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Global Project Management - Chinese and American Cultural Differences

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Abstract

This paper investigates cultural differences between Chinse and American project managers in the IT industry through a pilot study of interviewing six professional project managers with qualitative and quantitative questions. The interview questions were developed to compare core Chinese values and cultural styles with American cultural styles. The results found that Chinese and American project managers in the IT industry have similar ideas regarding resistance to corruption but have differences toward the idea of trustworthiness, harmony, avoiding confrontation, and non-competition.

Keywords: Global Project management, Cultural differences, Chinese cultural style, American cultural style

Global Project Management - Chinese and American Cultural Differences

In the global world, people often interact with other who is from different countries and with different cultural backgrounds. Especially, intensive interactions are happening among global projects in the IT industry in the past ten to twenty years because of the internet. The cultural differences are a significant effect during the project performing and delivering. In this study, we will focus on Chinese and American cultural differences. After researching on the stander ideas of Chinese culture and American culture, the questionnaire will be developed based on the project management related cultural differences. This study is a pilot study with three Chinese project managers and three American project managers. The data analysis, result and potential explanations are provided at the end of this study. The study lists out the fundamental cultural differences between those two cultures based on the literature research and discovers deeper perspectives for global project management by using various situation questions. This study will be a good resource for global project managers to have a quick understanding of those two cultures. This study will be an initial step for the research in the multicultural project management area. The more cultural differences are discovered, the better understanding of multi-cultures people can have. Ultimately, we want to reduce the ineffectiveness which is caused by culture misunderstanding and increase the project performances.

Evaluating Global Projects

Binder (2009) defined five dimensions of global projects in his book, Global Project Management: Communication, Collaboration and Management Across Borders:

1. Locations: in global projects, the project team members and stakeholders are in at least two different countries.

2. Organizations: the project team can work for the same department in a single company, multiple departments in a single company, or in multiple companies.

3. Cultures: project team members who are from different nations will bring different cultures, which can cause more conflicts and misunderstandings. But cross-cultural projects can create rich information exchange.

4. Languages: there are often different languages among project team members if they are from different countries, and establishing a common language is important for sharing information and communication.

5. Time zones: project team members can be located in different areas and time zones. It is difficult to arrange meetings, and a delay of exchanging information may happen every day. But it could be an advantage for performing projects throughout a 24-hour day. Establishing communication rules and templates are important for global projects.

Stolovitisky in 2012 focuses on communication and managing cultural diversity:

- Communication means it is important to choose suitable applications for managing projects effectively. In traditional projects, face-to-face communications is considered the most effective way to communicate. Long-distance interaction for global projects has more chances to have miscommunications, which brings negative effects to project results. Therefore, applying the right application will not only facilitate communication among project members but also help project managers with managing project data.

- Managing cultural diversity project teams and stakeholders is probably the biggest challenge for project managers in performing global projects. Stolovitisky (2012) stated that "language and cultural barriers can create unclear expectations for all parties involved".

Alami (2016) examined 3 challenges in global projects, namely how organizational culture, communication and coordination, as well as power and relationships can negatively impact a global project's execution.

1. Organization culture: Besides the different cultural styles from different countries, organizations have their own cultures which increase the complexity of global projects.

2. Communication and Coordination: Even though various technologies are great helpers in global projects, they also increase complexity. Creating good communications and coordination is not easy for project managers.

3. Power and Relationships: Alami (2016) pointed out that "the hierarchical nature of the relationships has impacted communication and coordination" and the lower power parties have to communicate by using the hierarchy which is usually ineffective.

This research paper focused on global projects in from the perspective of cultural issues and expectations by American and Chinese project managers. Chinese cultural styles and American cultural styles will be illustrated in this paper; moreover, they will be compared and contrasted by interviewing American and Chinese project managers.

Cultural Styles

Culture is a complex idea and has various dimensions. According to *Cross-cultural Project Management for International Construction in China*, culture includes "knowledge, beliefs, arts, morals, customs and any other capabilities and habits acquired by man [sit] a member of society" (Pheng & Leong, 2000, p307). Terpstra and David (1985) defined culture as a "…learned, shared, compelling, interrelated set of symbols whose meaning provides a set of

orientations for members of a society. These orientations, taken together, provide solutions to problems that all societies must solve if they are to remain viable."

Culture can be described as the collection of a group's values, and members in one particular societal group will adapt similar solutions to problems because they have similar values, beliefs, behaviors, customs, and attitudes. A cultural value system is a stable framework in which individuals' behaviors are influenced.

Chinese Cultural Styles

Chinese culture has existed in an area which includes mainland China, Hong Kong, Taiwan, as well as other areas. Even through there are great differences among these people from each area, certain core Chinese cultural values still can be identified. These core values are partially inherited and have been rather consistent for more than five thousand years. The uniquely Chinese cultural value system is distinguishable from other Asian cultures, for example, Japanese and Korean, and Western cultures.

Traditional Chinese culture comes in part from Taoism and Buddhism, but probably most of all from Confucianism. Confucianism believes in "Ren" (Love) and "Li" (Rituals) which focus on relationships within society and social hierarchy. Fan (2000) created a list of 71 Chinese cultural values (Table 1) and classified them into eight categories: national traits, interpersonal relations, family (social) orientation, work attitude, business philosophy, personal traits, time orientation and relationship with nature.

Table 1: *Chinese Culture Values*

National Traits	38 Thrift (saving)
1 Patriotism	39 Persistence (perseverance)
2 A sense of cultural superiority	40 Patience
3 Respect for tradition	41 Prudence (carefulness)
4* Bearing hardships	42 Adaptability
5 Knowledge (education)	
6* Governing by leaders instead of by law	**Business Philosophy**

7* Equality /egalitarianism	43 Non-competition
8 Moderation, following the middle way	44*Not guided by profit
	45*Guanxi (personal connection or networking)
Interpersonal Relations	46*Attaching importance to long-lasting relationship not gains
9 Trustworthiness	47 Wealth
10 Jen-ai / Kindness (forgiveness, compassion)	48 Resistance to corruption
11*Li / Propriety	49 Being conservative
12*People being primarily good	50*Morality
13 Tolerance of others	
14 Harmony with others	**Personal Traits**
15 Courtesy	51*Te (virtue, moral standard)
16 Abasement / Humbleness	52 Sense of righteousness / Integrity
17 A close, intimate friend	53 Sincerity
18 Observation of rites and social rituals	54 Having a sense of shame
19 Reciprocation of greetings, favours [sic] and gifts	55*Wisdom / Resourcefulness
20 Repayment of both the good or the evil that another person has caused you	56 Self-cultivation
21 Face (protecting, giving, gaining and losing)	57 Personal steadiness and stability
	58 Keeping oneself disinterested and pure
Family /Social Orientation	59 Having few desires
22 Filial piety	60*Being gentleman anytime
23 Chastity in women	61*Obiligation for one's family and nation
24*Kinship	62*Pragmatic / to suit a situation
25*Vebneration [sic]for the old	63*Contentedness with one's position in life
26 Loyalty to superiors	
27*Deference to authority	**Time Orientation**
28 Hierarchical relationships by status and observing this order	64*Past-time oriented
29*Conformity / Group orientation	65*Continuity / time viewed as circular rather than linear
30*A sense of belonging	66*Taking a long rang view
31*Reaching consensus or compromise	
32*Avoiding confrontation	**Relationship with Nature**
33 Benevolent autocrat / Paternalistic	67*The way (Tao)
34 Solidarity	68*Fatalism / Karma (believing in one's own fate
35*Collectivism	69*Yuarn
	70*Harmony between man and nature
Work Attitude	71*Unity of Yin and Yang
36 Industry (working hard)	
37 Commitment	

The table is adapted from "A classification of Chinese culture. *Cross Cultural Management*

" by Fan, Y., 2000, *Cross Cultural Management: An International Journal*, *7*(2), 3-10.

American Cultural Styles

The United Stated is a mix of many different cultures and often referred to as a "Melting Pot". While the result is a culturally diverse society, there is a dominant culture which can be defined as American culture with mainstream values and behaviors. Weaver (1999), who is professor of management at the University of Delaware, published the article – *American Cultural Values* and pointed out 5 American core values.

- **Individualism**

  One of the most prevalent ideas about American culture values is individualism. General, Americans believe that they are individuals. This idea is developed at an early age that they can control their own lives. Also, Americans who are eighteen or nineteen are expected to leave their parents to go to universities or begin their careers. This is different from the ideas of close-knit, tightly interdependent family and collectivity groups. Individualism underlies American cultural values. American see themselves as individuals who are different than others but equal in value, and they can be truly themselves, so they have less formal behavior. Because Americans value independence, self-reliance and personal achievement, they believe that it is their personal responsibility for failure. They feel guilty when they do not work hard or try harder to obtain opportunities. Also, "Americans identify themselves in terms of what they do" (Weaver, 1999) which is the reason that they treat work as an important part of their lives.

- **Equality**

  That everyone is equal and should be given equal opportunities to achieve their goals is an assumption for Americans. In daily life, Americans prefer to use their first name instead of their family names or titles because they refer to different societal statuses. The Declaration of Independence states that "all [people] are created equal".

- **Informality**

  Because Americans are more concerned with individualism and equality, they are less

  formal in their general behavior. Americans often use informal speech, dress, posture and

  language (including "slang"); moreover, they often introduce themselves by their first

  name.

- **Directness**

  Usually, Americans deal with other people directly, and they often speak directly and

  openly to people about the things they do not like, using strong facial expressions and

  tones of voice. Americans believe that addressing conflicts and disagreements is the best

  way toward discussion and solving problems. They are rarely taught to mask their

  feelings.

- **Achievement, Work, and Action**

  "Success in the U.S. is the sweetest if it is individual success and based upon hard work

  and action" (Weaver, 1999). American heroes must accomplish many achievements in

  their lives through hard work and actions. Americans believe the ideal person is a "hard

  worker" who can get the work done efficiently without delay and complete tasks with

  high standards of quality. Usually, Americans like action. They believe they should stay

  busy, for example, volunteering when they are retired or plan something for later.

Comparing Chinese and American Cultural Styles

Following the literature above, we have created a table that compares these 5 American

cultural styles with the related Chinese cultural style. There are four points which are quite

different. Chinese culture is family/ socially orientated (tightly interdependent family), but

Americans focus on the individual. Chinese culture concerns hierarchical relationships and

rituals because it has a long history; conversely, Americans believe "all people are created

equal", and people can truly be themselves. It is important for Americans to speak directly and

have conflicts and discussions; on the other hand, Chinses prefer to avoid confrontations and try

to keep harmony. Working hard is the important thing for both Chinese and American cultural

style.

Table 2: Compare Chinese vs. American Cultural Style

Chinese Cultural Style		American Cultural Style
Family /Social Orientation	↔	Individualism
Hierarchical relationships by status and observing this order	↔	Equality
Formality ("Li",Rituals)	↔	Informality
Reserved/ Avoiding confrontation	↔	Directness
Industry (working hard)/ Commitment	≅	Achievement, Work, and Action

Data Analysis and Result

(appendix 1)

Results and Analysis

Interpersonal Relations (trustworthiness, harmony with others, reciprocation of greetings,

favors and gifts)

Focusing on trustworthiness, this study found that American project managers (avg.

score :2.7) have more trust toward their team members than Chinese project managers (avg.

score: 1.33). For the less trusting members, all interviewees responded that they consistently

monitor.

In responding the members' mistakes, two Chinese project managers and two American

project managers chose "1: continue to help them improve without replacing them". One Chinese

project manager chose "2: replace them after many mistakes"; one American project manager

chose "3: replace them after a few mistakes". Based on the average score (C-PM: 4.67 vs. A-PM: 4.3), Chinese project managers tend to inclusive team members to make mistakes. keep Elaborating, two interviewees responded that they do not want to replace people because they believe it will hurt the team morale, and one interviewee responded that it will cost more to replace the team member with someone else. All interviewees believe that it is important to maintain harmony, and the scores laid between important (3) and essential (5). However, keeping harmony seems more important for Chinese project managers (avg. score: 4.67) than American project managers (avg. scores: 3.7).

For question number 4, this study assumed that option 1 is the most direct way to reveal problems and will hurt the harmony; option 2 is the less direct way to reveal problems, and option 3 is the most careless attitude to deal with problems. Two American project managers chose option 1 as their responses, which are matching the directness of American culture style, and all three Chinese project managers chose option 2 as their responses, which is also matching "Harmony with others". Furthermore, if the situation is applied on a well-respected colleague, most interviewees chose a less direct option to deal with problems.

For the reciprocation of greetings, favors and gifts aspect (question 5A,B,C), the interviewees range from never to sometimes in receiving gifts or sending gifts to stakeholders. Chinese project managers have higher scores than American project managers in rating its important. However, they all are in IT companies which is a newer industry, and the custom is less important and happens more rarely than with traditional industries.

Social Orientation (reaching consensus or compromise, avoiding confrontation, collectivism)

This study assumed Chinese project managers would choose option 1 for question 6 based on the cultural style of "hierarchical relationships". However, only one Chinese project manager chose option 1, and two others chose option 3. After exploring deeply, these two Chinese project managers came to believe that even though they are project manager, performing the projects is teamwork, and the position of project manager does not come with more power. American project managers chose option 2 and 3 as responses, which represents the idea of everyone as equals who should be given equal opportunities.

All the American project managers chose option 2 for question 7, which is matching the idea of directness, addressing conflicts and disagreements as the best way toward discussion and solving problems. Chinese project managers tend to avoid conflicts (avg. scores:1.6)., which represents the ideas of "avoiding confrontation". American project managers try to seek the best solution, even though there may be some confrontations (avg. scores:1.6).

On the other hand, in response to question 8, American project managers tend to avoid competition and create unity. Chinese project managers tend to believe that competition will happen, and it brings out the best people There are interesting responses between the confrontation and competitions aspects, and it is worth discovering for future research in Chinese and American culture styles.

Work Attitude (commitment)

The study also found out that Chinese project managers more often work overtime (avg. score: 4.3) than American project managers (avg. score: 2.6). Performing global projects is the reason for these two Chinese project managers to work overtime. Also, it is interesting that all

American project managers are "willing" to work overtime without overtime pay. However, all Chinese project manager chose "somewhat willing" as their responses. Weaver (1999) stated that "Americans identify themselves in terms of what they do", which could be the explanation of high scores on unpaid overtime work. Although both Chinese culture and American culture believe that work is an important part of life, the cultures have different attitudes toward overtime work.

Business Philosophy (non-competition, not guided by profit, Guanxi, resistance to corruption)

Business philosophy can be explained by many interview questions. The responses to question 9C have an interesting result toward the idea of "not guided by profit". (Fan, 2000) pointed out that "not guided by profit" is one value in business philosophy of Chinese culture style, but it could be doubted if the idea is applied to different individuals and situations. All the Chinese project managers replied "somewhat willing" vice versa American project managers replied "willing" to work overtime without overtime pay. At the very least, the responses from the Chinese project managers showed that profits/wages/salary are somewhat important for them to work overtime.

Also, the responses to question 8 showed that Chinese interviewees believe that competition will happen, which is against the idea of "non-competition" (Fan, 2000). Furthermore, two Chinese project managers stated that they will assign rewards based on performance in questions 10, and which also brings competition among project team members. It can a point for the future study. On the other hand, two American project managers chose "I will share rewards equally to team members since we are a team" as the response for question 10. It also addressed the idea of equality in the American cultural style.

The idea of Guanxi in Chinese culture can be interpreted by the responses of question 3, 4A, and 4B. And the result of those questions shows Chinese project managers usually care more about the relationships among project stakeholders, and rarely act directly because it will hurt harmony.

For the corruption standpoint, both Chinese project managers and American project managers are resistant to corruption base on the responses to questions 5A, 5B, and 10 (avg. scores are lower than 3).

Time Orientation (past-time oriented)

All the interviewees that responded they and their project teams usually deliver projects on time. There is not evidence to suggest the idea of "past-time oriented" in Chinese cultural style. Project managers aim for delivering projects on time.

Summary of Open Questions

There are three open-ended questions in the end of the survey, and this part will summarize the responses from the interviewees.

All interviewees pointed out that communication is a very important part in performing projects, whether communicating with stakeholders or project team members. Good communication facilitates successful projects; on the other hand, bad communication obstructs a project schedule and increases expenses on projects. Also, most interviewees revealed the delivering projects on time and on budget is a challenge. Stakeholders may change their requirements during the process, and project managers need to reset the resource and schedule. Therefore, project managers have to keep communicating with project team members and stakeholders in order to create understandings and transparency during projects. Each interviewee has different options for successful project managers, but delivering projects goals

with good quality is the essential goal for project managers. Also, arranging resources, building harmony within the project team and understanding project team members are the core values of project managers. By interviewing these experienced project managers, deep thoughts were discovered throughout research paper.

Conclusion and Further Research:

This study has explored different thoughts from six project managers who are from Chinese and American culture backgrounds with regards to performing projects in the IT industry. The research developed multiple questions which included quantitative and qualitative questions through grounding literature, and classified the questions into five areas: interpersonal relations, social orientation, work attitude, business philosophy, and time orientation. The six participants are Chinese and American, and all of them are experienced in project management for more than two years in the IT industry.

Based on the results of interviews, this study revealed that American project managers are more trustful than Chinese project managers and prefer to seek the best solution even though some confrontations may happen. The Chinese project managers have less trust in their team members and have less willingness for unpaid overtime work than American project managers. Chinese project managers tend to act less direct than American project managers because they believe it will hurt harmony. All the participants believe that maintaining harmonious relationships is important, and they all resist corruption, including the receiving and sending gifts to stakeholders. Even though all participants pointed out various ideas of project managers' core values, they all revealed that communication should never be ignored, and it is the critical component of successful projects.

One interesting finding is that "non-competition" is one core value in Chinese culture; however, the study found that Chinese participants suggested that competition will bring out the best in people, and they tend to assign rewards based on performance. The results are against the "non-competition" idea of Chinese core value, and it can be developed a research topic to further research. The participants in this study were chosen to provide a representative idea of project managers in in IT industry. The study is a pilot study. The study results can be applied on some individuals who have smellier situation and background.

The study results show the similarities and differences of project management between Chinese and American cultures on the cultural points of interpersonal relations, social orientation, work attitude, business philosophy, and time orientation based on the two types cultural styles. With qualitative and quantitative questions, this study provides a better understanding of the differences between two different cultural styles. Future global project managers can reduce cultural conflicts while performing projects by review this paper and result.

The projects between China and America and/or between Chinese culture and American culture and have significantly increased in the past decade since we are in the global world. This study provides an initial thought towards reviewing project management in these two cultural backgrounds. Future research can have more explorations with wider scope research with more participants. Also, researchers can classify participants in different levels according to years of project management, project team size, and so on in order to obtain specific results for different perspectives. With the growth in globalization, any project management discoveries related to Chinese and American cultural styles are valuable because project managers need a better understanding for global projects.

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