IACA Panel Discussion Project Management for International Consulting Projects
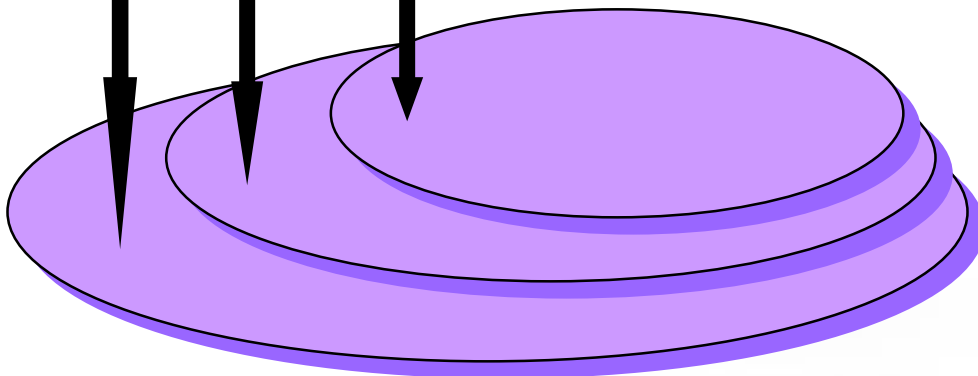
Presented by Johan Heymans

Watson Wyatt

Belgium

- Definable beginning and end
⇔ Repetitive operations
- Result-oriented
⇨ Limited resources, budget, time

  - Complex
  - Uncertain
  - Unique

Projects respond to those requests that cannot be addressed within the organisation's normal operational limits.
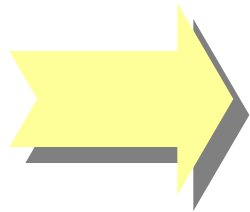
  - Controllable from a single point

A vision of the ideal project

- There are no surprises

Projects do not exist;
you have to "make" them

Decide if a certain problem,
opportunity will be solved via a
project approach

- Mutual expectations are clearly understood
- The right people do the right thing
  ⇨ better use of resources

Using a project approach

Improvisation
- Uncertain
- Vague
- New
- Ad hoc

Project approach

Routine
- Procedural approach
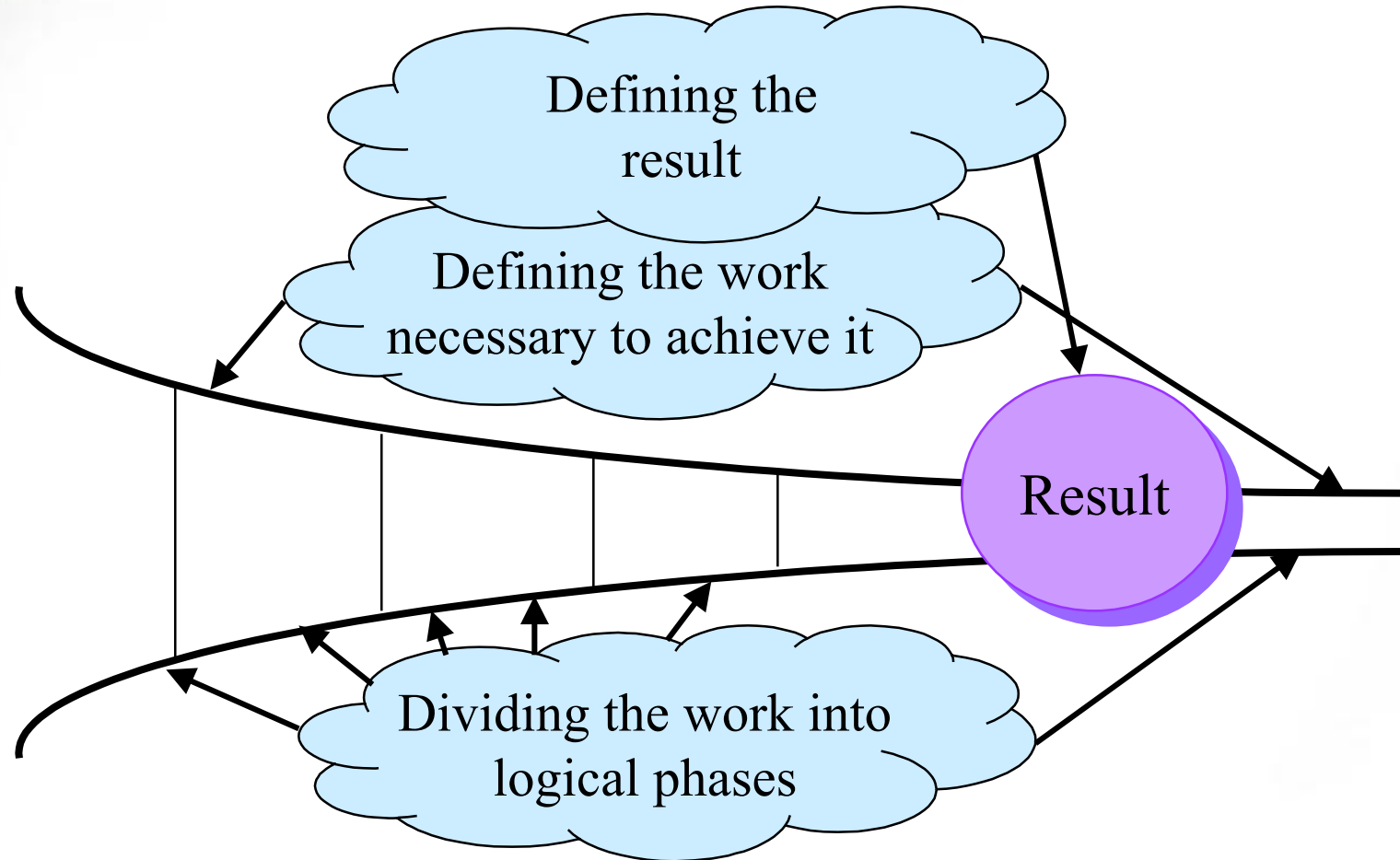- Certain
- Clear
- Known

Increased predictability of:
- The (project) result
- The (project) path

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"This project is extremely important, but it has no budget, no guidelines, no support staff and it's due tomorrow morning. At last, here's your chance to really impress everyone!"

Defining the result

Defining the work necessary to achieve it

Result

Dividing the work into logical phases

Example: phasing M&A

Formulate	Locate	Investigate	Negotiate	Integrate

Formulate
- Set business strategy
- Growth strategies
- Define acquisition criteria
- Begin strategy implementation

Locate
- Identify target markets and companies
- Select target
- Agree letter of intent
- Develop M&A plan
- Offer letter of confidentiality

Investigate
- Conduct due diligence:
  → financial
  → people/cultural
  → legal
  → environmental
  → operational
  → intellectual capital
- Summarize findings
- Set preliminary integration plans
- Decide negotiation parameters

Negotiate
- Set deal terms:
  → legal
  → structural
  → financial
- Secure key talent and integration teams
- Close deal

Integrate
- Finalize and execute integration plans:
  → organization
  → process
  → people
  → systems

Control: managing the work
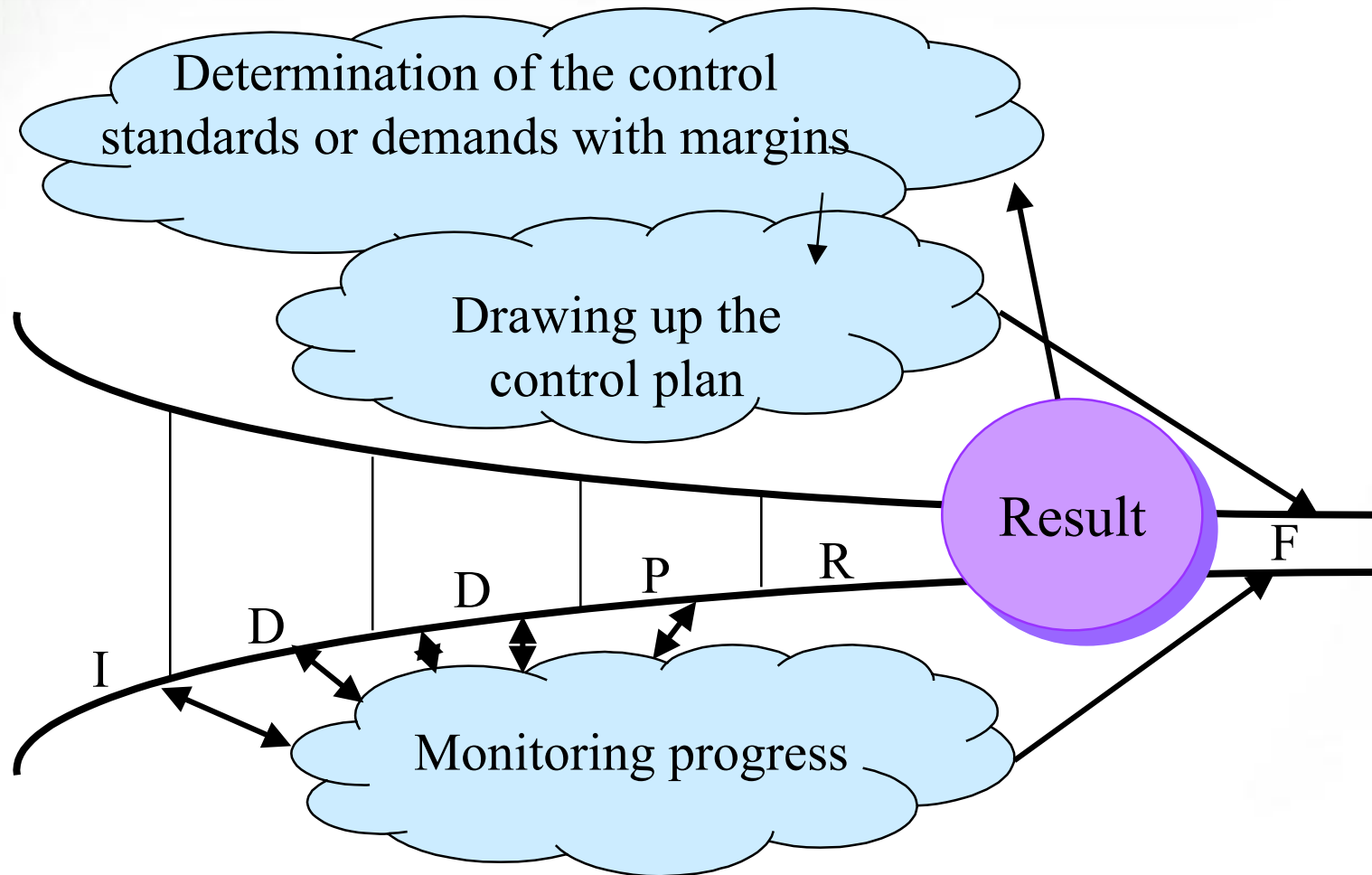
International project management Pitfalls: soft aspects

- Interpersonal interactions with individuals who are culturally different.
- Culture is largely invisible!
  - Influence of culture is difficult to detect
  - International project managers often overlook it

Three levels of Mental Programming

Source: G. Hofstede 1980

Specific to individuals

Inherited and learned

Personality

Specific to groups

Learned

Culture

Universal

Biological

Human Nature
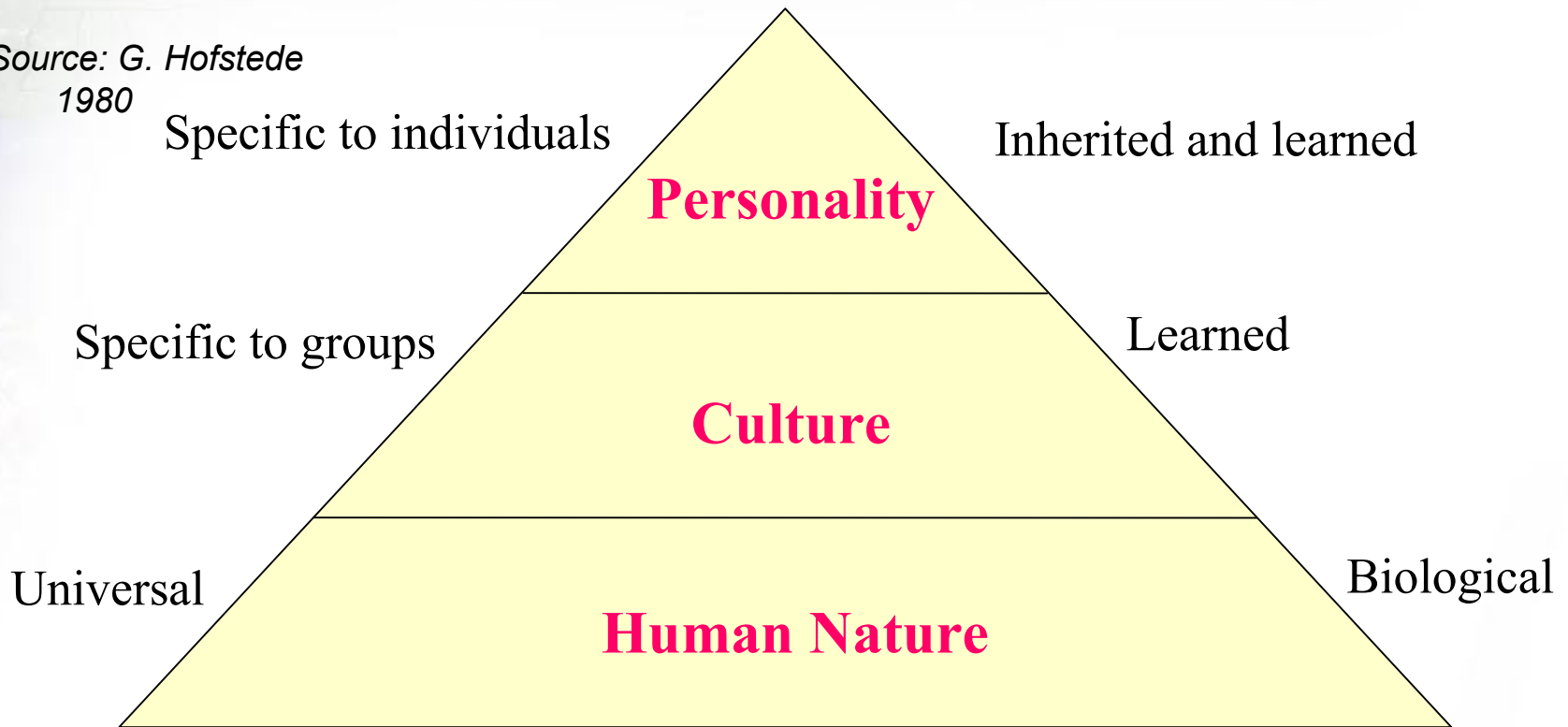
Culture: *The collective programming of the mind which distinguishes the members of one human group from another.*

Cross-Cultural Interaction

- "What kind of bird are you, if you can't sing?" chirped the bird.

- "What kind of bird are you, if you can't swim?" quacked the duck.

Source: Prokofiev in 'Peter and the Wolf'

Possible causes of confusion and frustration

- The Greeks …nod as if saying 'yes' when they are saying 'no'?

- Be on first-name terms ("tutoyer") in the French language

- Consensus spirit in Japan

- Discussion spirit in Italy

Focus on communicating and negotiating

"Americans who travel abroad for the first time are often shocked to discover that, despite all the progress made in the past 30 years, many foreign people still speak in foreign languages. Oh sure, they speak some English, but usually just barely well enough to receive a high school diploma in the US."

Dave Barry, Humour Columnist, 1988

Cross-Cultural Communication Process:
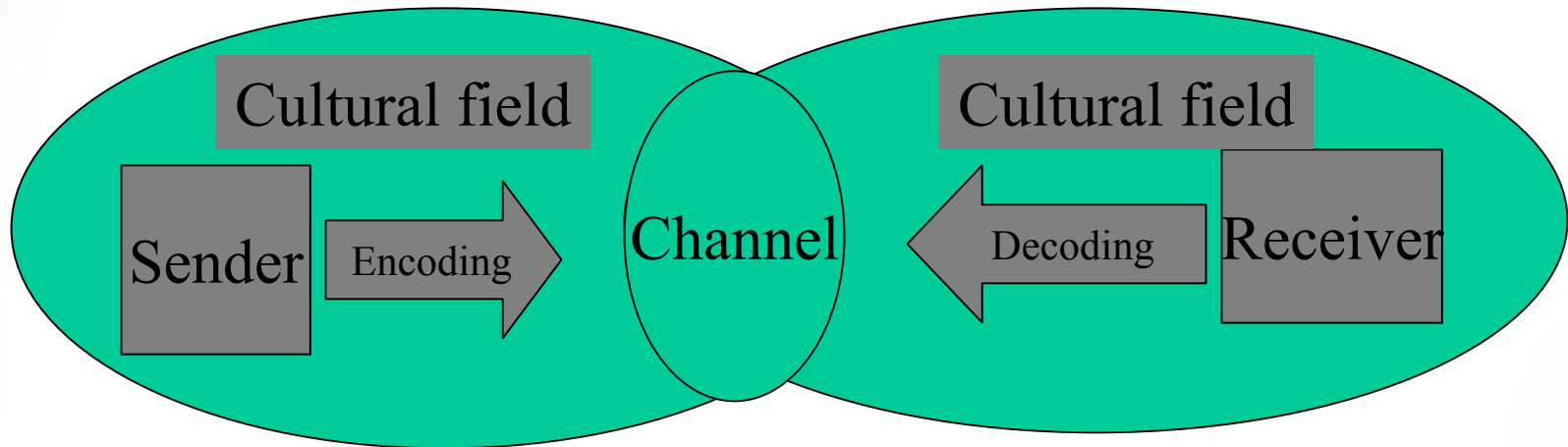
Cultural field: those culturally based elements of a person's background (e.g. education, values, attitudes, etc.) that influence communication
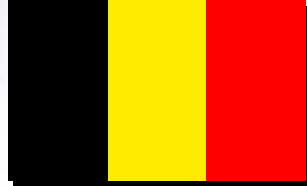
Communicating

The more each party understands the other's situation, perspectives and culture,

⇨ the easier it is to use symbols that will be encoded and decoded similarly.

Communication is the lubricant which makes the project turn.

Explicit Versus Implicit Communication

- One way in which cultures vary in terms of communication style is the degree to which they use language itself to communicate the message.

  - For example, in Germany, effective verbal communication is expected to be explicit, direct and unambiguous. That is, people are expected to say exactly what they mean.

  - In contrast, communication styles in some other cultures are more inexact, ambiguous & implicit (for example in the UK).

Nonverbal Communication

- In cross-cultural communications, people rely heavily on the nonverbal communication.
- The same nonverbal behaviour can have very different meanings across cultures.
  - For example, Africans interpret high levels of eye contact as conveying anger or insubordination and hence avoid it.
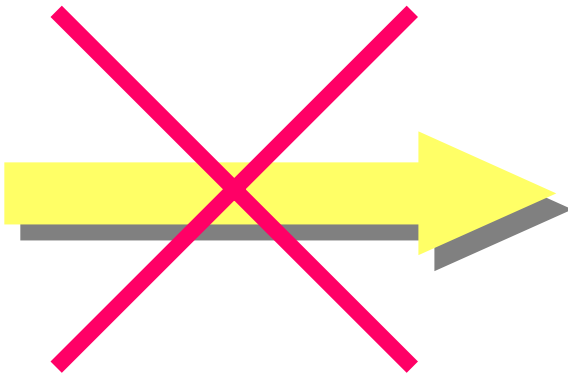
The Leadership Role Across Cultures

- One of the most difficult tasks that international project managers face is the need to motivate and lead individuals from different cultures.

- When people must work together in a team to perform a task, the cultural differences among team members often become more apparent.

International consulting projects

Insurance consulting

International
Insulting