Practices:</b> The French communicate more vaguely and in more general terms, whereas the Germans are more detailed. The choice of communication channel differs: the French prefer oral communication; the Germans prefer written communication (emails with detailed questions) and expect a quick reaction.</p>

	<p><b>Organizational culture:</b> In the French company the current mood is giving cause for concern. There are many fears and anxieties, which are leading to paralysis and demotivation amongst the staff.</p> <p><b>Values:</b> <i>InterTech:</i> Openness, professionalism, perfection, ability to give and accept criticism, continuity and diversity. <i>Doreal:</i> Customer orientation, flexibility, innovation, leadership.</p> <p><b>Professional culture:</b> Different nature of engineering education. The French are more theoretical and generalist; the Germans are more application-oriented and specialized.</p>
<b>People</b>	<p><b>Competencies:</b> French team members are generalists and can therefore be assigned more flexibly. The Germans are more specialized and have a high technical competence. These differences result in wrong assessments and misunderstandings.</p> <p><b>Knowledge:</b> Team members' knowledge of the other nation's language (French or German) is on the low side; moderate English.</p> <p><b>Relationships among one another:</b> The team members scarcely know each other. Working on two different sites makes trust building difficult and costly because of the expense of travelling.</p> <p><b>Team leaders:</b> The tandem leading of the project is a good basis for cooperation: both leaders are familiar with the language and cultures of the other country and company. They both have a positive attitude towards the project, possess the ability to cooperate and lead and get on well together.</p>

Table 1. Application of the three-factor model: influencing factors

**1.2 Assess the current success factors in the project and other possible future success factors, using your own ideas and the recommended reading. Assign them to the table. If you have read the recommended article by Maznewski and Chudoba (2000), consider the “intercultural heartbeat”. What further measures can be taken to ensure the success of the project? What solutions do you suggest?**

Influencing factors	Existing and potential future success factors
Context	<p><b>Organizational structure:</b> The French subsidiary is partly responsible for research and development and production and can drive ahead innovations, which are of interest to its market.</p> <p><b>Organizational structure/power relationships:</b> Introduce a binational symmetrical structure in the company, as is the case with the Franco-German TV station ARTE (and was also the case for a long time at the aerospace company EADS), or at least give influence to the French so that they feel more valued.</p> <p><b>Creating a “heartbeat”:</b> Maznewski &amp; Chudoba (2000) call the creation and use of a temporary regular structuring – such as personal meetings – a “heartbeat”, which contributes to a certain regularity:</p> <ul style="list-style-type: none"> <li>• A rhythm set by face-to-face meetings</li> <li>• Pumps “oxygen” and “blood” into the life of the team and its relationships</li> <li>• Face-to-face meetings do not need to coincide with major decision points!</li> <li>• Time between heartbeats depends on task and team member cohesion</li> </ul> <p>Under the leadership of two managers who not only have a sound professional relationship but – as a result of their own particular biographies – also an affective one, the French-German virtual project team has an especially good chance to create an “intercultural heartbeat”. Not only do structures and processes need to be managed internationally but so do the relational component of human interactions. For this reason, for example, regular face-to-face meetings at which relational interaction may receive a greater focus are important.</p> <p><b>Project goals:</b> It is necessary to create clarity about the two locations’ goals in the project and then about how the goals are to be achieved in order to reduce conflicts between the locations.</p>

<p><b>Culture</b></p>	<p><b>Intercultural level:</b>  Conduct an intercultural workshop with all French and German team members on the subject of culture and its influence on behaviour. The aim is to create an awareness of cultural differences and similarities and to increase the ability and motivation to work together.</p> <p><b>Expectations:</b>  The two sides should describe and clarify their expectations of how to do project work, how to communicate virtually by email, etc. These expectations are taken for granted and regarded as “correct” by the two sides and may well differ from the expectations of the others.</p> <p><b>Communication and language:</b></p> <ul style="list-style-type: none"> <li>• Sharing and clarifying the meanings and implications of certain concepts. What do team members understand by teamwork, quality, project, leadership, etc.?</li> <li>• Important and frequently used terms (e.g. in project management) are collated in an online glossary which as an open source can be continually extended and improved.</li> </ul> <p><b>Practices, values and norms:</b>  Agreement on and generation of rules for expected behaviour and best practice which apply to the cooperation. This process and its results amount to the creation of a team culture.</p> <p><b>Professional culture:</b>  German and French engineers share characteristics such as shared goals, a marked task orientation, technical understanding, terminology, etc. On the basis of this common ground, the possible differences in thinking and behaving can create a greater variety of options in the generation of solutions.</p>
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<p><b>People</b></p>	<p><b>Project goal:</b> All team members are aware of the goal and its great significance for both companies.</p> <p><b>Personality/competencies:</b> (in particular of the project leaders: openness, flexibility, curiosity) The two leaders are very qualified:</p> <ul style="list-style-type: none"> <li>• Know-how: High degree of professional skills</li> <li>• Attitude: Interest, knowledge and liking for the other culture</li> <li>• Communication: Linguistic skills</li> <li>• Process: Social and intercultural competencies</li> </ul> <p><b>Experience:</b> Both project leaders studied in the other country and gained international experience before taking up their current positions.</p> <p><b>Management by the project leaders:</b> Of crucial importance for the success of international project teams are culture-sensitive/intercultural leadership and management which take account of contextual, personal and also cultural and linguistic features of the cooperation and which consciously use them to achieve goals. A key success factor is the continuous, smooth cooperation between the German and French project leaders in a leadership tandem. This enables the intercultural heartbeat to be created. Other views and ideas are perceived, understood, communicated and explained.</p> <p><b>Project members:</b> Participation in joint workshops on project management and team building which build on the differences and similarities on various levels of the cooperation, create clarity about the expectations of both sides and use and implement them synergistically for the success of the project.</p> <p><b>Concurrent experience and competence development:</b> Team members take part in a rotation programme working for two weeks with colleagues in the other country on product development.</p> <p><b>Intercultural competence:</b> Can be developed through stays abroad and intercultural HR development interventions such as bicultural workshops.</p>
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*Table 2. Application of the three-factor model: success factors*

**1.3 To what extent are the differences which exist also opportunities from which synergies could result? List the strengths (for example of the project members, products and processes). How could these be connected to producing complementarity?**

<b>French strengths/advantages</b>	<b>German strengths/advantages</b>
E.g. marked customer orientation: product is adapted to customer's needs.	E.g. marked product orientation: product is recommended to the customer.
<p><b>Looking inwards</b></p> <p><i>Project members:</i></p> <ul style="list-style-type: none"> <li>• Generalists</li> <li>• Innovative</li> <li>• Flexible</li> <li>• Customer-oriented</li> <li>• Overview</li> </ul> <p><i>Product:</i></p> <ul style="list-style-type: none"> <li>• Long experience</li> <li>• Strong in innovation, continuous development of latest technologies</li> <li>• Designed to save space and weight</li> <li>• Low development and production costs</li> <li>• Specialized know-how for low-price machines</li> </ul> <p><i>Process:</i></p> <ul style="list-style-type: none"> <li>• Long-term strategy</li> <li>• Ability to create synergy, holistic thinking</li> <li>• Flexible work processes</li> <li>• Rapid product development</li> <li>• Problem-solving ability</li> </ul>	<p><b>Looking inwards</b></p> <p><i>Project members:</i></p> <ul style="list-style-type: none"> <li>• Specialists</li> <li>• Detailed knowledge</li> <li>• Cost-oriented</li> <li>• Reliable technology</li> <li>• Perfection</li> </ul> <p><i>Product:</i></p> <ul style="list-style-type: none"> <li>• Long experience</li> <li>• Tried and tested, reliable technology</li> <li>• High-quality material</li> <li>• High degree of durability, solidity</li> <li>• Very high degree of precision</li> <li>• Specialized know-how for large, high-price machines</li> </ul> <p><i>Process:</i></p> <ul style="list-style-type: none"> <li>• Formalized and reliable work processes</li> <li>• Long-term planning</li> <li>• Detailed cost accounting</li> </ul>
<p><b>Looking outwards: market</b></p> <p><i>Product:</i></p> <ul style="list-style-type: none"> <li>• Very well known in southern Europe and Latin America</li> <li>• High brand awareness</li> </ul> <p><i>Process:</i></p> <ul style="list-style-type: none"> <li>• High customer loyalty</li> <li>• Large and stable networks in France, Spain, Italy and Latin America</li> </ul>	<p><b>Looking outwards: market</b></p> <p><i>Product:</i></p> <ul style="list-style-type: none"> <li>• Very well known in German-speaking and Scandinavian countries</li> <li>• Strong brand with good image</li> </ul> <p><i>Process:</i></p> <ul style="list-style-type: none"> <li>• Customer loyalty only as a result of brand</li> <li>• Networks in northern Europe</li> </ul>

Table 3. Strengths and advantages

## 2 References

Maznevski, M. L. & Chudoba, K. M. (2000). "Bridging space over time: Global virtual team dynamics and effectiveness". In: *Organization Science*, 11, 473–492.

## 3 Further reading for the lecturer

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