

Project
On
Managing Cross Cultural Issues
In
Infinite Computing Systems Inc.

Student Name

Enrolment No. – xxxxxx

University Name

Year

Table of Contents

Preface	4
Acknowledgement	5
Certificates	6
Certificates	7
Chapter 1: Introduction	8
Company Overview	9
Problem Statement	9
Chapter 2: Objective & Scope	10
Chapter 3: Methodology	10
Primary Data Collection	11
Secondary Data Collection	17
Chapter 4: Data Collection	18
Chapter 5: Data Analysis	24
Chapter 6: Recommendations	27
Chapter 7: Findings & Conclusion	29
Appendices & Annexure	33
Bibliography	35

Preface

This is a project report written after the study and analysis of the Project work done on “**Managing Cross-Cultural Issues in International Projects**” for **Infinite Computing Systems Inc.** This book has the detailed “Problem Statement” and “Objective & Scope” of the Project. These are followed by the “Methodology” used for the Primary and Secondary Data Collection and Data Analysis. At the end this report has the Findings and Conclusion chapters. Recommendations and Bibliography will be useful for all those who intend to expand the horizon of the research on this topic.

Acknowledgement

I undertook the task of completing my project on “**Managing Cross-Cultural Issues in International Projects**” in Infinite Computing Systems Inc. To this I would like to thank and convey my gratitude to the Top Management of the Infinite Computing Systems Inc. who allowed me to conduct my Project and gave me the whole hearted support.

I would also like to thank all the employees, ex-employees and clients of Infinite Computing Systems, Inc. some of whom were very frank and forthright and few who were slightly apprehensive but nevertheless gave me their full cooperation. To all those I owe a debt of Gratitude.

I am fortunate in having sought and secured valuable guidance, continuous encouragement, and strong support at every stage of my guide and supervisor Jeff Freeze and I am deeply grateful to him.

Finally I also acknowledge with deep gratitude, the immense support I received from my family members who have always encouraged me and have been a source of inspiration and help in continuing my efforts.

Last but not the least my special thanks to go to all those who have provided all the secretarial support despite of their other commitments.

CERTIFICATE

This is to certify that the project work entitled "**Managing Cross Cultural Issues In Infinite Computing Systems Inc.**" is a record of bonafide work carried out by Mrs. Student Name** under my supervision towards partial fulfillment of the management programme course (MBA) of the Amity School of Distance Learning, Noida.

Place

Date

Name

Designation

(Project Guide)

Chapter 1:

Introduction

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Chapter 1: Introduction

Company Overview:

Infinite Computing Systems, Inc. is a leading provider of technology resources and an active and successful player in the high technology industry since 1997. Today Infinite has over 150 employees located in four locations. Executive Management team located in the Global Headquarters in Cedar Rapids, Iowa, USA oversees business operations, and administration of Infinite, along with the Global Sales and Project Delivery organizations. The technology centers in Mumbai-India, Bangkok -Thailand and Singapore provide exceptional technology resources to be used by the clients in need, wherever they are needed.

Problem Statement:

Infinite is so far serving the requirements across the cross cultural environments and has the need to manage this rapid globalization and Cross-Cultural Issues within the company for International Projects in order to minimize its adverse effect on the organization.

In the company the Software development efforts are being led by the Project Managers and Program Managers who are responsible for all the dealings with the clients and Team Management where the Team is geographically dispersed. The Manager's position is a position under pressure from both the Client & Team's perspective and they need to strike a balance between the two and hence it becomes important for them to handle the client issues properly in order to achieve the Customer Satisfaction and Manage the Team properly to get the maximum output, highest productivity and Team's satisfaction of work

too. This will be beneficial for the growth of the Managers and eventually the Growth of the company.

IT Team members are trained to focus on technical data, scientific evidence and hard facts. Because the Technologies by Microsoft, Sun Microsystems, and Oracle are same universally, hence the senior project management thinks that the nationality and cultural differences will not play a significant role in the development of software and the process that is followed. Yet the project/software management methodologies get adversely affected by the Cross-Cultural issues and the company needs to handle them properly in order to avoid the Project Failures.

Team management becomes a Cruc Task for a Manager as the Team is comprised of culturally different people who comes with their own mental blocks, set of principles and unique characteristics. To change somebody overnight is not a possible thing to do. The problem is that the Team members cross cultural issues negatively affect the growth of the organization and are the road blocks while managing the Globalization within the company.

Working as a Program Manager in the company I realized that cross-cultural issues if not handled properly becomes the reason for the Project Failure and adversely affects the Growth of the company. Being directly exposed to the problem I thought of analyzing it scientifically to find out the reasons and suggest the remedial measures to the Senior Management.

Chapter 2:

Objective and Scope

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Chapter 2: Objective and Scope

Objective:

One aspect of IT outsourcing is the outsourcing of software production. An important trend that started in the 1990s and continues to increase today is to outsource software production globally. Much of the software development takes place at offshore locations, where costs are low and labor is often plentiful. Software suppliers normally maintain small bridgehead teams in the client countries for sales and customer liaison purposes. Outsourcers in turn often locate executives in the supplier countries to, for example, overseas large projects.

All of this makes good economic sense for both sides of a cross-border outsourcing relationship, but it raises the question of how best to manage the process. In particular, cross-cultural issues are likely to become an important factor, as they have in the management of international joint ventures.

The objective of my project is exploring research-derived best practices for effective management of global software teams and find out the Cross-Cultural Issues that comes up while managing the International Projects and explain their adverse affect on the organization and then suggest the remedial measures for the same.

Result of my survey & analysis would provide a very useful input to the management of Infinite Computing Systems, Inc. They have welcomed my effort and are looking forward to get all the Data collected through available sources in this respect to examine the problem in totality.

Scope:

The scope of the study will be confined to the:

- Present Employees, Teams of the “Infinite Computing Systems, Inc.” and it’s subsidiary offices around the globe.
- Clients of Infinite Computing Systems, Inc.

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Chapter 3:

Methodology

Chapter 3: Methodology

After doing the exploratory research to identify the problem and the detailed study of the various aspects of “**Managing Cross-Cultural Issues in International Projects**”, it becomes clear that six categories of people need to be contacted and interacted with. These are

- a. Vice President – Project Delivery
- b. Project Director
- c. Resourcing Manager
- d. Project Managers
- e. Project/Team Leader
- f. Software Developers

It was therefore planned to conduct my project work for collection of data both primary & secondary in the following paragraph:

Primary Data:

To collect the Primary Data for my project I propose to use 2 instruments:

Questionnaire:

2. Sample size - 25

3. Sample Composition

- a. Vice President – Project Delivery - 1
- b. Project Director - 1
- c. Resourcing Manager - 2
- d. Project Managers - 4
- e. Project/Team Leader - 6
- f. Software Developers - 11

Structured Interviews:

1. Sample Size - 10
2. Sample Composition
 - a. Vice President – Project Delivery - 1
 - b. Project Director - 1
 - c. Resourcing Managers - 1
 - d. Project Managers - 2
 - e. Project/Team Leader - 2
 - f. Software Developers - 3

Secondary Data:

I have taken the secondary data from earlier complaints, letters/emails of the clients and the Resourcing Managers reviews.

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Chapter 4:

Data Collected

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Chapter 4: Data Collected

The data that is collected for the study and analysis of the problem as below:

SN	CATEGORIES	AGE IN YEARS			TOTAL
		20 – 30	31 – 40	41- 50	
1	Vice President – Project Delivery	-	-	1	1
2	Project Director	-	-	1	1
3	Resourcing Manager	1	1	-	2
4	Project Managers		2	2	4
5	Project/Team Leader	3	3	-	6
6	Software Developers	5	6	-	11

The below questions are self-assessment questions that will clarify the respondents' national and ethnic cultural values. These questions will interpret the values based on five cultural dimensions: Individualism, Masculinity, Power distance, Uncertainty avoidance, and time orientation.

- 1 - Strongly Disagree
- 2 - Disagree
- 3 - Agree
- 4 - Strongly Agree

	1	2	3	4
1. Material success is a good indicator of overall success in life.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2. Competition brings out the best in people.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3. Organizations must reward individual performance even when teams are used.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4. It is important for people to be able to stand on their own feet without help from others.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5. The good of the community must take precedence over the right of individual	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6. It is inevitable and natural that some people should lead and others follow	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
7. Clear information and tasks are essential for people to be able to do their best	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

8. It is important to be able to get results quickly to see how one is doing. ☐ ☐ ☐ ☐
9. Flexibility is Key to success. ☐ ☐ ☐ ☐
10. Most people do best when they know exactly what is expected of them ☐ ☐ ☐ ☐
11. Leaders must have power and discretion in order to be effective. ☐ ☐ ☐ ☐
12. It is important for people to respect traditions and consider the lessons of the past. ☐ ☐ ☐ ☐
13. Those with power should treat others as equals ☐ ☐ ☐ ☐
14. Determining success requires a long-term view. ☐ ☐ ☐ ☐
15. Individual rights are Key to a free society. ☐ ☐ ☐ ☐

Note that for questions 5, 9, 12, 13 and 14 the scores have to be reversed. (E.g. 1=4. 2=3, 3=2, and 4=1) The lowest score possible is 3, the highest 12.

Cultural Dimension	Values to add
Individualism	Add scores of questions 3,5 and 15
Masculinity	Add scores of questions 1,2 and 4
Power Distance	Add scores of questions 6,11 and 13
Uncertainty Avoidance	Add scores of questions 7,9 and 10
Time Orientation	Add scores of questions 8,12 and 14

Explanation

Individualism the more you value loose social ties and you will feel that one should take care of ones self.

Masculinity the greater you value the need for independence, a high job salary and material success rather than team cooperation.

Power Distance the more acceptable you will find an unequal distribution of power and benevolent autocratic leadership.

Uncertainty Avoidance means you would rather have a certain structure and order than risk and flexibility.

Time Orientation the more short-term and present-orientated you are.

Interview Questions

1. What are the differences in management attitudes and behaviors across cultural boundaries?
2. How do national cultural values affect management practices?
3. When, and under what conditions do certain cultural groups or identities become salient and more relevant than others?
4. How do various cultures interact?
5. What is it that representatives of different national cultures create through their interaction?
6. What are the implications for managerial practice?

Chapter 5:

Data Analysis

Chapter 5: Data Analysis

To begin with the interview question “ **When, and under what conditions do certain cultural groups or identities become salient and more relevant than others?**”, there is research support for the idea that the salience of any particular cultural identity will increase when that identity is confronted or perceived to be threatened. We have learned from studies conducted in the western hemisphere that the differences that separate interacting people are the ones that tend to become salient. It has also been suggested that the larger the differences between interacting groups, regardless of whether these differences are real or imagined, the more likely are individuals to distinguish between "we" and "them", or in-group and out-group membership. Other factors that influence identification with a group include the distinctiveness of the group values and practices in relation to those of comparable groups (including negatively-valued distinctions), the prestige of the group, the salience of the out-group(s), and the degree of inter-group competition. Other factors associated with group formation such as interpersonal interaction, similarity, liking, proximity, shared goals or threats, common history may also influence the choice of the group with which someone identifies.

The most obvious differentiating characteristics seem to be highly visible ones, such as race, skin color, language, and religion. We have some indication that these more obvious differentiating criteria may also be used just for convenience, to explain differences within a socially acceptable framework (e.g., national stereotypes) or because of the lack of other cognitive categories available to the individuals. For instance, research in a German-French joint venture found that national stereotypes (socially-acceptable, and obvious) were predominantly used to explain difficulties that emerged in daily work, despite the fact that regional and organizational culture differences tended to be stronger than these national differences.

What Does It Mean for Management?

Based on all of these findings, rather than finding ways to bridge differences in national cultures, the question may become how to build on similarities engendered in other commonly-held cultures for creative solutions and how to use and manage differences. Thus, the multiple cultures perspective helps to address the primary difficulty that most strategic alliances, mergers and acquisitions face today: how to realize the synergies that were initially promised and expected.

For example, synergy may not just happen in multi-cultural teams in terms of members' national culture. Instead, it requires active work through a team development process that is based on tolerance and appreciation of differences. In addition, research results from a longitudinal study of top management team heterogeneity and from the re-interpretation of prior studies on this topic suggest that, if adjusted for power, cognitive diversity (such as differences in functional background or profession or industry) can have a positive impact on organizational performance.

To return to our original point, to effectively live in the new global business reality, people need to develop an appreciation for multiple cultures that exist simultaneously. Rather than considering cultural differences as a problem with which one must cope, this new reality requires practitioners to develop special skills to help them deal with this multicultural context and handle the differences in sensitive and synergistic ways.

Chapter 6:

Recommendations

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Chapter 6: Recommendations

A Multiple Cultures Perspective

To understand this phenomenon of multiple cultures and what it means for management, there must be a broader, more flexible conceptualization of culture and cultural identity developed -- a multiple cultures perspective.

Organization research shows the membership body of any particular group may be, for example, nested within the organization, forming sub-organizational cultures according to function, tenure, hierarchy, ethnicity, nationality, gender, role, location, or work group. At the organizational level, a single business, a global enterprise, a conglomerate, or a family firm may compose a single cultural group. Professions or guilds may form a trans-organizational culture, as may cross-organizational project teams. At the supra-organizational level, cultural groups may arise within geographic regions of a country, economic regions, industries, and ideologies, such as religious or political groups. From a multiple cultures perspective, it can be seen that any and all of these types of cultural groupings may exist and co-exist within an organization.

Special attention should be devoted to describing how an MNE can use an organizational learning process to diagnose and develop solutions to cross-cultural conflicts. Specific suggestions are outlined for resolving the incidents, and organizational learning steps should be presented to extend this knowledge throughout the MNE, resulting in organizational competitive advantage.

Chapter 7:

Findings and Conclusion

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Chapter 7: Findings and Conclusion

- 36% of respondents for questionnaire are between ages 20-30 yrs.
- 48% of respondents are in the age group 31-40 yrs.
- 16% of the respondents are between 41 and 50 yrs.
- 90% of the respondents display the characteristics of Individualism.
- 98% of the respondents have high Masculinity factor.
- 55% of respondents have given importance to Power Distance.
- 60% of respondents value Uncertainty Avoidance.
- 85% of respondents have scored high on Time Orientation.

Joint ventures, strategic alliances, mergers, and acquisitions now offer companies -- regardless of size -- the chance to stay competitive and the opportunity to participate in resource-intensive, long-term projects. However, the resultant workforces are diverse in interests, backgrounds, training, and nationalities -- even within the same firm and the same geographic location. The “expatriate” assignment frequently is replaced by “transpatriate” activity.

Beyond physical relocation or travel, radical developments in communication technology have enabled a global economy to evolve in which companies and individuals have access to markets far beyond those in which they are geographically located. The pervasiveness and power of the Internet have made the entire globe the potential marketplace and workplace, fostering the rise of distant work and virtual teams. These “non-co-located” teams of international, multinational, or global corporations tend to be multinational and multicultural in composition.

Additionally, apart from transfers initiated by companies, the ever-growing global movement of people has also contributed to an increasingly multicultural workforce worldwide. From North America and Europe to Singapore and Hong Kong, managers are faced with the increased representation of a variety of national cultures within the workforce. This is coupled with growing attention to differences in ethnicity (different from national culture), gender, age, and sexual preference among workers. The mosaic of cultural diversity presents a major challenge both in global and domestic work settings, as there is growing recognition that “the skills and core competencies [including cross-cultural management] traditionally required of executives on international assignments will also be required of managers in a domestic context.”

It has long been recognized that multiple cultures exist within larger societies and organizations. However, by borrowing the term "culture" from the field of anthropology, researchers who studied organization culture often incorporated what they assumed was an anthropological presupposition of "one culture to a society." But an organization is not a simple, primitive society, as was the traditional field site of anthropological research. Rather, it is a heterogeneous, pluralistic system whose members live within a larger complex society. Therefore, while members of an organization may develop shared sets of assumptions within the organization setting that are special to that organization and that become that organization's culture in some sense, they also bring with them the various sets of assumptions that they acquire outside of the organization. Thus, the organization – the workplace – potentially has a multiplicity of separate, overlapping, superimposed, or nested cultures within it. The organization's participants maintain simultaneous membership in any number of these cultural groups. These are not limited to national cultures.

Multinational enterprises are increasingly using cross-cultural virtual teams and project task forces to increase speed in launching products to market and in bringing together employees from different locations, functional areas, and cultural perspectives. While such virtual processes offer many advantages to MNEs, they also involve many challenges and require the deeper application of many traditional management practices .Unfortunately,

the potential of such virtual teams is often not realized, in large part because of the difficulties inherent in these cross-cultural encounters.

There are challenges a multinational enterprise (MNE) faces in implementing an important management practice -- performance feedback -- across its different business units and cross-cultural teams. Critical incidents involve miscommunication between managers working on a virtual project in different countries.

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Appendices & Annexure

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Appendices and Annexure

Questionnaire

Personal Information

(Name not compulsory)

1. **Name:** Ankit Sharma
2. **Designation:** Operation Manager
3. **Gender:** Male

1 - Strongly Disagree

2 - Disagree

3 - Agree

4 - Strongly Agree

	1	2	3	4
1. Material success is a good indicator of overall Success in life.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
2. Competition brings out the best in people.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3. Organizations must reward individual performance even when teams are used.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4. It is important for people to be able to stand on their own feet without help from others.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5. The good of the community must take precedence over the rights of individuals.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>
6. It is inevitable and natural that some people should lead and others follow.	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
7. Clear information and tasks are essential for people to be able to do their	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>

best

8. It is important to be able to get results quickly to see how one is doing. ☐ ☐ ☒ ☐
9. Flexibility is key to success. ☐ ☐ ☐ ☐
10. Most people do best when they know exactly what is expected of them. ☐ ☐ ☒ ☐
11. Leaders must have power and discretion in order to be effective. ☐ ☐ ☐ ☒
12. It is important for people to respect traditions and consider the lessons of the past. ☐ ☐ ☒ ☐
13. Those with power should treat others as equals. ☐ ☐ ☒ ☐
14. Determining success requires a long-term view. ☐ ☒ ☐ ☐
15. Individual rights are key to a free society. ☐ ☐ ☐ ☒

Appendices and Annexure

Questionnaire

Personal Information

(Name not compulsory)

4. **Name:** Shrikant
5. **Designation:** Operation Manager
6. **Gender:** Male

1 - Strongly Disagree

2 - Disagree

3 - Agree

4 - Strongly Agree

	1	2	3	4
1. Material success is a good indicator of overall Success in life.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
2. Competition brings out the best in people.	<input type="radio"/>	<input type="radio"/>	<input checked="" type="radio"/>	<input type="radio"/>
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14. Determining success requires a long-term view. ☐ ☒ ☐ ☐
15. Individual rights are key to a free society. ☐ ☐ ☐ ☒

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