

# **Multi-Cultural Nature of Modern Projects: Culture as a Critical Success Factor for a Successful Project Management in Multinational IT Service Projects**

**Nur Allisyah Aiman Norsani<sup>1</sup>, Balqis Aqila Asha'ari<sup>1</sup>,  
Muhammad Luqman Hakim Razlan<sup>1</sup>, Muhammad Nazri Md  
Salman<sup>1</sup>, Muhammad Farris Hirzan Noor Zamrie<sup>1</sup>,  
Muhammad Firdaus Ahmad Nazri<sup>1</sup>, Amirul Hakim Hezri<sup>1</sup>,  
Siti Hajar Arbain<sup>1\*</sup>**

<sup>1</sup>Faculty of Computer Science and Information,  
Universiti Tun Hussein Onn Malaysia, Parit Raja, Batu Pahat, 86400, MALAYSIA

DOI: <https://doi.org/10.30880/aitcs.2023.04.02.133>

Received 15 November 2023; Accepted 16 November 2023; Available online 30 November 2023

**Abstract:** In the contemporary global business landscape, this paper investigates the impact of cultural management as a fundamental discipline within project management on the success of globally delivered IT service projects. A qualitative research design, derived from an extensive literature review, explores the critical role of cultural awareness and management in international projects, particularly emphasizing challenges in cross-cultural communication. Interview data is juxtaposed with scholarly literature to validate the findings. The culmination of empirical research and literature insights results in the development of a Project Management Cultural Framework, highlighting culture and communication as core issues in international project teams. The framework underscores the challenges posed to project managers and organizations managing inter-cultural teams, offering valuable insights for building successful project teams in a global context.

**Keywords:** Project Management, Globalization, Multi-National Projects, IT Service Projects, Culture.

## **1. Introduction**

Culture plays a critical role in project management, particularly in international projects. The article entitled "Culture as a Critical Success Factor for a Successful Project Management in Multinational IT Service Projects" by Mario Eberlein, published in the Journal of Information Technology Management in 2008, explores the link between project management and culture in the context of globalization. The study found that cultural differences in communication, behaviors, attitudes, and languages were cited as the major cultural challenges in international projects. The study contributes to both theory and

---

\*Corresponding author: [sitihajara@uthm.edu.my](mailto:sitihajara@uthm.edu.my)

practice through the development of the project management integration model. The search results provide additional information on the importance of culture in project management, particularly in international projects, and how project managers need to be aware of cultural differences to ensure project success.

The importance of culture in project management is highlighted in several of the search results. For example, an effective project manager should raise awareness about cultural issues within the project team and organization to ensure success. More than any other factor, an organization's culture influences how its members behave and how well they perform. Research has consistently shown that cultural intelligence is a crucial factor in the success of international project management. Cultural awareness is needed for understanding and appreciating others' values and behavioral norms. The role of project managers is to form one project culture out of differing organizational and professional cultures and to promote effective knowledge management.

## **2. Cultural Sensitivity in Project Management**

In the contemporary globalized landscape, where projects traverse diverse cultural terrains, the role of cultural sensitivity has transcended from a valuable asset to an indispensable skill for project managers. As the world becomes more interconnected, project teams often represent a mosaic of cultures, requiring project managers to navigate the complexities of cross-cultural interactions with finesse.

Effective cross-cultural project management hinges on a profound understanding of cultural nuances. Project managers must delve into the fabric of each cultural context, appreciating the intricacies that shape the perspectives, values, and communication norms of team members. This entails a commitment to continuous learning about diverse cultural backgrounds, acknowledging that cultures are dynamic and evolving entities. Understanding cultural nuances extends beyond surface-level awareness. Project managers need to grasp the subtleties of non-verbal communication, varying work styles, and decision-making processes influenced by cultural predispositions. This depth of understanding allows managers to anticipate potential challenges and proactively implement strategies that foster cohesion rather than discord within the project team. "The social competences of a project manager required for the success of a project is no exception to the influence of culture on project management." [10]

One of the cornerstones of cultural sensitivity in project management is the ability to adapt communication styles. Language, both verbal and non-verbal, serves as a powerful medium through which cultural differences manifest. Project managers with cultural sensitivity recognize the need to tailor their communication approaches to resonate with the diverse linguistic and cultural backgrounds of team members. This adaptive communication involves not only linguistic considerations but also an awareness of different communication norms. For instance, some cultures may prioritize direct communication, while others may value indirect and nuanced expression. By navigating these differences adeptly, project managers can cultivate an environment where every team member feels heard and understood, fostering a sense of inclusivity and collaboration.

Cultural sensitivity goes beyond acknowledging differences; it involves a genuine willingness to embrace diverse perspectives and approaches. Project managers must create a space where team members feel empowered to contribute their unique insights shaped by their cultural backgrounds. This inclusivity encourages a rich exchange of ideas, driving innovation and problem-solving within the project. Embracing diverse approaches also implies a flexibility in project management strategies. Recognizing that what works well in one cultural context may not be as effective in another, culturally

sensitive project managers are open to adapting methodologies and processes. This adaptability contributes to the overall resilience of the project, allowing it to thrive in diverse cultural landscapes.

Ultimately, project managers equipped with cultural sensitivity have the capacity to foster inclusive and collaborative project environments. By minimizing misunderstandings arising from cultural differences, these managers create a foundation for effective teamwork. Team members, regardless of their cultural background, feel valued and appreciated, leading to a collective commitment to project success. Navigating cultural differences with empathy and respect is not just a strategy but a fundamental ethos embedded in the project's culture. This ethos ripples through every interaction, decision, and collaboration, reinforcing a conducive atmosphere for project success. In the ever-evolving global project management landscape, cultural sensitivity stands as a linchpin skill, ensuring not only the achievement of project goals but also the cultivation of a positive and thriving project culture.

### 3. Issues

First issue is organizational culture can have a direct impact on a company's processes and productivity, including project management processes. The culture of an organization is created by the experiences of its members, and it can influence all elements of a project, from processes to leadership, management styles, communication, risk tolerance, and project request management. Understanding an organization's culture is important for project managers, as it can affect the projects they work on. Projects that are aligned with an organization's culture may have smoother implementations and higher success rates than projects that challenge these cultural norms. Cultivating a culture that values continuous improvement is essential for long-term growth and success in project management.

Second issue is a strong project management culture is key to realizing the benefits of projects, including lower operating costs, improved efficiencies, and fulfilled strategic objectives."It comprises the management of all that is involved in achieving the project objectives safely and within agreed time, cost, technical, quality and other performance criteria" [1]. A strong project management culture can help ensure that everyone is on the same page and understands the company's values and expectations, which can prevent conflicts and help the team to work more effectively together. In addition, a strong project management culture can help to build trust among team members, which is essential for a successful project. However, creating a strong project management culture can be challenging, as it can be difficult to change the attitudes and behaviors of employees. It is also important to make sure that the project management culture is aligned with the corporate culture, or else there may be resistance from employees. "As tasks become more complex, they grow increasingly more dynamic and involve more tightly coupled external linkages." [3] Nonetheless, a strong project management culture enhances organizational performance, improves project outcomes, and supports the achievement of strategic goals.

Third issue is all elements of a project, from processes to leadership, management styles, communication, risk tolerance, and project request management, are influenced by cultural norms in a company. Organizational culture refers to the values, environmental factors, work ethics, goals, and social norms present within a company. The structure of the company and its various projects are shaped by organizational culture. Projects that align well with the organizational culture are easier to implement and have a greater chance of success, whereas projects that do not fit into the cultural norms of the business will be much harder to pull off. As a business owner or project manager, understanding the implications of organizational culture on project structure can help you figure out which projects are worth pursuing. It is important to note that a strong project management culture is key to realizing the benefits of projects, including lower operating costs, improved efficiencies, and fulfilled strategic objectives.

Fourth issue is understanding an organization's culture is important for project managers, as it can affect the projects they work on. Some aspects of an organization's culture that are directly related to how project managers will manage projects are communication, decision-making, rituals, previous management styles, and values. By understanding the organizational culture, project managers can navigate the company's processes and productivity, which can ultimately impact the success of the project. For example, a company that values feedback and employee involvement might have that reflected in their processes by including many opportunities for employees to comment. Approaching projects differently from how similar projects were managed in the past may be met with some resistance, but when project managers show an appreciation of the organization's culture, they may help team members accept any improvements they are implementing. Therefore, understanding the organizational culture is essential for project managers to manage projects effectively and achieve project success.

Fifth issue is Cultivating a culture that values continuous improvement is essential for long-term growth and success in project management. In the ever-changing landscape of business, stagnation is the enemy of progress. The iterative nature of project management enables teams to analyze previous projects, identify areas for improvement, and apply these insights to future endeavors. Developing a culture of continuous improvement, where the relentless pursuit of doing things better and innovation becomes an integral part of the company's DNA, might be the key to realizing growth. Continuous improvement becomes an ongoing process integrated into the organization's daily activities when it is part of the corporate culture. Employees are encouraged to challenge the status quo, suggest ideas, and implement improvements. Continuous learning and development are valued, and mistakes are seen as growth opportunities. Therefore, cultivating a culture that values continuous improvement is essential for long-term growth and success in project management.

Sixth issue is Resistance to Cultural Changes. Implementing a project management culture that aligns with organizational objectives may encounter resistance from employees accustomed to existing norms. The challenge lies in changing attitudes and behaviors, as team members might be hesitant to adapt to new methodologies or cultural shifts. Successfully overcoming this resistance necessitates the implementation of effective change management strategies. Clear communication is paramount to demonstrating the benefits of the proposed cultural changes for both individual and collective success. By fostering an understanding of the positive impact of cultural shifts, project managers can navigate resistance more effectively.

Seventh issue is Alignment of Project Management Culture with Corporate Culture. Ensuring seamless alignment between project management culture and the broader corporate culture is crucial. Misalignment can lead to friction, inefficiencies, and decreased employee morale. To maximize the benefits of a strong project management culture, integration with the overarching corporate culture is imperative. This involves emphasizing shared values, vision, and expectations. A cohesive alignment ensures that the project management culture not only supports organizational objectives but also harmonizes with the larger ethos of the company, promoting a unified and collaborative work environment.

Eighth issue is Impact of Organizational Culture on Decision-Making Processes. Organizational culture significantly shapes decision-making processes within a company. Project managers must comprehend how cultural norms influence decision-making dynamics. For instance, a culture valuing consensus might adopt a more participative decision-making approach, while a hierarchical culture might favor a top-down structure. Adapting project management strategies to align with these cultural nuances is crucial for fostering effective decision-making processes and, consequently, project success.

Ninth issue is Incorporating Cultural Considerations in Project Planning. While acknowledging the influence of culture on project elements, there is a need to systematically incorporate cultural

considerations into project planning. Developing frameworks or guidelines that explicitly address cultural factors in project planning ensures that cultural nuances are proactively considered and integrated into project management processes. By embedding cultural considerations into the planning phase, project managers enhance their ability to navigate diverse cultural landscapes successfully.

Tenth issue is Measuring the Impact of Cultural Alignment on Project Success. The text implies that projects aligned with organizational culture tend to have smoother implementations and higher success rates. However, measuring and quantifying this impact require further exploration. Establishing methodologies or metrics that project managers can employ to assess the correlation between cultural alignment and project success is essential. Understanding the tangible outcomes linked to cultural considerations is crucial for reinforcing the importance of cultural sensitivity in project management and for making informed decisions.

One of the central complexities lies in the recognition that each project is embedded within a unique cultural context, necessitating an approach that is both adaptive and context-specific. Project managers are confronted with the task of ensuring cultural alignment without compromising the core project goals. This involves fostering an organizational mindset that views cultural diversity not as a hindrance but as an asset that can enhance creativity, problem-solving, and overall project innovation. The challenge extends to addressing the potential conflicts between the flexibility demanded by cultural considerations and the need for standardized project processes. Striking the right balance requires a keen understanding of how cultural nuances may impact the project's pace, resource allocation, and decision-making processes. For instance, in cultures that value collaborative decision-making, additional time may be required for consensus-building, potentially influencing project timelines. Moreover, the delicate equilibrium between cultural adaptability and project objectives demands a proactive and informed approach to risk management. Anticipating and mitigating potential challenges arising from cultural differences become integral aspects of project planning. Project managers must develop strategies to navigate cultural complexities without compromising the project's fundamental pillars, thereby ensuring a harmonious integration of cultural flexibility and project success.

#### **4. Conclusion**

In the conclusive remarks of Mario Eberlein's article, "Culture as a Critical Success Factor for Successful Project Management in Multinational IT Service Projects," the findings strongly underscore the pivotal role that organizational culture plays in the realm of project management, especially in the context of multinational IT service projects. The comprehensive analysis of search results suggests that a robust project management culture is not just a desirable element but is, in fact, instrumental in realizing the full spectrum of benefits that projects can offer.

The identified benefits, including lowered operating costs, heightened efficiencies, and the achievement of strategic objectives, accentuate the tangible impact that a well-entrenched project management culture can have on an organization's overall performance. The conclusion emphasizes that this culture is not merely an auxiliary factor but a linchpin for success. It is the catalyst that propels projects towards successful implementation and long-term sustainability. Understanding an organization's culture emerges as a crucial imperative for project managers, serving as a navigational compass that guides their decision-making processes and leadership. "These dynamic processes of culture creation and management are the essence of leadership and make one realize that leadership and culture are two sides of the same coin".[6] The acknowledgment that a project's alignment with an organization's culture can lead to smoother implementations and higher success rates implies that cultural harmony is not a trivial consideration but a strategic advantage. Projects that resonate with and complement organizational cultural norms are more likely to thrive, emphasizing the need for a proactive approach to cultural considerations in project management. Cultivating a culture that values

continuous improvement is identified as an essential ingredient for long-term growth and success in project management. This points to the dynamic nature of project management culture, where adaptability and a commitment to ongoing enhancement are integral. The emphasis on continuous improvement aligns with the evolving nature of projects and the need for project management cultures to remain agile and responsive to changing environments.

Furthermore, the article highlights the critical significance of culture in the context of international projects. Project managers are urged to be acutely aware of cultural differences, recognizing them not as obstacles but as nuances to be navigated for project success. The call for project managers to raise awareness about cultural issues within the project team and the broader organization underscores the need for proactive communication and a shared understanding of cultural dynamics. The suggestion to form a unified project culture from differing organizational and professional cultures acknowledges the diversity inherent in multinational projects. It reinforces the idea that a cohesive and inclusive project culture, crafted from the amalgamation of various cultural elements, can serve as a unifying force that transcends differences.

## Acknowledgment

The authors would like to thank the Faculty of Computer Science and Information Technology, Universiti Tun Hussein Onn Malaysia for its support.

## References

- [1] APM (edited by DIXON, M) 2000. Project Management – Body of Knowledge. 4<sup>th</sup> edition. APM.
- [2] Atkinson, R. 1999. Project Management: Cost, time, and quality, two best guesses and a phenomenon, it's time to accept other success criteria. *International Journal of Project Management*, 17(6), p337-342.
- [3] Bell, B. S. & Kozlowski, S. W. J. 2002. A Typology of Virtual Teams: Implications for Effective Leadership. Cornell University, Faculty Publications – Human Resource Studies.
- [4] Bertalanffy, L. von. 1973. *General system theory: Foundations, development, application*. New York: G. Braziller.
- [5] Burrell, G. & Morgan, G. 1979. *Sociological Paradigms and Organisational Analysis*. Aldershot: Ashgate Publishing Ltd.
- [6] E. H. Schein, *Organizational Culture and Leadership*. John Wiley & Sons, 2010. Accessed: Nov. 15, 2023.
- [7] Deal, T. E. & Kennedy, A. A. 1982. *Corporate Cultures: The Rites and Rituals of Corporate Life*. Addison Wesley.
- [8] M. Eberlein, Culture as a critical success factor for successful Global Project Management
- [9] Evaristo, R. & Van Fenema, P. C. 1999. A typology of project management: emergence and evolution of new forms. *International Journal of Project Management*, 17(5), p275-281.
- [10] D. Kuchta and J. Sukpen, "Culture and project management," *Journal of Intercultural Management*