CONFLICT RESOLUTION IN AN INTERNATIONAL PROJECT TEAM

By

Angelos Liapas

A THESIS REPORT
Presented to the Project Management Program in the
School of Management of
City University of Seattle
In Partial Fulfillment of the Requirements
For the Degree of
MASTER OF SCIENCE OF PROJECT MANAGEMENT

June 2010
CONFLICT RESOLUTION IN AN INTERNATIONAL PROJECT TEAM

By

Angelos Liapas

A THESIS REPORT
Presented to the Project Management Program in the
School of Management of
City University of Seattle
In Partial Fulfillment of the Requirements
For the Degree of
MASTER OF SCIENCE OF PROJECT MANAGEMENT

This Master Thesis was elaborated in the frame of the collaboration of the City University of Seattle and the Graduate Technological Education Institute (T.E.I.) of Piraeus to fully implement at TEI of Piraeus Campus the CU’s MS in Project Management Program approved by the Hellenic Ministry of National Education and Religion Affairs as by decision E5/58291 published in the Hellenic Government Gazette (FEK) B/924/5- July-2005.
CONFLICT RESOLUTION IN AN INTERNATIONAL PROJECT TEAM

I, Liapas Angelos, do hereby irrevocably consent to and authorize the City University of Seattle Library to file the attached thesis “Conflict Resolution in an International Project Team” and make such paper available for use, circulation, and reproduction by Library users at the City University of Seattle Library and all site locations.

I state at this time that the contents of this paper are my own work and completely original.

_________________________________ (Signature)

_________________________________ (Date)

Submitted by
Liapas Angelos _________________________________ Date __________

Candidate Signature

Approved by

Dr. Michael Kontesis _________________________________ Date _____

Thesis Project Advisor

____________ _______ _________________________________ Date _____

CityU Program Director
To Marigoula. Thank you for your support.
Resume

I work as an account manager in UCI Bank. It is commonly a sales position. As an account manager I manage a portfolio of real estate agents, whose relationship with the bank I have to create, maintain or strengthen. When the relationship is healthy the agent will propose UCI to his customers for granting their mortgage, which I will have to manage afterwards. Therefore my role is double: Handling both the PR and the mortgages of my portfolio. Every case is a small project with five stakeholders (customer, real estate agent, head of UCI risk department, seller, and me) and I am the only person among them that have met all of them, speak with all of them and have to maintain the balance among unknown with each other people. It is easy to understand that managing conflicts has become part of my everyday life and that’s exactly the connection between my employment position and my thesis proposal.

My basic responsibilities and areas of work are:

- Account Manager in UCI Bank (BNP Paribas-Grupo Santander group)
- Managing the Bank’s portfolio which includes partners in 7 areas of Northern Attica
- Daily visiting both to business partners and clients in order to promote UCI’s mortgage loans
- Daily training in our business partners in order to acquaint them with UCI’s products and services
- Primary risk analysis of the mortgage loan
- Analysis, writing, management of the mortgage file from its very creation till the final negotiations with the client and the signing of it
- Reporting directly to my Branch Manager
The position requires strong sales, public relations, portfolio management and analytical skills which I have to demonstrate daily in my contacts both with the Bank’s business partners and the clients that they propose to us.
Abstract

Conflict in project management is inevitable. The potential for conflict in a project team is usually high because it involves individuals from different backgrounds and orientations working together to complete a complex task. The cause of conflict in team projects can be related to differences in values, attitudes, needs, expectations, perceptions, resources, and personalities. Proper skills in dealing with conflict can assist project managers and other organization members to handle and effectively resolve conflicts which can lead to a more productive organization as a whole.
Table of Contents

CHAPTER 1 __________________________________________________________1

1.1 Nature of the study ______________________________________________ 1
1.2 Needs Assessment ________________________________________________ 1
1.3 Purpose of the Study _____________________________________________ 2
1.4 Significance to workplace ________________________________________ 2

CHAPTER 2 __________________________________________________________3

2.1 Problem Statement ______________________________________________ 3
2.2 Rationale ______________________________________________________ 3
2.3 Objectives ______________________________________________________ 4

CHAPTER 3 __________________________________________________________5

3.1 Review of the literature __________________________________________ 5

CHAPTER 4: INTRODUCTION __________________________________________7

4.1 Project Management overview _____________________________________ 7
4.2 Project Manager ________________________________________________ 7
4.3 Project Team ____________________________________________________ 8

CHAPTER 5: UNDERSTANDING CONFLICT ______________________________10

5.1 Introduction ____________________________________________________ 10
5.2 Definition ______________________________________________________ 10
5.3 Constructive Conflict ____________________________________________ 11
5.4 Destructive Conflict ______________________________________________ 11
5.5 Dynamics and internal characteristics of a conflict
5.5.1 The process model and the structural model ________________________ 13

CHAPTER 6: TYPES OF CONFLICT ______________________________________17

6.1 Defining the objective ____________________________________________ 17
<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.2</td>
<td>The conflict environment</td>
<td>18</td>
</tr>
<tr>
<td>6.3</td>
<td>Conflict and knowledge transfer/management</td>
<td>20</td>
</tr>
<tr>
<td>6.3.1</td>
<td>Organizational Knowledge management</td>
<td>20</td>
</tr>
<tr>
<td>6.3.2</td>
<td>Interdependence with conflict occurrence</td>
<td>21</td>
</tr>
<tr>
<td></td>
<td>CHAPTER 7: CONFLICT IN AN INTERNATIONAL PROJECT TEAM</td>
<td>23</td>
</tr>
<tr>
<td>7.1</td>
<td>Introduction</td>
<td>23</td>
</tr>
<tr>
<td>7.2</td>
<td>Conflict occurrence</td>
<td>24</td>
</tr>
<tr>
<td>7.2.1</td>
<td>Cross cultural differences</td>
<td>24</td>
</tr>
<tr>
<td>7.2.2</td>
<td>Cultural Differences in Project Teams</td>
<td>26</td>
</tr>
<tr>
<td>7.2.3</td>
<td>Communication and trust</td>
<td>29</td>
</tr>
<tr>
<td>7.3</td>
<td>Conflict Resolution</td>
<td>33</td>
</tr>
<tr>
<td>7.3.1</td>
<td>Approaches to Conflict Resolution</td>
<td>33</td>
</tr>
<tr>
<td>7.3.2</td>
<td>Conflict Management</td>
<td>37</td>
</tr>
<tr>
<td>7.3.3</td>
<td>Using the Tool: A Conflict Resolution Process</td>
<td>40</td>
</tr>
<tr>
<td>7.3.4</td>
<td>International Project Team and Conflict Resolution</td>
<td>43</td>
</tr>
<tr>
<td>7.3.5</td>
<td>Cross-Cultural Communication</td>
<td>45</td>
</tr>
<tr>
<td>7.3.5.1</td>
<td>Potential Hot Spots in Cross-Cultural Communication</td>
<td>48</td>
</tr>
<tr>
<td>7.3.5.2</td>
<td>Strategies for effective Cross-Cultural Communication</td>
<td>51</td>
</tr>
<tr>
<td></td>
<td>CHAPTER 8: PROJECT MANAGEMENT SKILLS</td>
<td>52</td>
</tr>
<tr>
<td>8.1</td>
<td>What does a Project Manager do?</td>
<td>52</td>
</tr>
<tr>
<td>8.2</td>
<td>The Project Manager’s role</td>
<td>53</td>
</tr>
<tr>
<td>8.3</td>
<td>Essential project management skills</td>
<td>54</td>
</tr>
<tr>
<td>8.3.1</td>
<td>Conflict Resolution skills</td>
<td>56</td>
</tr>
<tr>
<td>8.3.2</td>
<td>The role of the facilitator</td>
<td>58</td>
</tr>
<tr>
<td></td>
<td>CHAPTER 9: CONCLUSIONS</td>
<td>62</td>
</tr>
<tr>
<td>9.1</td>
<td>Simple proposals</td>
<td>62</td>
</tr>
<tr>
<td>9.2</td>
<td>Closure</td>
<td>64</td>
</tr>
<tr>
<td></td>
<td>BIBLIOGRAPHY</td>
<td>65</td>
</tr>
</tbody>
</table>
Chapter 1

1.1 Nature of the study

In my thesis I will describe the type of conflicts that usually occur among team members in an international project and/or in a multi-ethnic project team. Specifically I will research for cultural, ethical and mental differences that can cause a conflict among the team members, and I will propose solutions on how to handle such situations. I will also refer to the skills that a Project Manager must have in order to be able to prevent, handle and resolve such difficult parts of a project. Finally I will evolve a mean of measuring the conflicts’ impact in the project and will explain how a conflict may prove useful to the Project Manager.

1.2 Needs Assessment

The stakeholders of the setting I have chosen are my teachers, local business people, and some of my colleagues. My teachers’ concern will be for my thesis’ success since they are responsible for what I can write in this paper and their benefit will of course occur through my personal success on this project. My colleagues, they all know about my study and they support me, since they have understood the importance of project management in the business world and their benefit will come from the useful hints that I will include in my thesis, since they can use some of them in their business life as well. Finally I will cooperate with some local business people, who really found my idea interesting, are willing to help and my use the results of my research in their job as well.
1.3 Purpose of the Study

The purpose of this study will be to make conflict understanding and solving easier both for the project manager and/or the project team members.

1.4 Significance to workplace

The organization where I work is, as mentioned, a bank which is mostly advertised through its real estate collaborators since its main sector of action is the mortgage market. My job there is to create and maintain strong relationships between the bank and the agents and also handle the mortgage whenever it comes from a collaborator of my portfolio. Therefore it is easy to understand that I don’t work with a multi-ethnic team but conflict resolution is one of the basic skills that I have to evolve. My research will offer, theoretical, as it mostly concerns my business environment, means of handling conflicts more effectively, since I am not the only one doing that job in the bank, but we are 15 people between 23 and 35.

1.5 Relation to the Program of Study

In order to do my research and reach my conclusions I will definitely need the help of the knowledge granted in PM 506, Managing Projects with People and Teams. PM 506 offers intensive reference to conflicts and conflict solving and one very interesting theory is the one about the “experiential levels of conflicts” and what has to be managed through these levels. Particularly, this theory can become the base of my research considering the why it is highly possible for a conflict to occur in a multi-ethnic project team, what can be done to prevent or avoid it and how can we make it work for us and not against us.
Chapter 2

2.1 Problem Statement

The problem is that difficulty in transferring knowledge, caused by cultural differences among project team members, usually causes various conflicts during the project.

2.2 Rationale

One of the most important needs of Project-based organizations nowadays is the selection of an experienced Project Manager. The complexity, uncertainty and uniqueness that characterize projects lead PBOs to the selection of a foreign Project Manager and/or the utilization of virtual project teams, very often. He is supposed to transfer his knowledge and experience in the project and manage the integration of a multi-cultural project team.

The idea for the thesis came up because I believe that Project Management is mainly based upon communication skills and PR skills. A good Project Manager must be able to both develop communication paths among him and the project team and manage conflicts in a way that the project will always get untouched out of it. Conflicts are usual among people, because of character and personality differences, but become even more common when people come from different countries and cultures. The variety of religions, cultures, beliefs and habits within a project team may easily cause misunderstandings, mislead the team members, create difficulty in the transfer of knowledge and finally increase the possibility for project failure.
Conflict Resolution in an International Project Team

Therefore, my purpose is to analyze the factors leading to loss of control of the project team’s behavior and suggest solutions that will increase the possibility for successful projects.

2.3 Objectives

1. To analyze how difficult it is to transmit the characteristics and experience in your team members, necessary for conflict avoidance when they have different habits, cultures, religion and/or beliefs and are used to different working processes than the ones that the Project Manager carries from his previous projects.

2. To analyze the reasons why this lack of knowledge transfer usually leads to conflicts among project team members and identify some of the most common ones.

3. To identify the reasons why conflicts, caused by cultural differences, maybe harmful for projects and lead them towards failure.

4. To develop conflict mitigation processes and propose solutions on how cultural conflicts may be avoided within the project team members.
Chapter 3

3.1 Review of the literature

This literature review is focused on three areas: the types of conflicts and how difficulty in knowledge transfer is integrated with conflicts within multi-ethnic project teams, cultural differences among team members in international projects and how can they affect a multi-ethnic project team, the skills that a Project Manager must have in order to handle such teams and provide useful information on how to resolve conflicts that may occur.

Specifically, in the first section I will include information about what is the definition of the conflict according to Capozzoli (1999) and Wall (1995). I will use the help of Klunk (1997) and Van Slyke (1999) in order to explain what a constructive conflict is from the one hand, and the help of Cloke (2000), Lloyd (2001) and Capozzoli (1999) again in order to explain the destructive conflict from the other. Also, I will describe the characteristics and dynamics of the conflict according to Barnet (1997) and Ohlendorf (2001), while I will present Appelbaum’s, Shapiro’s and Elbaz’s (1998) process and structural model. Finally in this section, I will explain the types of conflicts identified in Dr Kerzner’s (2006) book.

In the second section of my thesis I will use Hofstede’s (2000) ideas to describe social, cultural and/or religious characteristics of various ethnicities, which, if met in a multi-ethnic project, may affect the relationship among team members. Trompenaars and Hampden-Turner (1998) will complete the base for the cultural differences identified in the project team and according to Appelbaum (1998) I will explain the importance of communication and trust in it.
Conflict Resolution in an International Project Team

Kerzner (2006), Trompenaars and Hampden-Turner (1998) again will help me build a conflict resolution base, with conflict management advices and strategies, as well as with important tools that will help Project Managers handle conflict.

In the third section, I will describe the personal characteristics that the Project Manager must have, based both on his life experiences and the business ones, in order to handle correctly any inconvenience that will occur during the project. The guidance here will come from Kerzner’s (2006) characteristics of a successful project manager and Mäkilouko’s (2004) leadership styles. I intend to describe a young enough, fully energetic person, with not only Project Management studies but with sociological ones as well, for which I will rely both on Flannes’ and Levin’s (2005) suggestions for the essential people skills for Project Managers and Meredith’s and Mantel’s (2006) skills of a sufficient and efficient Project Manager.
Chapter 4: Introduction

4.1 Project Management overview

Project Management is a methodological/scientific approach which helps find ways on how to reach predefined, desirable results but always within a specific time frame and by using agreed assets and resources. It also involves applying specific knowledge, tools and techniques under the cost, time and quality restraints. The main goal is always to meet customer expectations and deliver the project/product within the budget and on time. (Ohlendorf, A.)

Practicing the project management principles brings value and more successful results to an organization. It is the tool that allows managers to organize and sequence the jobs to be done, plan and schedule, measure cost, identify risks and promote mitigation strategies, set communication bridges among stakeholders, control the procedures and therefore affect the results, gather results and lessons learned, identify and resolve conflict. Considering the reasons described above it becomes easy to understand that project management nowadays is both the heart and the brain of the organization.

4.2 Project Manager

The Project Manager is the person that is responsible for organizing, planning, monitoring, controlling and correcting the project activities. He must be a person of both special personal and management skills. As for the technical ones, it is not obligatory that he carries the most improved ones. Specifically he should be able to:
Conflict Resolution in an International Project Team

- Manage by example
- Have a positive attitude
- Define expectations
- Be considerate and direct
- Plan and organize
- Negotiate
- Be a leader
- Manage risk
- Manage teams
- Manage change within an organization

4.3 Project Team

Following this rational, it is easy to understand that neither a single person nor a very small group of people, in most of the cases, is sufficient to carry all the knowledge and skills required in order to complete a complex job like the project. Even the expert skills of the project manager are not enough to complete the project successfully without the help and the good management of the project team.

A team is defined as “an interdependent collection of individuals who work together towards a common goal and who share responsibility for specific outcomes of their organizations”. The project team consists of a number of people that combine in the best feasible
Conflict Resolution in an International Project Team

way the total of knowledge and skills required to successfully bring the project to an end that will be within time, cost, quality and customer expectations. Its members can be, and usually are, of different organizational departments, different level of responsibility, different level of knowledge and experience and/or different habits, mentality, principles and cultural levels.
Chapter 5: Understanding conflict

5.1 Introduction

Conflict when in a project environment is unavoidable. This is actually the result of the personal characteristics that differentiate people from each other and makes them special. Still, this is also the reason for why life is so special and people can achieve that many when they corporate correctly. If we would loose individuality we would live in a robotic world and there would be no middle situations rather than only the ones being on edges: totally successful or total disasters. There comes conflict to remind us that we are actually alive, energetic, and that things do not always work perfectly their own. The conflict is a very good chance for personal and professional development, for acquiring valuable knowledge and experience. It is also a very good chance to bring to the surface underlying problems that would affect the project life cycle more seriously if revealed later in the project procedure.

(Ohlendorf, A., n.d.)

5.2 Definition

A conflict is defined as “a situation of competition between two, or more in some cases, parties in which the parties are aware of the incompatibility of potential future positions and in which each party wishes to occupy a position which is incompatible with the wishes of the other”.

(Capozzoli, 1999)
Conflict Resolution in an International Project Team

Conflict is viewed as a cycle: "As with any social process, there are causes; also, there is a core process, which has results or effects. These effects feed back to affect the causes." (Wall & Callister 1995). To understand conflict further, the situation must include elements of interdependence, emotions, perceptions, and behaviors. For example, conflict occurs between parties whose tasks are interdependent, who are angry with each other, who perceive the other party as being at fault, and whose actions cause a business problem. (Dana, D.)

5.3 Constructive Conflict

All three authors Capozzoli (1999), Klunk (1997) and Van Slyke (1999) have helped understand that conflict can be constructive and healthy for an organization. Conflict is not something to be afraid of; and this goes both for managers and their team members. If conflict is perceived as a project’s inseparable part and as a natural phenomenon within organizations, and if managed properly, it can prove a very useful tool for acquiring experience, for rising underlying problems, for forcing people propose problem-solving solutions and archive important lessons learned for future projects. Conflict can prove constructive because it helps managers and team members identify their strengths and weaknesses, as it usually deals with important project procedures, and gives the guidelines needed to take action for the timely, within cost and quality delivery of the project.

5.4 Destructive Conflict

Capozzoli (1999) again with Cloke (2000) and Lloyd (2001) this time have also described the destructive conflict. According to the authors, if conflict is not managed properly it
Conflict Resolution in an International Project Team

can prove destructive for the project and the organization. Relationships can be damaged, team spirit may be completely lost, the project’s shared vision may be forgotten, partnerships will spoil and hostility and individualism may overpower the team instead. This situation would definitely bring very negative results for the project’s deliverables, and it would of course affect the organization’s structure and well being outside the project as well.

“Destructive conflict has a predictable pattern known as the Drama Triangle” (Loyd, 2001). In this triangle three roles are identified. The project manager is responsible for understanding who is who, because this can set the base for the resolution of the conflict and the taking of win-win results. The three roles of the triangle are:

1. “The Persecutor” is the conflicting party that holds the most strict and aggressive behavior. This person is possible to attack the other party both verbally and physically and has in mind that he/she is the one that sets the rules of the game and holds the superior position.

2. “The Victim” is at the other side of the table. This is usually the person that suffers the behavior of the persecutor. It is the person that feels alone and helpless, and this can provoke both sympathetic behavior and more aggressive as well. They represent the nonassertive party of the conflict that usually is not able to stand for its position and support its arguments.

3. “The Rescuer” is the person that will try to find a solution to the problem. In a project environment, this role must be granted to the Project Manager, who will actually have to protect the victim by the assertive behavior of the persecutor. Despite that, and since being the victim does not mean being right as well, the rescuer may choose to use
aggressive or nonaggressive behavior in order to clarify the situation, both with the persecutor and the victim.

5.5 Dynamics and internal characteristics of a conflict

The internal characteristics of conflict include perception of the goal, perception of the other, view of the other's actions, definition of problem, communication, and internal group dynamics (Barnett, 1997).

- Perception of the goal. The starting point for all conflicts lays on the perception of the goal by the conflicting parties. This may lead them to antagonistic behavior and the energy of the team will be spent on this rather than completing the deliverable.

- View of the others actions. Uncontrollable comparison always disorientates people from their initial purpose. They tend to forget about their disadvantages, focusing on the others’ and creating this way an individualistic spirit.

- Perception of the other can result to the same competitive environment as described above, and this would also affect significantly the team spirit and hared vision.

- Definition of problem. Lack of this characteristic will probably lead the team focus on the wrong issues that provoked the conflict.

- Communication is not original when in conflict. Honesty gives its place to lies, unclear, nonobjective judgment on the issues arisen and the communication, which by the way is the secret of conflict resolution, is destroyed.
Conflict Resolution in an International Project Team

- Internal group dynamics refers to the smaller groups formed within the project team. When these groups are formed unequally, and some may affect results and situations by forcing and putting pressure on them, then conflict is most probable to arise.

As easily understood these characteristics are the central points of the conflict and it is exactly them that have to be initially examined so that the Project Manager comes up with safe results and conclusions regarding the situation affecting the project’s procedures.

5.5.1 The process model and the structural model

One of the more classical and foundational reviews on conflict as an organizational phenomenon is described by Appelbaum (1998) who suggests that research on conflict falls into two models: the process and the structural model.

“The process model”

The process model actually divides the conflict in five separate events, each one taking place in a certain sequence:

(1) Frustration: this happens when each one of the conflicting parties invades the other’s professional role, goals and ambitions. This is when people take a defensive position over situations and tend to see things unclear.

(2) Conceptualization: is met when all parties perceive the existence of the conflict, each one defines it in each one way, and actually affects even more the already high tempered feelings.
Conflict Resolution in an International Project Team

(3) Behavior: after the parties have understood, each one its way as mentioned, the conflict, react to the situation accordingly. This behavior can be intuitive or have a thinking background behind it.

(4) Interaction: the parties’ behaviors meet at this point. Depending on the whether or not these behaviors will be assertive or not, the conflict can reach a zenith point or get smoother at this event.

(5) Outcome: here the difficult part of the conflict has passed, since the parties have shown their attitudes and intentions, and the actual outcome out of this situation is expected. It may vary between instant conflict resolution to long living unpleasantness.

“The structural model”

In the structural model from the other hand we meet the separate characteristics of each conflict separately:

(1) Behavioral predisposition: here the personal characteristics and capabilities of each individual and/or party are included

(2) Social pressure: this refers to the external environment where each party lives and from which it gets affected and pressured, including the family the educational level, professional “dos” and “don’ts” and/or other groups/teams in which he/she is as a member as well.

(3) Incentive structure: this actually refers to the motives and the interests that each party has and presents in a professional antagonistic environment.
(4) *Rules and procedures*: especially norms and practices that the parties have to follow within the organization that they live and work and which affect their attitude before, during and after the conflict.
Chapter 6: Types of Conflict

6.1 Defining the objective

The definition of the project objectives must be one of the first things to do in the initiative phase of the project. The objectives are somehow the “rule” to be followed in order for the whole project team to work under the same vision and goal. Poorly defined objectives can lead to misunderstandings, team, or individual, malfunctions, lack of responsibility and disorientation from the project scope. As a result poorly defined objectives can very usually be the cause for conflict creation among the project stakeholders and team members.

In order to successfully avoid being exposed to conflicts, the project objectives according to Dr Kerzner (2006) must be:

- Specific, not general
- Not overly complex
- Measurable, tangible and verifiable
- Appropriate level, challenging
- Realistic and attainable
- Established within resources bound
- Consistent with resources available or anticipated
- Consistent with organizational policies, plan and procedures
6.2 The conflict environment

Unfortunately the project objectives are not always obvious and the characteristics described above are not always defined properly. This can easily lead the project team members misunderstand their roles and responsibilities. I believe that the most important thing in managing people and situations, and not only in Project Management, is for someone to be understandable and clear enough to transmit to people the message of “what each one of us has to and can do”. It is not always enough for people to know the characteristics of what they have to do, but they have to know the result and the benefit out of it as well. This can prove a secure and simple way for keeping your team dedicated and focused.

When the project objectives are poorly defined then conflicts are possible to occur. The most common types of conflict involve:

- Manpower resources
- Equipment and facilities
- Capital expenditures and costs
- Technical opinions and trade-offs
- Priorities
- Administrative procedures
- Scheduling
- Responsibilities
- Personality clashes

(Kerzner, 2006)
And the author could also add here:

- Cultural differences
- Religious differences
- Differences in style
- Differences in personality
- Everyday habits
- Differences in background and/or gender
- Educational level
- Organizational differences among countries and civilizations from which the team members come

In these organizational differences I would like to include each country’s:

- Financial status
- Educational system
- Conditions of living
- Benefits for the residents

It is essential to add though that these, more specific characteristics, would be a good reason for conflict occurrence in an international, multi-ethnic project team where we can meet important differences in people’s reaction and habits. If we speak for native project team, then the problem would be transformed somehow, according to the various regions of the same country where project team members come from.
6.3 Conflict and knowledge transfer/management

6.3.1 Organizational Knowledge management

Knowledge is a learning organization’s greatest competitive advantage that they may have no control over if they do not have good knowledge transfer practices. The first common practice of Knowledge Management is known as Knowledge Sharing, the practice of making tacit knowledge into explicit knowledge and placing in a document for others to find. The second practice is Knowledge Transfer which can prove even more useful. Knowledge Transfer is the exchange of explicit knowledge from one person to another, from one organization to another.

It is common that most of the knowledge used in a project comes, or at least should be coming, from experience acquired from previous projects, mistakes already done in the past and best methods practiced in the past from the same company or from the same sources of another organization. Therefore, if a company’s knowledge management system is poor, it is possible that the project manager will have increased possibilities of falling into mistakes in his projects with the risk of losing essential time, over budgeting and/or producing a low quality and below expectations product.

Still a company’s knowledge management system, as well as its documented lessons learned, is not helpful only for the project manager but for the project team as well. The whole of the team should have access in such knowledge, and especially in international projects, because in such cases it is most possible that they meet circumstances that they have never worked on or even thought. Despite this, the organizational culture changes from one country to another, and
obviously so does the knowledge management system, meaning that the team members of a project in China will have different methods and tools of documenting, transferring and sharing knowledge that the team members of a project in Argentina.

6.3.2 Interdependence with conflict occurrence

The possible lack of specialized knowledge, necessary in the international projects, and the difference among the countries’, and consequently the organizations’, knowledge management systems are not the only reasons that can connect knowledge with conflict. It is for granted that if knowledge is not transferred at all, or it is transferred wrongly, misunderstandings and bad communication could arise. These two elements are very strong signs of conflicts, and can be created as described from bad knowledge management, but still there are other knowledge malfunctions that can lead to the same result.

There are cases in which people do not want to participate to the knowledge sharing or transfer. There are five main reasons for which people may be unwilling to contribute their knowledge:

- The idea that ‘Knowledge is Power’. This idea may hold true for certain people like a specialist at a firm that has built a reputation as knowing a certain skill or trade of the company, and he feels that if he gives up his ‘tacit’ knowledge to others, he may no longer have the expert status that he once had, and may no longer be needed.
- When the company or individual ‘suffers’ from the “not invented here syndrome” which implies that if it wasn’t thought of in house that it is not worthy of looking at
anyways. The problem here is that you will not always have the answer and someone may have already found a solution for the problem you are working on.

- When people may not realize the importance of knowledge and that it may apply in other areas other than just their own. What you have done on one project may be useful in another project or business unit as well; you just may not know it.

- The forth reason deals with the lack of trust. If I share my knowledge will you take it out of context and mis-use it, or will someone take it as their own and not give me credit when it is due.

- Finally we have the lack of time. You have finished your project and documentation, and its time for the implementation or for the next project, you simply don’t have the time needed to add your information/documents to the knowledge base, even if you know it is useful.

For me knowledge sharing and transfer is essential for the project world. Still when we meet the cases described above it is highly possible that our team will have either lack of essential knowledge, or no knowledge at all, or communication problems. The interdependence of the knowledge management and the conflict occurrence lies on these facts and a project manager should pay special attention to them, so that he has a well trained and easily communicable team and avoid conflicts.
Chapter 7: Conflict in an International Project Team

7.1 Introduction

What is for granted? The fact that the world, and consequently the market, changes rapidly day by day. What is inevitable? The fact that this situation will pass, and is already affecting, the project world. The need for new more complex products, that will need the corporation of bigger, more flexible, and more differentiated project teams will be increasing. Due to this sequence, it is highly possible that project teams will require more and more members of different cultures, mentalities, ethnicities, habits and personalities, because this is will be the mean to cover the production of deliverables that will satisfy the needs of a globalized, and therefore more demanding, environment. Multi-ethnic project teams will become a common phenomenon in projectized organizations and even more special project management skills will be required in order for this team to be correctly guided to success. This will be the increasingly demanding role of the Project Manager, who will have to deal basically with the even more and more often conflicts that will occur within an international project team. This is actually a mathematical calculation, that things will turn out to be like this, and immediate and sufficient solutions must be discussed regarding the conflict management processes.

(Appelbaum, 1998)

It is not difficult to understand that as the world is lead towards a globalized environment the more people will meet different cultures, habits and working environments in their every day life. It is essential though to think that individuality and personal characteristics should be kept untouched within these diverse environments, not only favor of each one’s personal life and
beliefs but also in favor of the project success. When we will find the way to both manage correctly and let people be themselves, we will contribute so that every team member will be able to give the best out of his/her work, be able to feel safe and comfortable as a team member among strangers and try to maximize performance for him/her shelf and the team as well. For that reason Managers will have to become more and more cultural sensitive and their subordinates will have to become more and more flexible in their corporation, co-work and co-living with partners coming from different “worlds”. Nevertheless, in order for Project Management to reach a point where multinational project teams will work “by default”, conflict occurrence and conflict resolution will take more and more space within the project environment.

7.2 Conflict occurrence

7.2.1 Cross cultural differences

According to Anbari (2003) cultural differences and dimensions reflect basic problems with which every society has to cope with and for which solutions differ. These differences give a clear image of how people can be affected by their environments. This affection could easily create problems within an international project team, since it reflects the how people have learned to live and work in their everyday life. When these kinds of habits come across, it could be a very good reason for conflict occurrence, since it would create serious trouble in the team’s corporation and well being.

These dimensions could be grouped in the following categories:
Conflict Resolution in an International Project Team

- Relations Between People

These relations, according to Hofstede could be distinguished between individualism and collectivism.

- Motivational Orientation

Societies choose ways to cope with the inherent uncertainty of living. Hofstede here identifies three dimensions: masculinity versus femininity, amount of uncertainty avoidance and power distance.

- Attitudes toward Time


- Control

Where culture believes that it controls its environment or that it works with it.

- Socio-Cultural Dimensions

Aycan (2000) proposes further dimensions: paternalism and fatalism. In a paternalistic relationship the role of the leader is to guide and protect, and the one of the subordinate is to be loyal. Fatalism is the belief that it is not possible to control one’s actions, and therefore it is vain to make long term plans.

- Context
Context is the information that surrounds an event. There are cultures that are very well informed through their networks about how things evolve and work in a project environment and others whose information on the subject is poor.

- Convergers and Divergers

Convergers are action oriented and are good at setting goals and getting things done, while Divergers prefer reflection and observation and appreciate different points of view.

### 7.2.2 Cultural Differences in Project Teams

Some basic cultural characteristics that give us a clear image of how cultural differences can create conflict among team members and affect the team performance are the Power Distance, the Uncertainty Avoidance, Individualism versus Collectivism, Control, Masculinity versus Femininity, Long term versus Short term Orientation, Time Orientation, Context and Convergers and Divergers.

**Power Distance**

This describes the extend in which less powerful members of organizations and institutions accept and expect that power is distributed inadequately. The basic problem involved is the degree of human inequality that characterizes the functioning of each particular society. (Hofstede, 2000)

**Uncertainty Avoidance**
Uncertainty avoidance deals with a society’s tolerance for uncertainty and ambiguity; it ultimately refers to man’s search for Truth. (Hofstede, 2000)

**Individualism versus Collectivism**

Individualism is the one side versus its opposite, collectivism, that is the degree to which individuals are integrated into groups. On the individualist side we find societies in which the ties between individuals are loose: everyone is expected to look after him/herself and his/her immediate family. On the collectivist side, we find societies in which people from birth onwards are integrated into strong, cohesive in-groups, often extended families (with uncles, aunts and grandparents) which continue protecting them in exchange for unquestioning loyalty. (Hofstede, 2000)

**Control**

Trompenaars & Hampden Turner (1998) identify *internal versus external* control where culture believes that it controls its environment, which could also be the state and/or the government, or works with it. They describe this distinction in: *Relations with nature*, where every culture has developed an attitude towards nature, acting with or against it for survival, *Internalistic*, where people have a more mechanistic view of nature and *Externalistic*, where people have a more organic view of nature and should operate in harmony with the environment.

**Masculinity versus Femininity**
Hofstede (2000) also identifies masculinity versus its opposite, femininity refers to the distribution of roles between the genders which is another fundamental issue for any society to which a range of solutions are found.

**Long term versus Short term Orientation**

This dimension refers to the extend to which each culture tries to acquaint its people with delayed gratification of their material, social and emotional needs. It tries to distinguish the difference in thinking between the East and West (Hofstede, 2000)

**Time Orientation**

Trompenaars & Hampden Turner (1998) identify *sequential versus synchronic* cultures. In the first approach time moves forward, second by second, and people following it tend to do one thing at a time, in the second one time moves in circles and people supporting it usually several things at a time.

**Context**

Here we meet Anbari (2003) noticing that cultures are distinguished according to the amount of information networks that people living in it have. Cultures where people have extended networks are enforced by personal connections, but in cultures with low-context people are enforced to agreements through laws, rules and procedures.
Convergers and Divergers

As already mentioned above, Convergers are action oriented and are good at setting goals and getting things done, while Divergers prefer reflection and observation and appreciate different points of view.

The dimensions described above, and the ones that will follow, show us clearly the characteristics of almost every culture. It is difficult to give IDs to people, and even more difficult to cultures. Nonetheless, these cultural characteristics both exist and affect an international project’s success. People are not easy, and/or willing, to forget about their own dimensions so that they won’t come to conflict with the other members of the project team. These differences show the high level of conflict probability within the project team, since people’s cultural characteristics interact with each other in every second of the project life. Conflict will arise as a result of the human diversity and special handling is needed in order to manage it.

7.2.3 Communication and trust

Looking at the issue of conflict as well as group development, Appelbaum(1998) says culture and its variable characteristics can play a significant role in conflict occurrence and conflict resolution. Cultural differences are mostly probable to “feed” the conflict, due to the existence of the two following parameters met in an international project team:

(1) “Mistrust as a source of conflict”: Trust is difficult to unfold in an international project team, because people have the tendency to approach more easily those who come form
Conflict Resolution in an International Project Team

the same environment as theirs, even if they would not like them that much under normal conditions, rather than those who are still strangers for them, and carry different habits and casualties. Culturally historical events may play a role here, especially for those whose increased ethnic feelings. For example, imagine how an American Project Manager would think of an Arab sponsor of the same project, 8 years ago when the memories of the 9/11 were still open.

(2) “Miscommunication as a source of conflict”: If we sit down and think how difficult communication has become among people of the same group, team and/or culture, then we can easily come up with an impression of how more difficult cross-cultural communication will be.

Here I would like to point out the importance of communication both in the business world and especially in projects. Project and business success is supposed to be consisting of 95% of communication. It is for the exact same reason that Project Managers, and Managers in general, are not usually selected for their high level of technical skills, but for their communication and personal ones. The technical issues of a project will be handled by the technical experts working in it, and who will follow the schedule, instructions and vision given by the Project Manager. If communication fails within an organization and its projects, then it is highly impossible that people will be eager and able to work for it and its success. Therefore, conflict occurrence is highly possible within an international project team. People have trouble communicating, not only for the cultural differences described above, but even for simpler reasons, some of them retrieved from the web page http://www.academy.eurochambres.eu, such as:

- Difference in the language spoken
- Different religions
Conflict Resolution in an International Project Team

- Different level of education and
- Different personality and idiosyncrasy
- Different ambitions and perspective
- Differences in the law system
- Geographical and geopolitical differences
- Working habits/customs
- Gender stereotypes
- Holidays
- Currency
- Class/social position

For example, the performance of a Muslim project team member is expected to be low and below expectations during the Ramadan. Muslims are not allowed to be working during this period and even if they do they do not feed themselves with the necessary ingredients so that their body and mind will be alert for intense work. This could create trouble with the team members that support different religions and who would be forced to work more during this period. In another case conflict could be created when a project’s Technical Expert from Europe for example, would try to explain a difficult and complex procedure to one of his team members or even worse project worker coming from India. The difference in the educational level of these two would make communication difficult and could lead to misunderstandings and mistakes. Bad communication issues within a multi-ethnic project team, obviously having different communicational channels, can arise due to the following reasons as well (the information is retrieved from the web page http://www.academy.eurochambres.eu):
• **Differences in body language or gestures.** A gesture rarely has the same effect in all cultures around the world, and the differences become even more intense and obvious for cultures coming from different continents. An example here would be the gesture of the open palm, a very rude way to express your bad feelings for someone in Greece, a very natural way from the other hand to show number five in China.

• **Different meanings for the same word.** It is not only gestures that can have misinterpretations, but words as well. Only that in this case it is not only the word and the letters used that can be mistaken, but the attitude and the general behavior of the person that says it. Think of how many ways exist with which you can ask from someone to bring you a glass of water from the kitchen.

• **Different assumptions made in the same situation.** The sequence and speed with which our brain processes information differs. If we add in this characteristic the cross cultural differences among team members, it becomes even harder for people to come up with the same results and assumptions for every situation that they meet. For this reason it is wise to make effort to be as more open and communicable we can, within an international project team, so that people around us understand the way that we perceive and process the information of the project. (Laroche, L.)

Therefore in these cases it is required from the Project Manager to both select the team members correctly and assign their roles and positions properly, as well as to organize the project responsibility and accountability matrix clearly, so that communication becomes easier among all levels of team members in an international project.
7.3 Conflict Resolution

7.3.1 Approaches to Conflict Resolution

In *Project Management: A Systems Approach to Planning, Scheduling, and Controlling*, by Kerzner (2006) we meet five conflict management styles. Below we will present them using the knowledge offered by the author. These styles are Confronting, Compromising, Smoothing, Forcing, and Avoiding.

**Confronting** is the most assertive style to follow since it includes the conflicting parties’ will to collaborate and find a positive solution for all. The attitude followed here is a sign that the conflict resolution will come through a win-win solution and the parties are willing and able to overcome personal anxieties and insecurities in favor of the improvement of the project’s working environment towards a common goal. According to Dr Kerzner (2006) the following parameters should be included in order for the style chosen to be confronting:

- “Both parties need to win.”
- “You want to decrease cost.”
- “You want create a common power base.”
- “Skills are complementary.”
- “Time is sufficient.”
- “Trust is present.”
- “Learning is the ultimate goal.”

**Compromising** is not far away from confronting. The similarity lays on the fact that both parties want to come up with a positive win-win solution, but in most of the cases they both have
to meet one half way. They may have to give up with part of their arguments in order to take something else given by the other part. This style should be followed when:

- “Both parties need to win.”
- “You are in a deadlock.”
- “Time is not sufficient.”
- “You want to maintain the relationship among the involved parties.”
- “You will get nothing if you do not compromise.”
- “Stakes are moderate.”

(Kerzner, 2006)

*Smoothing* is not the style that will definitely resolve the conflict, if followed, and that will not surely leave both parties with the same degree of satisfaction if it does end. In order for this style to be successful in conflict resolution one of the conflicting parties will have to show more positive attitude and accept to “loose” more that he/she will take back. The key points here according to the author (Kerzer, 2006) are:

- “Goal to be reached is overarching.”
- “You want to create obligation for a trade-off at a later time.”
- “Stakes are low.”
- “Liability is limited.”
- “Any solution is adequate.”
- “You want to be harmonious and create good will.”
- “You would lose anyway.”
Conflict Resolution in an International Project Team

• “You want to gain time.”

Forcing. Things here become crueler. In occasions like this there is no way that a win-win solution will be found. Instead of this the arguments, goals and expectations of the one party will overpower the ones of the other party who will be the lost of the conflict. This style is also referred by Kerzner (2006) as obliging and it is recommended to be used when:

• “A "do or die" situation is present.”
• “Stakes are high.”
• “Important principles are at stake.”
• “Relationship among parties is not important.”
• “A quick decision must be made.”

Avoiding is not the way to resolve the conflict. It is rather a way to cancel the procedure to be followed for resolution, and transfer it for another time. This of course is not recommended, because it can harm the project even more, since the true problem continues to exist and affect the relationship of the team members of the project participating. There is actually no chance of having a win-win solution out of this attitude, since you actually will spend no time trying to resolve it. Still Dr Kerzner (2006) gives us the only cases for which avoiding a conflict can be chosen as a conflict resolution style:

• “You can not win.”
• “Stakes are low.”
• “Stakes are high, but you are not prepared.”
• “You want to gain time.”
Conflict Resolution in an International Project Team

- “You want to maintain neutrality or reputation.”
- “You think problem will go away.”
- “You win by delaying.”

The “Interest Based Relational (IBR) Approach” is also a very useful tool which both esteems the human individuality and does not allow people take solid positions:

The steps to be followed in order to resolve a conflict when this has occurred:

- **“Make sure that good relationships are the first priority”**: As long as you follow this rule, you will be able to create the basis for a tranquil, discussion able and with respect to the individual environment within the project team.

(http://www.mindtools.com)

- **“Keep people and problems separate”**: Wrong conclusions regarding the source of the conflict can be drawn if one falls in the trap to not distinguish peoples’ personalities and characters from the real reason, especially the professional ones, that caused the conflict in the team.

(http://www.mindtools.com)

- **“Pay attention to the interests that are being presented”**: Being a good listener can only prove an advantage in these cases because it gives the opportunity to understand why people support their sayings.

(http://www.mindtools.com)
• “Listen first; talk second”: In many cases people agree both in what they say and in what they think but they never take the chance to understand it, because they rarely listen carefully and objectively to what others say.

(http://www.mindtools.com)

• “Set out the Facts”: Discover the true story firstly. Set the scene of what is done in order to be able to recognize the objective of the conflict.

(http://www.mindtools.com)

• “Explore options together”: Never sit back believing that you have discovered all possible choices of actions for resolving the conflict.

(http://www.mindtools.com)

These rules can prove a very useful tool for a Project Manager and/or team member in an effort of recognizing the conflict as a natural situation during a project and not as an alienated part of the body of the project.

7.3.2 Conflict Management

Since conflict is an integrated part in the project environment, its management is supposed and should be considered from the very beginning of the project. Just like the project stakeholders are defined in the stakeholder analysis, the risk mitigation procedures are included in the risk management plan and communication is controlled through the communication plan,
the conflict management procedures should be written down in a conflict management plan in the planning phase of the project. Waiting for the conflict to occur in order to decide the way to resolve it will prove to be a fatal mistake, and it will actually mean that conflict is not considered as possible to happen during the project. Still this is impossible, even for lower range projects. Consequently a project charter should include a conflict management plan, whose procedures should be followed every time that a conflict threatens the project continuity.

Now according to the information retrieved from the web page http://www.esmap.org the three main stages of conflict management can be defined as conflict identification, conflict mapping, and conflict resolution.

**Conflict identification:** Identifying the areas of conflict is one of the most important and difficult parts of the job of the Project Manager. Here he not only has to see the conflict rising but he also has to understand the conflicting parties as soon as possible. It is revisable in many cases that a conflict identification tool should be included in the project’s Stakeholder Analysis and Communication Plan from the very beginning of the project. Using this way a Project Manager will be able to identify the conflict on time, understand which part of the project it affects and recognize the risk of its existence.

(http://www.esmap.org)

**Conflict mapping:** Once the problem has been originally identified, it has to be researched in depth so that its roots become obvious both to the conflicting parties and the project manager. Perceiving the evolution and sequence of the circumstances that ended up to be a conflict is not an easy job to do, especially when the conflict stakeholders are more than two, and even more especially if the conflicting parties are not only members of the project team, but
the customer or the state as well. In order for the conflict resolver to have a more clear view of the conflict’s roots and evolution he can make and use the conflict’s map.

(http://www.esmap.org)

**Conflict resolution:** Finally the conflict resolution process must take place in order to enlighten the situation and give an end to whatever endangers our project. The conflict resolution methods and styles described above can lead to a win-win, win-loose or even loose-loose result. Still here, according to the information retrieved by the Community Development Toolkit, retrieved by http://www.esmap.org, some more usual characteristics of conflict resolution are presented:

- **Negotiation:** In this process, discussion between two or more parties has the objective of finding common solutions to problems, following the “give and take” rule.

- **Mediation:** In this case the conflicting parties allow an outsider to play the role of the helper. He will be responsible for gathering the information concerning the conflict, guiding the parties to resolution through conflict management procedures, making the options, and especially the positive ones, obvious to all participating in the conflict and setting the ground rules of the discussion and negotiation. The key point here is that the helper is not pressing or affecting any decision or solution to the problem, but his position is neutral.

- **Arbitration:** This solution looks like mediation till the point that time for decisions comes. In this point the person playing the role of the helper is also responsible for taking the decision for the conflict resolution terms. After he has examined impartially the data of the conflict he takes a decision to settle it, which must be accepted from the conflicting parties.
• **Mediation-arbitration:** A combination of the previous two methods is mediation-arbitration. The person that helps the procedure will be asked to decide for the conflict resolution only in case that the mediation method proves insufficient to do it.

### 7.3.3 Using the Tool: A Conflict Resolution Process

Still conflict resolution may be considered as a theoretical approach of problems created in a project, and many people would agree that there are hundreds of ways to sit down, negotiate and come up with solutions for the problems arisen during the project. Still this looks even more theoretical and we have to admit that in most of the cases that things are left pending, and people tend to wait for problems to come in order to think for possible solutions, it is usually too late. We should not neglect that we analyze a part of the project environment, and during the project solutions must be effective, sufficient, fast and accurate. For this reason exactly a conflict resolution tool is provided below, in order for people to be ready to come face-to-face with the problem, using the information retrieved by the article in the web pages http://www.mindtools.com and http://www.mentalhealthforum.net.

According to this information Project Managers can find a very useful tool in conflict resolution if they follow the five steps described below:

**Step One: Set the Scene**

Prepare the ground for discussion by trying to keep both others’ calm and yourself as well. Invite the conflicting parties to a discussion or meeting after the objective and fundamental issues of the discussion are identified.
Conflict Resolution in an International Project Team

Even if you are not simply the facilitator in this case, but you are part of the conflict as well, these initial basic rules should be followed so that your example becomes the guide for others to follow.

Furthermore, try to make things look solvable but not loose importance. If the conflict becomes a major issue within the company circles, the environment will most probably be even more electrified. Try to prepare yourself and others with a problem-solving mood, rather than a competitive one.

**Step Two: Gather Information**

It needs major effort to be honest with you in order to understand clearly what the problem for you is. Only if you take this information out of your thinking, will you be able to convince people trust you and expose their opinions about the situation fairly as well.

Knowledge is power in these cases, meaning that the more one knows about the roots of the problem he better he can perceive it and the more clearly he will be able to identify the alternative solutions.

Moreover, try not to mess up the situation by mingling in the conflict more people than were initially participating in it. This means that the gathering of information must stop at the point were the conflict is fully identified, neither before, nor beyond this point.

Some useful advices according to the article *Conflict Resolution* from the web page http://www.mentalhealthforum.net will be to:

- Use “I” statements.
• Remain flexible.
• Clarify feelings.
• Separate people from the problem
• Maintain trust

Step Three: Agree the Problem

This step is closely related with the previous two, and although it looks very much like part of them, it is considered better if it stands alone as a single step. Why this? Because this is the major step for beginning either the discussion or the negotiation on the problem.

When the problem is not clearly stated and agreed, it is rather possible that people will get disoriented during their effort of conflict resolution, they will lose, or forget, their arguments and this will worsen the situation instead of helping it.

Step Four: Brainstorm Possible Solutions

Try not to exclude ideas and opinions that fell on the table. If people feel strangers in the discussion or feel that they have offered nothing to the resolution of the conflict, they will most probably not agree with final result. Therefore we should try to hear all options and never forget that solutions for major problems are hidden in simple answers.

Step Five: Negotiate a Solution

If the conflict is not 100% resolved in this step, then the best you can do is start negotiating a common and acceptable solution for everyone. Remember that usually people are not willing to give anything until they are sure they are taking something back. In order to cover that, negotiations should be guided and controlled by an impartial third party of the conflict.
7.3.4 International Project Team and Conflict Resolution

In order to better understand how to deal with conflicts and achieve their resolution in terms of an international project team we meet the Trompenaars and Hampden-Turner (1998) classified cultures along a mix of behavioral and value patterns. Their research focuses on the cultural dimensions of business executives.

In their book "Riding The Waves of Culture" (1997), Trompenaars and Hampden-Turner present a seven value system of cross-cultural dimensions in the project team, that can characterize big part of the differences of a multi-ethnic project team, and also have similarities with Hofstede’s dimensions on the subject.

The seven value dimensions identified by the authors were:

1) "Universalism versus particularism"
2) "Communitarianism versus individualism"
3) "Neutral versus emotional"
4) "Defuse versus specific cultures"
5) "Achievement versus ascription"
6) "Human-Time relationship and"
7) "Human-Nature relationship"

Under these dimensions our authors offer some important advices which, according to me as well, must be given special attention in order for conflicts within an international project team to be avoided. The important thing in international projects is and their conflict resolution for project managers and/or team members is to be cultural sensitive and follow some simple rules.
Conflict Resolution in an International Project Team

Normally there is no learning organization nowadays that would send its Project Manager and Project Team manage an international project without having firstly trained and informed them about the cultural differences and habits of the country where the project takes place.

As explained below from the authors, one of the most critical characteristics of conflict management in international projects is to be as better informed as possible so that you won’t let the conflict occur form the first point. Sensitivity, attention and knowledge are necessary both for managers and team members in order for them to carefully handle the project and bring it to a successful end. And remember: Paying attention to other culture’s differences is not only a sign of humanity, respect and anti-racist behavior, but also of professionalism and of successful team building in project management.

Therefore Trompenaars and Hampden-Turner (1998) suggest for each dimension the following:

• **Universalism versus Particularism**: In a universalistic culture relations and trust in a professional level are built faster and people are usually more open in doing business. On the other hand members of particularistic cultures need more time in order to unfold feelings, come to agreements and find ways in evolving trust and satisfying communication with their business partners.

• **Communitarianism versus Individualism**: In communitarian cultures it is a common belief that people work better in teams and are motivated efficiently through the total team performance, although an individualistic culture would teach that personal motivation, self-motivation and give and take relationships are the keys for success.
**Neutral versus Emotional**: People that stick to schedule, follow all the rules by letter and rarely take risks and leave things to luck are probably coming from neutral cultures, while people that are more emotional, try to do things with which they also agree and not just follow solid rules, and trust their instincts more, are probably coming from emotional ones.

**Specific versus Diffuse**: People coming from specific cultures tend to be very straight and open, often considered rude and bad tempered, since this is the way they know on how to transmit knowledge or communicate their orders. On the contrary things work differently in diffuse cultures, where people choose more diplomatic ways to express themselves and/or ask for help or for a job to be done.

**Achievement versus Ascription**: Problems are also possible to arise if we absolutely connect the achievements of our team members with their performance. It is difficult to assign the management positions of a project to young people who may have the achieved performance but also lack experience.

### 7.3.5 Cross –Cultural Communication

Following the same rational, and since communication consist the 95% of project management, I would like to add that especially in international project teams cross-cultural communication would be even more important like the 98% of successful project management. In today’s global business environment, more and more of us are required to understand people who come from countries and cultures different from our own. While there is no short and easy way to learn about a given culture in any depth, there are some general principles that lead to success in communicating and conducting business with people of backgrounds unlike our own.
Understanding how to practice cross-cultural communication in an international project could prove savior in the effort for conflict resolution. Still, according to Dr. A.J. Schuler, we should understand some basic points on the subject such as:

1. “Direct experience is the best way to begin to learn any culture.” In the same way that you learn a foreign language correctly, by immersing in it, exactly in the same way you can learn another culture. You have to jump in it and take the most knowledge about it that you can acquire. Even the use of local radio stations, music and/or your communication with people living in this culture can prove helpful ways to discover it in depth.

2. “Differences can feel like a threat at first.” No one likes to feel like a stranger in the environment that he works or lives, and the fact that sometimes we can not distinguish any commonality between our habits and abilities with the others’ around us, can make us feel alone. Still, and since we admit that this is a part of human behavior and feelings, it is more important to bare in mind what do we have in common with others rather than where we differ with them.

3. “We tend to overlook similarities and notice just the differences” when we first begin to interact with members of another culture.” People tend to forget that their anxieties, fears and complexities can be someone else’s as well. When it comes to the others’ problems we forget ours and this can lead us nowhere else than to mistaken conclusions about our environment. Besides that we all carry the same DNA in a percentage of 98%.

4. “Stereotyping due to overgeneralization is a common occurrence, especially among those who only interact with another culture infrequently.” When we rarely come to communication with another culture it is easier to draw wrong conclusions from what we
Conflict Resolution in an International Project Team

observe and more difficult to see the reality and face a situation objectively. In these cases people tend to come up with generalizations and as a result to create prejudice.

5. “There is always more variation within groups than there is between them”. This means that it is most common to meet differences among people that are members of the same group, rather than meet them between the groups that these people form. Imagine that we have two groups of people, X and Y. In group X we have people who love football, some others that love basketball, some that like tennis and some that love swimming. The members of this group are separated in teams, within the group, according to what sport they like and this is a matter of serious differences among them. Still, the whole of group X is not that different with the whole of group Y, since there are people that love all these sports in group Y as well. This is exactly the reason, as the author says, why cross cultural communication takes effect. In order to be able to communicate with people that are different from us, we have to think very well about our way of seeing things and also understand the way other people think and act.

6. “Our own cultural identities are not apparent to us” till the point that we too start interfering with other civilizations and cultures. It is the arguments described above that can easily lead us to this result.

7. Finally “cultures are always changing, especially as they interact with each other.” It is definite that we live in the era of changes, and that these come sometimes faster than we can even think. All cultures change, even the slowest in evolving, and when they interact with each other these changes take place even faster. In addition to that, we should not neglect the fact that when different cultures interact with each other both their changes and their differences become more obvious to one another. Still, there are ways to discover on how to bridge the gaps among
cultures, and offer to their people more experience, more useful knowledge and know-how and a better chance for their future generations. (Schuler, 2003).

7.3.5.1 Potential Hot Spots in Cross Cultural Communication

Moreover it is helpful to know and understand some very interesting points that would need special attention when trying to avoid creating conflict within an international project team. As already mentioned, knowing another culture, or at least trying to understand it, is definitely an advantage for those who want to manage or be managed effectively during the project.

Psychologists, such as Dr Schuler (2003), propose some very interesting tips that if given the appropriate attention will prove very useful both in conflict avoidance and conflict understanding and resolution, if ever arisen. These tips are:

1. “Opening and Closing Conversations”: Starting a conversation and/or ending it, is not experienced in the same way by all cultures. Sometimes even the way that people speak, their gestures during the conversation their way to argue, agree or disagree with a statement differs. Therefore it is crucial for team members of an international project team to understand how to open and close a conversation in a way that would not be offensive towards any other of their team mates. For example, when I meet a customer I tend to shake hands really strong, because this makes me believe that this way I can gain his/her trust immediately and transmit to him/her part of the energy that I have gathered for our meeting and make it more interesting. I am sure though that this is not exactly the message that I would give to my colleagues form England if ever met some in a project; this would rather be annoying and painful for them.
Conflict Resolution in an International Project Team

2. “Taking Turns During Conversations”: There are cultures in which it is common and useful for all to brainstorm all together almost at the same time, take turns in a more abusive way, by almost interrupting the other speaker, and from the other hand there are cultures in which the conversation and the dialog is something sacred, during which everyone has to speak in turn and everyone has to wait for others to express themselves.

3. “Interrupting”: As mentioned above, there are cultures where interrupting the others speech and brainstorming abusively is more common than allowing people finish their phrase and complete an argument. In Greece and in the biggest part of Europe as well, interrupting the co-speaker continuously may be the cause for hostile behavior and for occurrence of a serious conflict.

4. “Use of Silence”: It is also common for people in some cultures to use some seconds of silence before they answer to the argument expressed by the team member speaking before them. This would be a sign of paying attention to what others say and of more deep thinking and respect to the others’ points of view. In the contrary there are cultures that would take that as sign of indifference, unpleasantness and depreciation to what others say.

5. “Appropriate Topics of Conversation”: Not all cultures are used to discussion on the same subjects. For example, it is common for Greek people to discuss openly for personal anxieties, fears and/or beliefs without feeling that they offend neither themselves nor the people that are in the same table. This could also be faced with a sense of humor, something that would not happen among people from another culture. It is more possible for a Greek to look strange to someone coming from another culture if he starts speaking about his personal life and/or asking similar questions.
6. “Use of Humor”: The use of humor and especially within professional project environments is not always accepted by all cultures. In addition to that it is not always easy to use your sense of humor when being amongst people, for whom you cannot be sure whether or not they will perceive it as humor.

7. “Knowing How Much to Say”: It is the same like knowing when to stop. It is most probable that you will find yourself exposed if you just don’t understand when, how and why to give an end to what you are saying. You will either say things that you did not intend to, or will insult someone’s feelings without understanding it. Despite that, it is more wise to sit down and listen to what others have to say, because this is actually the way to discover how to gain their trust and respect. As Spartans in Ancient Sparta used to say: “Saying few is philosophy.”

8. “Sequencing elements during conversation”: One of the most useful tools to understand when discussing within an international team is when comes the appropriate time to ask for something, argue with someone and/or stand for your opinion. The right timing is one of the most difficult things to understand in a culture’s behavioral system. Still, if perceived it can prove enough to help people avoid conflicts within an international project team and make communication and meanings among them more accurate. Do not neglect the fact that whenever you ask your friends, family and colleagues what went wrong after a bad result in a relationship or professional activity the most common answer is: “Things did not go well because the timing was bad.”
7.3.5.2 Strategies for effective Cross-Cultural Communication

What else would be useful and essential for effective Cross-Cultural Communication? Simple strategies, simple list of things to do that would help the conflicting parties and the person trying to resolve it reach an end. My advice is simple also: We don’t have to be neither experts, nor extremely well educated, nor expert scientists in order to communicate with other cultures and avoid the points of conflict. We just have to behave honestly, be ourselves and respect others just like our nature tells us to do.

More specifically cross-cultural communication, that will consequently lead to conflict avoidance and/or resolution in an international project team demands to:

- Ask questions
- Distinguish perspectives
- Build self-awareness
- Recognize the complexity
- Avoid stereotyping
- Respect differences
- Listen actively
- Be honest
- Be flexible
- Think twice
Chapter 8: Project Management Skills

8.1 What does a Project Manager do?

Project managers are a very special breed of people. They are in much demand and will be increasingly so as the need for effective technologists continues to soar. Good project managers are trained, but also carry strong personal skills. They develop skills through experience and education. They become better project managers each time they successfully deliver a project. They learn new techniques and apply them on their projects. They learn lessons—sometimes the hard way—to be better managers in the future.

Especially a Project Manager should be able to:

- Define and review the business case and requirements by regular reviews and controls to ensure that the client receives the product that he or she wants and needs.
- Initiate and plan the project by establishing its format, direction, and base lines that allow for any variance measurements and change control.
- Partner with the end users, work with project sponsors and other management to establish progress and direction of the project by achieving goals, reaching targets, solving problems, mitigating risks.
- Manage the technology, people, and change in order to achieve goals, reach targets, and deliver the project on time and within budget.
- Manage the project staff by creating an environment conducive to the delivery of the new product in the most cost-effective manner.
- Be able to manage uncertainty, rapid change, ambiguity, surprises, and a less defined environment.

- Manage the client relationship by using an adequate direct yet complete and formal reporting format that compliments a respected and productive relationship.

- Drive the project by leading by example, and motivating all concerned until the project accomplishes its goal.

8.2 The Project Manager’s role

According to Dr Kerzner (2006) the Project Manager’s job is not an easy one. Project Managers must have increased responsibility, but very little authority. It is this lack of responsibility that forces the Project Manager “negotiate” with the upper management as well as with the functional manager for control of the company resources. It sounds strange to say that a Project Manager may be treated as outsider from the formal organization.

A Project Manager is actually a general manager and gets to know the total operation of the company. In fact project managers tend to know more about the company than any other executive in it. This is exactly why project management is often used as the training ground for upper management positions.

The project manager's role in a nutshell is the overall responsibility for the successful planning, execution, monitoring, control and closure of a project.

Here it would be useful to mention both some basic responsibilities for an efficient project manager and the most important characteristics of a properly working project team.
Conflict Resolution in an International Project Team

Starting with the responsibilities that a project manager should evolve in order to deliver the project on time, within budget and quality standards, I would like to mention:

Planning: Project manager clearly defines the project objective and then reaches an agreement with the customer on this objective then the project manager communicates with the project team in such a manner to create a vision of what will constitute successful accomplishment of the project objective.

Organizing: Organizing involves securing the appropriate resources to perform work. Firstly the project manager should decide which task should be done in the house and which the consultants should do. Additionally, the task of organizing involves creating an environment in which the individuals are highly motivated.

Controlling: To control the project, the project manager implements a project management information system designed to rack the actual process and compare with the planned progress. Project team members monitor the progress of their assigned task and regularly provide data on progress, schedule and cost. It’s important that problems, even potential problems are identified easily and actions are taken.

8.3 Essential project management skills

If I was asked an opinion about what project management needs today, I would have an answer ready. I believe that project management needs much more of skills and strong personal characteristics rather than technical knowledge and practice experience. In one of our first PM courses we answered the question: “Should we choose a technical expert as a Project Manager or
not?” The answer was simple and definite. Project Management requires special personal skills, which one has to practice, learn and evolve and not strong technical background.

Flannes (2005) has helped us recognize some of the most important skills that a Project Manager should have in order to be successful as well as professional. These skills are the following ones:

- Communication skills
- Organizing skills
- Leadership skills
- Administrative skills
- Team building skills
- Coping skills
- Technical skills

More generally a Project Manager should be a Leader, a Manager, a Facilitator and a Mentor concerning his relationship with his team. Still the leadership skills that the Project Manager will evolve are the most important ones regarding his image in the team’s eyes. More specifically the Project Manager should be able to:

- Motivate people
- Manage conflict
- Elicit commitment
- Assist in problem solving
We should accept these skills as essential, because lack of them will prevent the project team from respecting, following and working for the Project Manager.

8.3.1 Conflict Resolution skills

Conflict is a normal, and even healthy, part of project management. After all, two people can’t be expected to agree on everything at all times. Since conflicts are inevitable, learning to deal with them in a healthy way is crucial. When conflict is mismanaged, it can harm the project and its results. But when handled in a respectful and positive way, conflict provides an opportunity for growth, ultimately strengthening the bond between the team members and/or the project manager with the team. By learning the skills that a project manager needs for successful conflict resolution, he can keep the team’s professional relationships strong and growing.

These skills, with the help of Meredith (2006) can be described as follows:

- **Manage stress while remaining alert and calm.** By staying calm, you can accurately read and interpret verbal and nonverbal communication.

- **Control your emotions and behavior.** When you’re in control of your emotions, you can communicate your needs without threatening, frightening, or punishing others.

- **Pay attention to the feelings being expressed** as well as the spoken words of others.

- **Be aware of and respectful of differences.** By avoiding disrespectful words and actions, you can resolve the problem faster.

- **Separate the people from the problem.** Recognizing this difference allows the project manager identify the conflict correctly and choose the best tools and techniques in order to resolve it.
• **Focus on interests, not positions.** The project manager should be objective regarding the arguments of the conflicting parties, so that he gains trust of the team for fair conflict resolution.

• **Before trying to reach agreement, invent options for mutual gain.** Always think the alternatives for a win-win resolution, before taking a decision on how the conflict will end.

• **Insist on using objective criteria.** Be honest and simple with the problem between the conflicting parties.

• **Practice Assertive Communication.** Communicating your feelings and needs clearly is also an important aspect of conflict resolution

• **Seek a Solution.** Once you understand the other person’s perspective, and they understand yours, it’s time to find a resolution to the conflict, a solution you both can live with. Sometimes a simple and obvious answer comes up once both parties understand the other person’s perspective

• **Know when it’s not working.** Because of the toll that ongoing conflict can exact from a person, sometimes it’s advisable to put some distance in the relationship, or cut ties completely.

• **Do not avoid Conflict.** Rather than discussing building frustrations in a calm, respectful manner, some people just don’t say anything to their partner until they’re ready to explode. It is much healthier to address and resolve the conflict.

• **Remember to listen.** This allows you seeing other’s point of view, and makes your partners want to see yours. Don’t underestimate the importance of really listening and empathizing with the other person.
8.3.2 The role of the facilitator

The Project Manager is the leader of the team and as a leader he has to be a creative problem-solver, skilled at problem analysis and identification, in facilitating the emergence of creative solutions, and in arriving at optimal solutions. Within this synthesis he has to take care of maintaining the team members’ respect towards his personality and professionalism, with the goal of bringing the project to a successful end with the least possible losses. In order to achieve this he has to evolve strong management skills. In addition to that, “convincing” the team share the project’s vision, follow his instructions towards the project completion and/or try to lead each team member separately to his or her professional evolution, requires special mentoring skills. Last but not least, when it comes to conflict resolution and general problem-solving, the project manager has to put his facilitating skills in action. Facilitation involves the following skills areas:

**Communication abilities**

- Using clear statements
- Asking open-ended questions
- Being a good listener
- Clarifying the meaning of speakers message

**Conflict resolution**

- The ability to actively procure necessary supplies and resources for the team
- The ability to motivate individual team members and the team as a whole
Conflict Resolution in an International Project Team

In international project teams it is even more important to use techniques like this in order to facilitate your team find solutions to their problems. Two members of your team that do not share the same experience, the same cultural background or even the same language will definitely find it difficult to communicate and resolve the conflict by themselves. Below a simple tool is presented that the project manager as a facilitator can use in order to successfully lead the conflicting parties to a solution and set the ground for a win-win result:

**Step one: Arrange a meeting**

Only if the parties meet in order to set the objectives of the conflict and agree in the issues that should be discussed, a safe conclusion could be drawn. Therefore the Project Manager should call the two parties in a meeting, but before that he/she could ask from each one of them to write down a list of issues to be discussed and examine it with each party separately. In this mini-meeting with each party the Project Manager should gather information on the case and understand how they perceive the situation as individuals and not as a team In order to achieve this he/she could ask questions like the following:

"What are the issues from your perspective?"

"Who else is involved?"

"What issues do the other parties have?"

"What do you need to resolve this, what underlying goals, needs, concerns, etc. need to be met?"

"What do you think the other parties need?"

"What proposals do you have to resolve the issues and satisfy all sets of needs?"

"How might you convince the other parties of the reasonableness of your proposals?"

"Would you be willing to get together with the other parties to talk?"
Conflict Resolution in an International Project Team

(http://www.businesslistening.com)

After this procedure the Project Manager will be ready to start a meeting with all the parties involved in the conflict, where each one of them will be able to represent its arguments and issues.

Step two: At the Meeting

During the meeting, and in the very beginning of it, the first thing to be done is for the parties to agree on the purpose of the meeting. This should not only be just to understand what the problem is, but try to see things clearly and come to an agreement that would be a win-win solution for all.

In such meetings setting the ground rules could prove useful. All parties should also agree on the turn of discussion, possible time limits for every argument and/or the total duration of the meeting.

After this is done the Project Manager should start playing his role as the facilitator by organizing the discussion, controlling the emotions and trying to help the parties understand what the real problem is, so that they can effectively come up with a solution. It is the Project Manager that should interrupt the discussion when this goes out of the objective, that should try to maintain tranquility and low temper, that should correct mistakes said or done, but always with a facilitating attitude. It is important for the facilitator not to have a critiquing attitude and avoid taking solid positions on the arguments, because this could look discriminatory and unfair, leading to the opposites results and not problem solving.
The Project Manager has a variety of options on how to control the discussion and lead it to problem-solving results. The most basic rule that he/she has to keep in mind is to listen first and talk later. This is the only way to gather the information needed in order to fully understand both the root of the problem and the way to eliminate it. In addition to that and according to the article retrieved from the web page http://www.businesslistening.com, the Project Manager has also the following options during the meeting:

- “He/she may prioritize issues for discussion.”
- “He/she may focus only on issues that are disputed.”
- “He/she may propose an agenda and lead discussion of each issue in turn.”
- “He/she may help the parties build an agenda together.”
- “He/she may ask the same questions asked privately before the meeting of the parties, perhaps in a different sequence, this time for everyone to hear the answers.”
- “He/she may want to initiate an option-raising or brainstorming session to look for options that everyone can agree to.”

**Step three: At the end of the meeting**

Finally the Project Manager, and after having completed the procedure and come up with creative ideas on how to solve the problem, he can also ask from the two parties to provide a written agreement, in which the actions to be taken from each one in order for the conflict to be solved and/or to be avoided in the future, should be described.
Chapter 9: Conclusions

9.1 Simple proposals

Once, a very close partner of mine at work had said about lawyers: “Law as a science is based on the fact that people have disputes, differences and problems to solve among each other. A lawyer’s basic principle is based on the fact that people have been unfair with each other and that justice has to put this in order. Therefore we should accept that people want to hurt each other and are bad. How can this stand as a theory once it is for granted that people cannot be born bad, but become.” Unfortunately for all, people have been unfair with each other and the science of law, in whatever form, is nowadays necessary. Still, my opinion is that things do not have to be taken to edges and that the best consultant in all our disagreements with others is clear mind. We are humans and may loose temper, may say words, may misunderstand things, but we should also be clever and strong enough to recognize mistakes, admit and forgive and try not to repeat them. The purpose is always becoming better, but not in whatever means. I believe that people come to conflicts because they cannot realize how giving for them would be to admit mistakes rather than try to support their opinion recklessly. There is a reason for that: society of today is trying to suck every strength from people’s hearts so that they cannot think that far. People do not make mistakes, they happen to live mistakes. If they were free to act and think, things would be both easier and better.

It is the same with projects as well. It is known that in order for a project to work out and get completed on time, cost and quality things have to be in order, organized, scheduled, with rules and principles, hierarchy and “do” or “don’t”. A project manager should define the how,
when and what and give people roles. I also believe that people have talents, have things to give, things that they are willing to give, have limits and needs. I believe that if project team members feel free to take advantage of themselves the way they want and can, the results in the project will be magnificent. Please, do not confuse this with anarchy because this is not what I am talking about. I am talking about people able to understand themselves, managers able to see people’s capabilities and needs and with all this, I am talking about successful and healthy management in projects.

For this reason I believe a lot, and propose also, the laissez-faire leadership style. Team members take the lead and the responsibility for their mistakes as well. I believe that under these circumstances the number of conflicts in a project would be reduced significantly and therefore people would spend more energy on their work rather than on conflict resolution. Managers would not be so concerned about conflicts and their resolution and would be able to see the project more objectively and clearly. They would also be able to lead the project team to success even faster and more safely.

My proposal for the project team members lays on the same rational. I believe that the most useful employee for a manager, and the ones that proceed to their career, are those who have learned to listen to their manager carefully and have learned to bring the tasks assigned to them to an end very fast. Recently I read about a real life experiment made to a sample of 100 students of Oxford University. At first the IQ level of all the students was identified and then their progress in life was observed. After ten years, the students with the highest IQ levels had actually medium lives, with medium careers, not very successful family lives and not many friends. The most successful ones, both in professional and personal life, were the students with
the medium level of IQ. This experiment actually justifies my proposal at the beginning of the paragraph. In a project environment the most useful team members for a manager are the ones that can understand the manager’s needs and style and fulfill their assignment successfully in the time given. The team members should stay focused on this role. Being focused will also help avoiding conflicts and disputes with other project team members. Still, since as mentioned above we are just humans and mistakes are both inevitable and/or desirable, the best practice in a conflict is to be honest with ourselves and others and admit mistakes. This will help the whole team, and not only an individual, evolve, become better and complete the project; we would not call it a team otherwise.

9.2 Closure

This thesis is an effort to put one of the most crucial parts of a project, the conflict and its resolution, on the table for discussion. Specializing to conflicts in international project teams made it more particular. We should always remember that almost the 95% of the project is communication and that all team members, including the Project Manager, should constantly try to communicate. If communication fails the project has no chances of success.
Bibliography


Capozzoli, TK. (1999) Conflict resolution-a key ingredient in successful teams. Supervision (60:11), 14-16
Conflict Resolution in an International Project Team


Conflict Resolution in an International Project Team


Conflict Resolution in an International Project Team


