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# Effective International Project Leadership

by Lothar Katz

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An American senior program manager was looking for the fastest way to develop a key product targeting an attractive emerging market segment. His primary product development resources were located in the United States, Israel, and Japan. Convinced that “nothing works better than a little competition”, he commissioned both the Israeli and Japanese teams to independently develop a similar product. Each was to collaborate with the American side. The winner, the first team to create a viable product, would “take it all.” Potential market returns more than warranted the investment, especially since the executive believed the approach would significantly reduce precious time to market.

You probably guessed what happened then: neither team did particularly well. The Japanese side procrastinated, going through several loops of questioning and clarifying. They generally seemed to give the project low priority. The Israelis complained a lot and suffered from low team morale, with a few key players even leaving the company.

The project was a failure. It took major efforts, including redefining the structure and re-launching the project, to ultimately get a product out of the door. That product was late to market and struggled to compete with other solutions.

What happened here?

The executive manager ignored one of the most important principles of international project work: the need to understand one’s own values and those of the other culture(s) involved. Setting up two teams to compete with each other internally might work well in the American work environment, where competitiveness is often highly valued and people go to great lengths to win. In Israel and Japan, as well as in many other cultures, the approach sent a very different message to the teams: that their competence was not being trusted. Accordingly, their motivation was low and they didn’t put in their best efforts. Predictably, each team reacted in ways typical of their culture. The end result was the same for both of them: not much got accomplished.

International project work, especially in cross-cultural co-development settings where teams collaborate and compete simultaneously, requires special skills. Effective project leaders strike a careful balance between the various values and preferences of each of the (domestic and foreign) cultures involved. They do this by demonstrating six key leadership behaviors, each of which is discussed below.

## **#1 Effective international project leaders understand their own and others’ cultural values**

Everyone grows up with a set of cultural values that influence their behaviors and beliefs. These values can be exceptionally powerful, determining the way we interact with others, how we make decisions, and more. In international project management, such influences can become huge obstacles unless they are well understood and managed. For example, many Americans expect project team members to speak up when they identify an issue that could jeopardize their project’s success. In many other cultures, this is not a reasonable expectation. Employees in those cultures view it the project

leader's responsibility to identify such issues and will not raise issues themselves for fear of irritating the leader, losing face, or disturbing the team's harmony.

In cross-cultural team environments, project leaders who are either unaware of or insensitive to such differences likely face consequences, such as project delays or increased execution risk. Competent international project leadership requires an understanding of one's own beliefs and assumptions, and the ability to recognize other team members' cultural values and behaviors.

## **#2 Effective international project leaders understand the role of time**

Among the values engrained in American business culture are a high sense of urgency and a preference for acting over analyzing. American teams often move quickly through the early project planning phases, preferring to start executing as soon as possible and leaving further detailed planning work for later. This sometimes introduces unforeseen delays and the need for rework. The sense of urgency nevertheless remains high throughout the project. In fact, a motivated team's work pace can become almost frantic when key milestones are approaching, which increases the risk of human errors.

In contrast, people in many other cultures have, or may appear to have, a much lower sense of urgency. This is especially true in the early phases of projects with teams in countries like Germany or Japan, where there is a tendency to spend much more time putting the project plan together, analyzing and understanding the risks involved, aligning the tasks of all team members, and so forth. In these cultures, projects are still completed with similar overall cycle times, as they often progress smoothly throughout the subsequent execution phases, with the whole team moving in lockstep. In contrast, smooth execution is less common in the U.S. Another approach is found in cultures with a greater propensity to parallelize efforts, such as France or India. While incompatible with some American's preference for sequential, step-by-step planning and execution, this can be very effective with certain types of projects, shortening the required cycle time.

Successful international project leaders understand these differing points of view on the effective use of time. They know how to leverage differences in cross-cultural environments in order to achieve the best balance between speed, risk management and diligence, maximizing the success of their projects.

## **#3 Effective international project leaders over-communicate and know how to get the right information**

In an international project environment, there is no such thing as "over-communicating." In fact, it is hard to overestimate the challenge of communicating across language and cultural barriers. Competent project leaders use multiple channels, both written and oral, to convey key information and ensure that all team members share the same understanding of a project's purpose, objectives, approach, risks, as well as each team member's roles & responsibilities. They know that repeatedly communicating the same information ensures that the team members understand and recognize its importance. This is obviously also true in domestic settings.

Effective project leaders also understand that getting accurate and complete information from team members is no easy task. A project team in India, for instance, may be so eager to please and so uncomfortable with "breaking bad news" that they never volunteer negative or potentially critical information regarding key issues and risks. Rather than asking questions such as "Which problems do you see?", skilled international project

leaders ask more detailed and directed questions. Asking “In your view, which issues are most important because they could jeopardize the project’s success?” has a much better chance of leading to accurate and relevant information from a foreign team.

#### **#4 Effective international project leaders build relationships and trust**

Strong relationships help when doing business in the U.S. They are not essential, though. Often, some evidence that a person represents a valid and trustworthy company is sufficient for doing business together, even if you have never met the person before.

It doesn’t work that way in most international settings. Many Asians, for example, will remain distant and reserved as long as they don’t know you well, even when both of you work for the same company. In many cultures around the world, establishing relationships requires getting to know each other and developing mutual trust. This is often a precondition for people to effectively work together, whether in a formal business interaction (e.g., a negotiation setting) or in a teaming environment. Culture-savvy project leaders spend significant time building relationships with and between project team members, supporters, sponsors, and other stakeholders. They use formal settings, such as meetings, business meals or teaming events, as well as informal ones such as hallway gatherings, after-work parties or other social events to stimulate and nurture relationships, building trust at all levels.

#### **#5 Effective international project leaders support local ownership and pride**

International collaboration is rarely free of competitive elements. Whether a company is using own resources across different countries, leveraging foreign outsourcing vendors or cooperating with development partners in joint ventures, each side will expect to be able to prove itself and demonstrate its value. Given the highly competitive nature of U.S. business culture, Americans tend to be comfortable with this and may even thrive on it. Foreign teams, on the other hand, may be nervous or even feel threatened by competitive pressures. Combined with the intense national pride found in many countries, this usually means that team members look for frequent and clear confirmation that their contributions are recognized and valued.

Competent international project leaders realize the value of making each local team feel important. They avoid highly centralized project ownership, as it makes remote entities feel less valued. Instead, they assign local ownership of sub-projects and tasks whenever feasible, promoting stronger team commitment and often stimulating better information flow between different entities.

#### **#6 Effective international project leaders motivate their whole team**

Strong team motivation is a cornerstone of successful project leadership. Yet only the very best project leaders recognize that the most effective ways to motivate project teams may vary greatly across cultures. What works in one culture may have the opposite effect in another. For example, praising and rewarding individuals for their contributions can be a great motivator in many Western cultures but can stir huge individual and collective embarrassment in several Asian and Latin American countries, where employees may subsequently “make sure they won’t stand out again.” Similarly, after-work celebrations may be highly effective in motivating teams in India while hardly having an effect in some other cultures. Effective international project leaders carefully select methods that stimulate and nurture the motivation levels of their teams and individual team members.

## A Difficult Learning Process

Mastering all six of the key behaviors of effective international project leaders is challenging, especially when several domestic and foreign teams co-develop products or services. Success in such an environment requires leadership skills, sensitivity, experience, and a commitment to continuous learning. Development plans for people earmarked for such roles should include extensive leadership, cross-cultural and communications training, as well as a variety of experiential learning opportunities. On top of that, the person's cultural sensitivity and flexibility must be assessed realistically. It is all too common for good project leaders, including some who consistently achieved impressive results when working in a domestic environment, to fail when facing the additional challenges of working across borders and cultures.

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A seasoned former executive of Texas Instruments, a Fortune 500 company, Lothar regularly interacted with employees, customers, outsourcing partners, and third parties in more than 25 countries around the world. He teaches International Project and Risk Management at the University of Texas at Dallas' School of Management and is a Business Leadership Center Instructor at the Southern Methodist University's Cox School of Business.

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