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Re-examining the role of training in contributing to international project success: A literature review and an outline of a new model training program

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Abstract

International projects face greater obstacles to success and fail more often than do similar domestic projects, even those with a multicultural workforce. Cross-cultural training of individuals has been the standard response, and has no doubt been generally effective in equipping personnel with most of the knowledge and skills needed to live and work successfully in another culture. But the question is raised here: Is there a gap between the needs of international projects and what the current approaches to cross-cultural training offer for meeting those needs? The authors contend that current cross-cultural training fails to address adequately the organizational and environmental factors which impact significantly on the overall success of international projects. After reviewing a selection of studies from the literature dealing with the causes of success and failure of international projects, the authors propose the elements of a new model training program intended to equip international

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personnel with a broader range of the knowledge and skills needed to enhance the chances of project success.

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1. Introduction

This article proposes to re-examine empirically the typical objectives of almost all current training programs for people going on international assignments. Understandably, such training or preparation for international work has overwhelmingly emphasized developing the interpersonal and cross-cultural skills, some attitudes, and the knowledge base of individuals, especially expatriates. For example, personal traits like tolerance and openness, interpersonal skills such as communicating and listening, and knowledge of the host country are taught or re-inforced in the typical training program for foreign assignments. In a 1995 survey of experienced cross-cultural trainers, all of the ideas offered for improving cross-cultural training programs for international or domestic work were limited to the level of individual needs. (Ptak, Cooper, & Breslin, 1995). There were no suggestions for simultaneously preparing trainees for dealing with or for using the opportunity of a training program for addressing the organizational (e.g. governance, scheduling, and financing) and environmental issues (e.g. political and socio-economic constraints) that will affect the success of the project.

In its defense the training profession can reasonably claim that these latter elements of project success are to a great extent beyond its control and influence, and have therefore not figured large in training programs. But we suggest here that perhaps trainers may have been too modest about what their field can accomplish. Perhaps the training function can have broader roles that could contribute more fully to the success of projects in intercultural settings.

What might training achieve if its ambition were raised to the higher levels of Kirkpatrick's famous stages of training evaluation (Kirkpatrick, 1967)? That is, can a training program do things that would not only achieve the *training satisfaction* and *immediate learning* referred to in Kirkpatrick's lower two levels but that would also contribute to his higher levels of *behavioral change* (i.e. whether the skills learned in training are actually applied on the job) and *results* (whether the ultimate organizational or project goals were contributed to by the training).

At the lower levels of training (individual learning of cross-cultural skills etc.) most training today is probably reasonably effective. But if we refocus the spotlight on the needs of international projects as a whole, including the organizational and environmental conditions of success, what can we learn about what might be a more effective use of the training function? Are there other forms of training than the intercultural/interpersonal at the individual level that would contribute to project success? Are there new approaches to intercultural/interpersonal training that are

suggested by refocusing on the project as a whole? Can the training function be more closely integrated into the overall planning, negotiation, and implementation of international projects? We propose to proceed by means of a selective literature review of what scholars have argued to be the main determinants of the success or failure of international projects. In reviewing these research findings we hope to identify some new avenues that would enable training to better contribute to the overall success of international projects.

1.1. What are international projects and the major factors explaining their success/failure?

What are “international projects”—or as they could also be called, intercultural projects? Today the most common of these are, in business, the foreign subsidiaries of multinational corporations (MNCs) and international joint ventures (IJVs) (sometimes more broadly called strategic alliances), development assistance projects, and some newer areas like intergovernmental cooperative programs (e.g. the international space station) and even military/peacekeeping operations. The common element is that they all take place in intercultural settings, although the distance between the cultures may vary widely. As suggested above, students of international projects have generally posited three broad elements of success or failure: the *personal* characteristics of and the *interpersonal* relations between workers in the projects; the *organizational* structure, clarity, and efficiency of the project; and the congeniality to success of the political, economic and social *environment* of the project. The various arguments and findings in the literature on the success of international projects almost always highlight issues from one or more of these broad groupings of factors.

1.2. Why have international projects been so difficult?

Arguably international projects face significantly greater obstacles to success than do similar domestic projects (even where there is a multi-cultural workforce domestically). There are four main reasons for this greater difficulty of international projects:

Most obvious is the fact that international projects are located in a different national culture than that of at least one of the parent organizations. For individual expatriates there is almost always an initial period of lesser productivity due to the disorientation brought on by culture shock. More generally, cultural diversity in a workplace does make for a much more complicated management process in all its dimensions. As Adler (1997) put it, “[cultural] values affect corporate strategy...[and] all forms of organizational behavior, including selection and reward systems, superior/subordinate relationships, and group behavior, communication, leadership, and conflict management styles” (pp. 15–16). Moreover, basic cultural differences in such areas as hierarchy vs. egalitarianism, task orientation vs. building personal relationships, and individualism vs. loyalty to the group have major consequences for project management across cultures (see Hofstede, 1980, 1991;

Trompenaars, 1993). Domestic organizations with diverse workforces may share these challenges, but cultural issues are magnified in international projects which usually contain a cultural minority of expatriates with extraordinary power due to the ownership structure or their special expertise, but where the indigenous majority feel an understandable entitlement to do things their own way in their own country.

While the focus here is on the effects of national cultures on human relations and management processes in international projects, the cultural issue in international projects is complicated further by co-existing “organizational cultures.” Culturally diverse workforces, whether based on national or organizational cultures, can lead to positive outcomes, but this is not automatic and requires special care to dilute disintegrative forces: “diversity...can be a double edged sword it can be associated with positive outcomes such as increased creativity in group decisions, as well as less satisfaction, lowered group integration, and greater turnover...” (Burke, 1997, p. 6).

The second reason for the greater challenges of managing international projects derives from the effects of distance on the efficacy of organizational processes: for example, supplies may be less assured, key personnel may not be as available as at home, the morale of employees may suffer by being away from family or the office loop, and there may be difficulties of communication between personnel working in the field and headquarters managers.

The third reason for the greater difficulty of international projects relates to the environmental scanning function that is so crucial to all organizations (i.e. accurately perceiving and understanding what is going on around the organization, and future trends that will affect it). The efficacy of this function will almost always be diminished in a foreign setting by at least some unfamiliarity with the political, legal and regulatory, macroeconomic and social environment of the host country.

A fourth special difficulty of international projects lies in the sometimes substantially different situation, interests, and incentives of local and foreign companies and individual workers. For example, foreign partners in joint ventures frequently have a shorter term orientation, seeking immediate profitability over building relationships and networks for long term success. Similarly, expatriates on assignment to joint ventures, multinationals, and development projects may not share perspectives on important matters with local employees who are likely to be there a lifetime. Resistance to change or lack of incentives to adopt desired behaviors is common among local employees and therefore change agency tends to come from expatriates sent there for that purpose, which puts the expatriates in the delicate position of appearing either as arrogant pushers or as weakly giving in to resistance.

The available statistics on the actual success/failure rates of international projects are not very clear or consistent, but do testify to their greater difficulty. One frequently quoted estimate put the failure rate of IJVs at 50% (Harrigan, 1988). Hu and Chen reported that only 5.48% of IJVs in China in the 1980s were judged successful (though the success rate was higher for large-scale projects and appeared to be improving during the 1990s as experience was gained) (Hu & Chen, 1996).

Yet international projects are far from being in decline. The globalization of the world economy continues to drive companies to seek out markets, supplies, technologies, and human resources in other lands. In 1997 there were some 140,000

IJVs operating just in China (though most of these were of small scale) (Luo, 1998). Political interdependence and the dangers of an unstable world will undoubtedly increase the need for development projects and international peacekeeping activities. And some newer forms of international cooperation are emerging, ranging from international space missions to police and intelligence collaboration to combat terrorism. In this climate the special challenges facing the planning and implementation of international projects will need to be better understood and methods developed to select and train personnel to manage them more effectively.

2. The literature on the determinants of success and failure in international projects

Three general factors of success or failure in international projects have been identified: the individual/interpersonal, the organizational, and the environmental areas. The literature on these issues is extensive. We will not present an exhaustive review of that literature, since our main purpose is to make a case for some revisions to the typical training program for overseas assignments. This selective review is, we believe, representative of the major points that have been made in the larger literature for and against the importance of each of the factors in project success. The literature reviewed is quite varied in its rigor and scope, and includes empirical studies, anecdotal reports, case studies of past projects, and works of advocacy.

2.1. *The individual or interpersonal perspective*

Explanations of success often focus on attributes of the individual managers and workers in international projects, as well as on the interpersonal relations between people of different cultures in a project. This perspective essentially holds:

- that all workers, especially expatriates but also local personnel to some extent, must have strong cross-cultural skills and sensitivity, including the ability to adapt as a family, communicate, socialize, consult, network, and manage in a foreign culture;
- that expatriate managers must have a solid understanding of the particular culture they will be living and working in, including its social norms, history, political and socio-economic realities (so as to at least avoid blunders such as the famous Disney decision to ban wine from the EuroDisney site in Paris) (Black & Gregersen, 1999, p. 56);
- that harmonious interpersonal relations between individuals and groups within international projects contribute greatly to their success.

While the emphasis in the literature has been on intercultural skills, some have widened the desirable skill-set to other areas. One example is what Buckley, Glaister, and Husan call “partnering skills”, which they argue are needed by managers in any international cooperative project (Buckley, Glaister, & Husan, 2002). In a survey of senior managers in 20 British–European joint ventures, the most important

management skills identified included, not only such traditional intercultural skills as acceptance of other cultures and communication abilities, but such “partnering” skills as a having a diplomatic approach, an ability to share objectives and vision, the ability to trust, a commitment to the joint venture, a capacity to openly exchange information, and an understanding of the goals of both parents.

2.1.1. *The evidence for the importance of individual cross-cultural skills and knowledge*

What is the evidence that such cross-cultural skills and knowledge are indeed crucial to the success of international projects? Several authors have made the case for their centrality.

Abramson and Ai (1999) surveyed representatives of 138 Canadian companies doing business in China. They identified the single most important success factor as being the ability to build “guanxi relationships” with their Chinese counterparts. These “connections,” are understood in China as on-going, mutually beneficial and trusting relationships between colleagues. As the authors put it, “effective guanxi relationships existed when the Canadians and the Chinese helped each other to achieve their objectives, gave high priority to each others’ goals, trusted and relied on each other, and were confident that their work relationships would result in better outcomes...” (p. 27). Of course it was those Canadians with sharper cross-cultural skills and the motivation and patience to build such personal relationships over time that were best able to adapt to this Chinese tradition. The second most important success factor for companies surveyed by Abramson and Ai was their environmental analysis abilities, which the authors see as being tied closely to some traits of individuals. While they found that “continuous awareness of, and adaptation to, the changing business environment” was essential, somewhat surprisingly they found that “companies with stronger perceptions of *uncertainty* also had higher performance” (p. 28). This indicates that good environmental scanning may derive greatly from the modesty of the scanner to recognize his incomplete understanding of the environment and an associated willingness to adjust strategy as needed. While effective environmental scanning is often considered an organizational attribute, Abramson and Ai see this function as greatly dependent on having individuals with this modest attitude toward their own environmental analysis. It can thus be seen as a form of individual explanation of project success.

Another argument for the pivotal importance of individual qualities and good interpersonal relationships was furnished in a case study by Hoon-Halbauer (1999) of two joint ventures in the auto sector of China. While acknowledging the need for sound organization and finances, the author stresses that “a combination of two organizations is actually a joining together of individuals and groups” and quotes an experienced foreign manager who underlined “relationships, relationships, relationships... Understand the culture and develop the relationships... sounds simple but some people cannot do it” (p. 345). Hoon-Halbauer usefully dissects several kinds of relationship in joint ventures that have analogues in most international projects: that between the parent organizations (where the key challenge is to reconcile conflicting objectives); that between each parent and the IJV manager (where the main issue is to balance parental control and the joint venture’s need for some operating

autonomy); that between the foreign and local groups of executives and staff (where the challenge is to overcome distrust and communications problems); and that between the top managers and the staff (where the big issue is allegiance to the joint venture versus to the parent). In these cases the Chinese staff were distrustful of the process of transfer of management know-how and torn in their allegiances as between the joint venture, their parent firm, and the overseeing Communist Party officials. The root cause of these problems was analyzed in the following way: “foreign staff, selected largely on the basis of technical capacity, were ill-prepared for their overseas assignment... They acknowledged the differences in cultural backgrounds... However, they had not realized the profoundness and the depth of the differences... the foreign staff faced a great challenge when attempting to deal with the interwoven effects of national and organizational cultures...” (p. 363). The author therefore concluded that establishing friendly, trusting and understanding human relationships is the key to overcoming these challenges.

While acknowledging the importance of the other factors, some authors have emphasized that cross-cultural skills of expatriates and good interpersonal relations generally may be the *route* to solving environmental and organizational problems (Konopacki, 1992). Pheng and Leong (2000) illustrated how individual and interpersonal problems can lead to project failure in their case study of a US construction company’s joint venture with the state-owned Tourist Service Bureau to build a hotel in China. The project was plagued with problems from its beginning in 1989: the joint venture agreement was understood differently by the parties in practice; there were misunderstandings over the method of construction of the hotel—the US company wished to turn over construction to a foreign sub-contractor while the Chinese wanted to participate in order to gain expertise; delays occurred due to shortages of local skilled labor; funding ran out after 2 years and construction was halted; finally the hotel was built but further misunderstandings arose over repatriation of profits and the US firm eventually withdrew from the venture. Obviously there were several organizational and environmental problems at play here, but the authors suggest that the root failing was the lack of cross-cultural understanding and knowledge by individuals that in effect *created* many of the organizational and environmental obstacles. With more knowledge of Chinese ways and more willingness to adapt to Chinese negotiating styles and work methods, many of the problems might have been avoided.

Another case study that emphasizes the centrality of the individual/interpersonal factor as the means to solving problems in international projects is Catlett and Schuftan’s (1994) assessment of an institutional development aid project in the Ministry of Health in Kenya. Institution building as a development strategy seeks to reform various aspects of a target organization’s structure, policies, culture, management and accounting systems, and upgrade the skills of its staff. But although organizational change is the definition of project success, the authors emphasize individual and interpersonal factors as the motor of success. It takes some special skills of expatriate advisors—including cross-cultural sensitivity, a consultative nature, and social/political skills—to have a chance at playing the role of change agent effectively, by understanding the “complicated web of relations” that

affects the functioning of any organization (p. 155). Moreover such skills are needed to overcome the serious resistance to change that almost always characterizes troubled organizations and to transform this into a sense of ownership of the process of change by the local managers. Most projects fail because the expatriates, hired to lead the change process, lack these special qualities—they wrongly “conclude that with a good plan, a group of hard-working and skilled professionals and enough money these problems can be tackled” (p. 156). The authors conclude: “Regardless of the formal rationality of a proposed change, the feelings and perceptions of the individuals involved are as or more critical to its success than either the professional expertise of the advisor, the perceived need for the change, the size of the budget, or the neatness of the plan” (p. 168).

2.1.2. The special role of leadership

Barnett (1997) presents another twist on the importance of the individual, focusing on the pivotal role of the foreign subsidiary manager in a multinational corporation. As the point of interaction between the parent company and the subsidiary and its environment, he sees this manager as an information processor who communicates company policy, strategy, and corporate culture to the subsidiary and in the reverse direction processes information about the subsidiary’s needs, local consumer tastes, local stakeholder concerns, and government policies. Barnett denies that there is any universal “global manager”—a concept much discussed in the intercultural and business fields in the 1990s (see, for example, Bartlett & Ghoshal, 1992). Rather, according to Barnett, it is the key challenges of the day—which may be organizational development, people problems, environmental issues, technical matters, or a mixture—which should determine the best choice for a subsidiary manager. These challenges of the day, moreover, may favor an expatriate or a local national at various times. Therefore Barnett argues that individuals do matter greatly, but their skill sets have “different requirements for different national locations and under different sets of strategic objectives” (Barnett, 1997, p. 81).

A similar kind of argument is made in another article about the role of leadership in making for joint venture success in China, centering on the leadership team and the General Manager and Deputy General Manager positions at the helm of most IJVs. Li, Xin, Tsui, and Hambrick (1999) begin with an analysis of the typical sociology of IJVs. The 5–10 members of a typical IJV management team in China represent very different backgrounds, which can easily lead to conflicts: the Chinese members are usually older than the expatriates, less educated in business, and somewhat influenced by the Communist disdain for market forces and hesitancy to share information or make quick decisions. The expatriates too have typical weaknesses, possessing few local contacts and networks in a country where that matters greatly, and seldom speak Chinese (and overseas Chinese who speak the language are often treated suspiciously). Moreover there are divided loyalties and role ambiguities as managers are torn between the IJV and their parent organization, and the parent organizations frequently have conflicting objectives and management traditions. The authors conclude that in view of this frequently confused situation, the IJVs that succeed are those that “had a highly effective leader guiding the...top

management team” (p. 61), writing of one especially effective General Manager: “he developed a team...as much by listening as anything else...[by making] all the parties feel involved...[by] having a ‘feel’ for Chinese culture...by following local customs...Soon his fellow expatriate managers also learned to become sensitive to local practices...[and] relations between the two sides became cordial and differences were resolved harmoniously...”(p. 62).

2.1.3. *The issue of trust*

Many authors have highlighted an essentially individual trait, that of trust—between employees on the ground and between the senior managers of the sponsoring organizations—as the lynchpin for successful projects in an intercultural setting. There are indeed obstacles to achieving a high level of trust, some of them relatively easy to minimize and some of them more intractable due to conflicting interests between organizations. But if a project is to be more than a short-term exchange of technologies and other benefits, there is little hope for real success over the long run without the build-up of a considerable reservoir of trust. As Blunt put it, “mistrust is the cholesterol of organizational systems: like its medical analogue, it clogs and incapacitates the arteries of the organization; it impedes its performance and may ultimately bring about its demise”(Blunt, 1990, p. 307).

Cullen, Johnson, and Sakano (2000) surveyed managers from 177 Japan–other country joint ventures to assess the role of soft variables-like trust and commitment in making for IJV success. Trust and commitment were conceived of as “relationship capital”, in contrast to the financial, technical, and other resources partners bring to IJVs. Far from being altruistic concepts, the authors note some very concrete benefits that accrue from building trust and commitment, for example, by reducing costs associated with needing detailed legal contracts and control mechanisms, and minimizing the holding back of information by employees.

2.1.4. *Informal contributions of individuals to project success or failure*

There is an “informal world” within international projects, as in all organizations, that can either undermine or reinforce the project goals and plans as laid out in the written foundation documents. There can be a negative side to this when there is slippage away from the founders’ intentions due to personnel changes, conflicts, and different understandings between the parties as to the precise meaning of the formally stated goals and division of responsibilities. Of course there can also be a more positive and creative side to this informal world, where managers and workers work out between themselves a set of *understandings* that contribute to project success by hammering out greater clarity and complementarity of goals and responsibilities than was in the original plans.

Lei, Slocum, and Pitts (1997) describe how some management know-how or forms of organizational knowledge are “tacit”, that is, not explicit or capable of being written down, but which derive from the informal interactions between managers and workers. Rather than leaving the achievement of mutual understandings on goals, responsibilities, governance, and even technological adaptation entirely to the luck of possessing particularly strong individuals, one of our main proposals at the

end of this paper will be a means for making the training program an opportunity for encouraging such creative understandings.

In summary, there are strong arguments and findings to support the immense importance of individual cross-cultural and interpersonal skills in contributing to the success of international projects. Proponents of this view see the individual as playing the role that the ignition switch plays on a vehicle, that is, as the starter that gets everything else going, and with trust being the fuel. We turn now to literature that emphasizes what one might call the chassis of the vehicle (organizational approach) and the quality of the highway (environmental approach).

2.2. The project organization perspective

The success or failure of international projects has frequently been attributed to various aspects of the organization of the project itself—the appropriateness and clarity of its goals and management structure, and the quantity and quality of the financial, material, and other resources invested in it by the sponsoring organizations. One commentator puts it this way: “Pit a good employee against a bad system, and the system will win most every time” (cited in [Robinson & Robinson, 1995, p. 180](#)). The most commonly mentioned organizational factors are:

- the initial selection of partner organizations, which is particularly relevant to joint ventures and sometimes to development projects;
- the appropriateness and clarity of the governance structure of the project, in particular the command structure and division of roles and responsibilities;
- the realism, clarity and compatibility of the strategic objectives and operational goals of the project as perceived by the partners. Objectives and goals appear in several ways, not always consistently. Formally, they are found in the foundation agreements and plans of operation. But they also arise, and evolve, in some informal ways, such as through the manner in which objectives and goals are perceived and acted on by managers and workers. Time and again problems arise after goals have been agreed on formally: partners come to interpret them differently in practice, sometimes after there have been changes of personnel or changes in parents’ views of the project, sometimes as a result of conflicts, ambiguities of employee loyalties, lack of understanding by some parties (such as sub-contractors) of project objectives, the discovery of “hidden agendas” on the part of one or more parties, and of course culturally or individually based different interpretations of goals. It may take renegotiation between parents and strong leadership to get back on track, but this can also happen when informal understandings between managers “fill in” the ambiguities and reduce conflicts;
- the commitment, motivation, and on-going guidance of headquarters throughout the project’s life-cycle (as opposed to the commitment and motivation of on-site staff, which we consider part of the individual/interpersonal factor), including the structure of rewards or incentives in place to encourage goal achievement;
- the on-going material support given to the project, including funding, supplies and logistics, information sharing, coordination, and access to technology and skills;

- the compatibility of organizational cultures, management structures and systems between the partner organizations. Incompatible organizational cultures can create tensions and differences in structures and systems can impede coordination and project execution. Here follow some examples of research on each of the above areas in turn.

2.2.1. *Partner selection*

Luo (1998) proposed a list of criteria for selecting partner organizations in joint ventures. The criteria suggested are predominantly organizational: “while recognizing the importance a local partner’s ability to build relationships...[this] is not a substitute for basic organizational fundamentals such as...various strategic, organizational, and financial attributes”(p. 163). The desirable partner attributes Luo enumerates are: marketing competence and possession of distribution channels; organizational connections to government, suppliers and buyers; existing market power; experience in the industry; environmental analysis capacity; strategic complementarity; reputation and image; strong leadership; technological learning capacity; experience with foreigners; profitability; and financial liquidity. Only one or two of these could be considered individual skills. A similar formula for joint venture partner selection was put forward by some other authors under the rubric “the four c’s”: compatible goals, complementary skills, cooperative organizational culture, and commensurate risk-taking orientation (Brouthers, Brouthers, & Wilkinson, 1995).

2.2.2. *Clarity of objectives, management structures, and responsibilities*

Several studies have highlighted clarity of objectives and the compatibility of the partners’ understanding of them. Zeira, Newburry, and Yeheskel (1997) found a positive correlation between “a clear set of detailed goals” and the effectiveness of joint ventures in Hungary, arguing that this is especially true in high uncertainty avoidance (or less risk-taking) cultures such as Hungary (p. 265). Furthermore, consider Thompson’s (1996) survey of 107 Australian firms’ joint ventures in SE Asia. While it found cross-cultural communications problems to be the most frequently mentioned problems facing these joint ventures, it was “disagreements and misunderstandings over the business objectives of the relationship and over business strategies” that were the most serious and project-threatening of the problems (p. 11).

There is also the common problem of slipping away from stated objectives and goals. One example is in the field of development, where sub-contracting companies and agencies have frequently either not understood or have ignored out of commercial self-interest, the ultimate development objectives of the project. Generally this has meant letting slip the sustainability objective of development projects which aims to train locals to take over projects at their completion, and not just to deliver the deliverables. Kealey (1996) discovered that only 60% of such implementing agency managers agreed that “understanding international development is an important factor in ensuring successful...outcomes in Egypt,” as compared with 100% of the Canadian government managers responsible for these projects (p. 67).

The appropriateness and clarity of governance mechanisms and the management structure of an international project can also affect its success. Several studies note the existence of unclear command structures and divisions of responsibilities. These are often the result of ambiguities left by negotiators in the agreements and plans of operations, of conflicting backgrounds of expatriate and local personnel, and of interfering parent organizations that test the loyalties of on-site personnel to the project itself. For example, Li, Xin, Tsui and Hambrick (1999) found in their case studies of joint ventures in China a tendency to deal with these situations by instituting a dual chain of command, where two positions are created for the same function—the authors cite an example of two Chief Financial Officers, one Chinese and one foreign, who did not speak to each other and each of whose parents thought was in command.

2.2.3. *Management commitment and support*

Belassi and Tukel (1996) underline the importance of strong commitment on the part of parent organizations, in view of the intrinsically weak position of local project managers vis-a-vis line managers in the parent. They argue that the commitment of senior management in the sponsoring organizations is crucial, and indeed successful projects generally enjoy a “project champion...[who] helps project managers understand and achieve the project objectives...[and] assures access to resources” (p. 145). This is reinforced by a study by Hu and Chen that pinpointed the commitment of partners, as measured by willingness to provide resources of funding, time, and management effort, as the most important determinant of the success of Chinese-foreign joint ventures (Hu & Chen, 1996).

One aspect of commitment is material support where required from the headquarters of the partner organizations. Lyles, Sulaiman, Barden, and Bin Awang Kechik (1999) interviewed joint venture managers in Malaysia and found that the factor most determinant of success (defined as knowledge acquisition, market share, and profits) was “the extent to which a foreign parent provides assistance to the Malaysian partner...[which] goes beyond just financial and technological support and may include training, marketing support, and managerial support” (p. 6). This ranked higher than cultural understanding and some other organizational variables such as the clarity of goals.

Another case study reinforces the importance of material support from parents and sponsors. Fyvie and Ager (1999) examined the factors behind the failure—of a certain kind—of some development projects in Gambia run by international and local non-governmental organizations (NGOs). A common definition of success in NGO projects has been their ability to devise innovative solutions to intractable local problems of poverty. Yet the projects the authors reviewed all failed against this criteria, although they were more successful against more mundane definitions of success such as efficient delivery of services. They conclude that these projects failed in terms of the higher criterion of success as innovation primarily because of obstacles at the organizational level. Despite possessing most of the typical correlates of innovativeness (minimal bureaucracy and sanctions for failure, and a participatory work culture), innovative projects were scarce. The major constraints

on innovation proved to be insecure funding from Western aid donors (because these NGOs lacked sophisticated accounting systems), the need of donors for larger-scale projects that disburse large amounts of funds, and the limited resources of the Gambian government which caused it to shy away from the risk associated with innovative projects.

2.2.4. *Compatibility of organizational cultures and management systems*

Compatibility of organizational cultures and management systems between partner organizations has often been pinpointed as a key to the success of international projects. Park and Ungson (1998) argued that “because a joint venture is typically a hybrid of two independent firms, dissimilarities in organizational structures and processes can create problems in coordination that can, in turn, lead to dissolution of the joint venture” (p. 260). A recent empirical study by Pothukuchi, Damanpour, Choi, Chen, and Park (2002) found that “organizational culture distance” had a significant effect on the performance of IJVs between firms in India and the rest of the world, while distance in national cultures was not found to predict project failure (p. 243). The aspects of organizational culture that imperilled projects the most were differences in the dimensions of “open vs. closed systems” (where one firm has a tradition of open communication and information flows and the other does not), and of “loose vs. tight control” of employees and systems. When organizational cultures clash, there are major costs in time, energy, and resources spent in attempts to rectify problems.

One final aspect of the issue of compatible organizational cultures and management systems is the degree to which local vs. imported management practices are adopted. For example, there has been a commonly held belief among MNCs that a strong “corporate” or organizational” culture is a bulwark against the allegedly divisive tendencies of having employees of diverse national cultures. The idea is that “organizational culture moderates or erases the influence of national culture” (Meschi & Roger, 1994, p. 198). But the evidence for this view is far from overwhelming. Rogovsky and Schuler (1997) studied this question in relation to human resources management issues (compensation, work scheduling, etc.). They found that employees of different nationalities possess significantly different work values concerning such matters as job security, income maximization, leisure time, flexible working hours, and that “successful adjustment of the MNC’s HR policies and practices [to reflect local norms] can make a difference between a company’s success and failure in a particular regional market” (p. 64). We cannot resolve this debate; but, probably some common core or organization-centered values is necessary, while at the same time considerable flexibility in management practices according to locale is an enhancement to effectiveness.

2.3. *The environmental perspective*

Some authors hold that the biggest success factor for international projects lies outside of the project itself, in the congeniality or adversity of the environmental conditions facing it. This perspective sometimes says that no matter how excellent

are the individual managers or how well organized the project is, unless the environment is congenial, failure is certain. A more positive version sees environmental constraints as the biggest challenge, but that considerable environmental management is possible (to minimize negative influences) and is the difference between project success and failure. In principle, environments can present opportunities, such as for increasing market share, but this angle has not been stressed much in the literature.

The main elements of the project environment that have been identified as being most relevant to the success or failure of international projects are:

- the congeniality of the general culture of the host country to the purposes of the project;
- the general health of the host country and international economy and other economic realities such as consumer demand and competition for local employees and materials;
- the regulatory environment of the host country, including such matters as restrictions on foreign investment, export and exchange controls, rules governing the protection of proprietary technology and intellectual property, and the state of contract law;
- the health, effectiveness, and friendliness of organizations on which the project depends for its success, including suppliers, government services, regulatory agencies, customers and other users of the project's outputs, and affected stakeholders;
- the political and social climate of the host country, including the degree of political and social stability, the extent of problematic local practices such as corruption, sexism, and nepotism, and the complexity and friendliness of the stakeholder community (i.e. groups with an interest in the project, for, against, or conditionally);
- the ability of the project to manage the environment pro-actively, by obtaining buy-in or acceptance from stakeholders before and after project implementation.

Each of these realities will affect some kinds of international projects more than others. For example, a mining project will be affected more by international commodity prices and an educational development project more by the state of the public service system in general. But most projects will face some constraints (and possibly opportunities) from most of these cultural, socio-economic, and political conditions. Some insights from the literature now follow.

2.3.1. The cultural distance debate

One side of the debate on cultural distance has a heavy dose of environmental determinism, in holding that very dissimilar cultures make for an environment uncondusive to the success of international projects. A fairly radical version of this position is taken by [Palich and Gomez-Mejia \(1999\)](#), who argue that the costs to firms from globally integrated production and services, where a culturally diverse workforce exists in a series of international projects, are greater than the benefits.

The costs, they posit, include a lessened ability to standardize production, more difficulty with coordination and decision-making, double advertising, and more difficult transfer of technology between units of differing cultural make-up.

Another angle on the influence of host nation cultures on the success or failure of international projects is the thesis that some cultures are not fertile environments for some projects. In relation to development projects, [Blunt \(1990\)](#) argued that there are some universally applicable management practices without which no organization in any culture will be effective. These include clearly articulated goals, coordination and control mechanisms, clear-cut role definitions, accountability provisions, selection of personnel in some relation to merit, rewards related to performance, effective information retrieval and dissemination, and effective leadership to create a vision, instill corporate values, and motivate people. Blunt believes that the traditional cultural and sociological realities of most developing countries are largely inimical to these requisites of organizational effectiveness. Success in international projects in the Third World will therefore require change in the indigenous culture to adapt to the requirements of organizational effectiveness, not the watering down of these principles to adapt to particularistic, hierarchical, and even corrupt cultures.

The other side of the cultural distance debate holds more optimism that organizations can learn to manage cultural problems and indeed that intercultural cross-fertilization can be a source of creativity in technology and management systems ([Adler, 1997, p. 137](#)).

Two studies on joint ventures in Hungary arrived at opposite conclusions on this issue. [Meschi and Roger \(1994\)](#) examined the relationship between national culture and organizational culture and “social effectiveness” i.e. a work climate of harmony and employee loyalty in joint ventures in Hungary. They found the joint ventures between Hungarian firms and firms from more similar national cultures (Germany and Austria) had greater social effectiveness than those with firms from less similar cultures (US, UK, France). They conclude that “the less distant, and consequently the more compatible, the partners are, the more successful is the joint venture...[because] larger cultural distance expands the amount of confusion and conflict to be dealt with” (p. 210–211). By contrast, [Zeira, Newburry and Yeheskel \(1997\)](#) concluded that “the greater the differences between the home culture of the parent companies...the more effective the joint venture,” p. 267). This study found that the more successful joint ventures adopted the human resources management practices of the host culture and were the joint ventures of greater age. All this suggests that cultural distance may be less a threat to the success of international projects to the extent that foreign firms adapt to the local culture in significant ways and take the time to iron out problems, build trust, and learn to work productively with the local partner.

This is in line with [Park and Ungson’s \(1997\)](#) finding that US–Japan joint ventures lasted longer than either US–UK or US–US joint ventures, probably for two reasons. First, the US–Japan sample had more cases of prior relationship which may “create trust and familiarity between the partners” (p. 266). And second, the partners were likely to have “entered the cooperative relationship with more caution,

deliberation, and purposefulness” (p. 302), realizing that their cultural differences could derail the project. Thus experience, learning, and commitment may be able to offset any negative effects of cultural distance. Similarly, [Hu and Chen \(1996\)](#) found that US–China joint ventures had double the success rate of Japan–China and, remarkably, Hong Kong–China IJVs.

The debate over cultural distance goes on, but certainly when managers are aware of the challenges that cultural differences pose, there is a better chance of dealing with them.

2.3.2. Aspects of the environment affecting projects

Constraints on project success may also repose in some aspects of the political, regulatory, and economic environments of the project. In the area of international development, improvement of the environments for aid projects has become the goal of aid donors’ recent policy of structural adjustment, which seeks to reform the regulatory and macroeconomic underpinnings of aid projects. A case study compared two Canadian aid projects in the electricity sector of the Indian states of Andhra Pradesh and Kerala ([Canadian International Development Agency \(CIDA\), 2000](#)). The projects involved privatization of the electricity sector and creating an independent regulatory agency, so as to boost efficiency and shift the financing of the sector from government to private investors. The report found that while the interpersonal relations between expatriates and nationals in the Kerala project were more harmonious and a climate of real partnership prevailed, it was the less harmonious project in Andhra Pradesh that succeeded in accomplishing its objectives. This was due to a more favorable stakeholder environment in Andhra Pradesh: stronger ministerial support, less hostile trade unions and press, and a de facto alliance with the World Bank.

In a similar vein, [Gow \(1988\)](#) documented a development project in Zaire which illustrates how environmental issues can scuttle an otherwise sound international project. Beginning in 1977, the Project North Shaba was a US-funded rural development project whose aim was to increase maize production, market it regionally through better roads, and introduce better methods to small-scale farmers. At first, the project was a success: production of maize quadrupled in 7 years, rural incomes increased so that more children could attend school, and the management of the project was gradually transferred to Zairians, in keeping with the sustainability goal of development projects. However, by the mid-1980s, the political environment of the project had changed. It lost favor at USAID which now emphasized other aid priorities, wanting to privatize this project (though no buyer could be found). Equally wounding, the Zairian Department of Agriculture could not fund the project and rejected options like regional taxation lest this encourage regional autonomists. Such environmental constraints are inevitable in development projects, [Gow](#) acknowledges, but he retains hope: the key “lesson learned...is that the issue of sustainability must be addressed early on in the process...the key to sustainability is commitment [i.e. of stakeholders in government and elsewhere] ...[and a successful project should] design projects which fit the existing pattern of commitment” (p. 102).

2.3.3. *The possibility of proactive environmental management*

Some research is quite optimistic about actually managing environmental issues. A study of successful joint ventures in Russia by [Laurence and Vlachoutsicos \(1993\)](#) noted positively: “[successful] joint ventures also act as good corporate citizens by providing services to their communities. They sponsor university scholarships. They cultivate cordial relations with external constituencies and the media. They assist both suppliers and customers in updating their technologies... They use service in the broadest sense to solve many of the problems they encounter with suppliers, bureaucracies, markets, workforce, and customers” (p. 51).

[Lyles and Steensma \(1996\)](#) are also optimistic about successfully managing environments. The authors interviewed American construction and engineering firms, as well as local partner firms and government officials, about what succeeds in winning business in Asian developing economies. Successful bidders and ultimately executors, they contend, have developed environmental management as a core competency of their firms: they have become very good at “managing...a triple alliance...between the domestic political forces,...local firms, and multinational firms [i.e. themselves]” (p. 68). Ways of accomplishing this included: not fearing but indeed encouraging a transfer of knowledge of the foreign firm’s technical skills and management know-how to local firms, which then become more valuable parts of the multinational’s local network; and promoting local employment and local suppliers, which gains goodwill with both local government and stakeholders and helps build that essential network of suppliers, distributors, etc. There may be a period of investment prior to seeing payoffs. They quote a manager as saying: “the key to our success is our high usage of local content in terms of suppliers...this was sometimes painful and more costly in the short run when compared to using more familiar suppliers back home...[but] it will pay off in the long run” (p. 70).

2.4. *Studies weighing each factor about equally*

There do exist several studies which place more or less equal weight on two or all three factors, individual/interpersonal, organizational, and environmental. Three examples follow.

A study which emphasizes the individual and organizational factors in roughly equal measure was [Lane and Beamish’s \(1997\)](#) research on joint ventures between North American companies and partners in developing countries. The joint ventures that were successful in this study did not enter the arena unless they had both a “commitment to international business and to working in difficult conditions...[and] a limited number of realistic targets”, whereas the failing cases tended to expect “activities to be completed more quickly than is often possible” (pp. 230–231). Lane and Beamish further emphasize that the legalities should not be formalized until the partners are comfortable with each other, are clear on their expectations of the other, and fully committed to the partnership. They write: “Ownership and other legal considerations...are important...however...these issues often divert attention and effort from the even more important, dynamic, but less tangible human relationships” (p. 236). In sum, Lane and Beamish believe that there is a need for careful

organizational preparation, especially realistic goals and headquarters commitment, but that the building of trusting relationships between individuals at all levels is closely connected to getting the organizational factors right.

Two other studies weigh all three success/failure factors about equally. Jones and Blunt (1999) examined two Swedish twinning projects, a more successful one between the Swedish National Audit Bureau and the Namibia Office of the Auditor General, and a less successful partnership between Statistics Sweden and the National Statistical Center of Laos. They attributed the greater success of the Namibia project to factors in all three areas. At the individual level, the Namibia project was characterized by strong leadership in an Auditor General who encouraged the kind of “questioning climate...and open, participatory management style” that enhances organizational learning (p. 388). Moreover the Swedish advisors avoided trying to run things themselves and instead “saw a major part of their role as the provision of continuous on-job training” (p. 388). The more successful Namibia project also possessed some organizational advantages, in particular its more assured funding in the form of “continuing increases in the OAG’s budget for training” and a more effective personnel management system that included “a reward system linked to performance...[and] a career structure which new entrants found attractive” (p. 399). Finally, the project environment in Namibia was more congenial, with less competition from a higher-paying private sector, which in Laos drew some employees away, and greater political support. The authors concluded that the Namibia project was more likely to prove sustainable, because it constituted a broad-based attack on individual, organizational, and environmental weaknesses.

Newman, in two articles (Newman, 1992, 1995), presented a case study with a fuller theoretical development than most of the literature on international projects. Beginning in 1984, Celanese Corporation, an American chemical producer, began talks with the Chinese National Tobacco Corporation (CNTC) to form a joint venture to manufacture tow, or the fibers used in cigarette filters. Newman distinguished four phases in the development of this eventually successful joint venture, each with its own hurdles in the organizational, environmental, and interpersonal areas.

In the first stage, the potential partners negotiated a basic agreement outlining the benefits and inputs expected of each. At first Celanese rejected the Chinese proposal because it would flood the world tow market and delay profits for years. Then a mediator, the London Export Company, which had long experience in China, saved the day by getting each side to make concessions. The mediator played a vital role because its experience in China allowed it “to negotiate in a more frank manner than would have been possible in a face-to-face encounter” with Celanese in view of the Chinese tendency to avoid frankness with strangers (Newman, 1995, p. 75). This also began a process of building trust between CNTC and Celanese, since the mediator was trusted by both and could attest to the sincerity of all parties.

In Stage Two, the parties took the time—a full 2 1/2 years—to draw up comprehensive plans for the design and construction of a plant, human resource planning (hiring, training, housing), the purchase of supplies, financing, and the management structure (selection of board members, governance rules). This detailed

planning was based on the idea that “it would be easier to agree on how to deal with problems in the planning stage than waiting until they arose in operations” (Newman, 1995, p. 80). The planning phase included some wise management of stakeholder relations: “government bodies...were kept informed and were consulted about plans...consequently the documents were approved without the prolonged delays that are common” (Newman, 1992, p. 73). Again the mediator was helpful by assuring the Chinese that the American tendency to be open and frank in discussion, to set precise targets, and to expect firm commitments was not a sign of hostility or domination—with patience and persistence a very comprehensive plan was completed without sharp conflict...the extensive friendly discussions led to learning and a high degree of trust on both sides” (Newman, 1995, p. 82).

The third stage, that of project execution, inevitably involved further challenges. The main problems happened to be cultural. The Chinese distaste for short-term targets and individual accountability, which can lead to a loss of face if one is criticized for unsatisfactory results, was an on-going source of concern to the US managers. Likewise American impatience tended to upset the Chinese. Newman attributes much of the success to the fact that “special efforts were devoted to intercultural communication” (Newman, 1992, p. 74), especially by using younger English-speaking Chinese managers as bridges. In the final stage, Newman describes a process of gradual movement toward becoming a “Self-initiating Emerging Organization,” where the new entity would operate fairly independently of its parents.

Five major lessons stand out from what Newman calls his “longitudinal model” (Newman, 1995, p. 90). The first is the importance of recognizing stages in an international project and of taking them one at a time. It is imperative to “complete one stage before starting the next...[which] avoids many of the conflicts that often plague international ventures” (Newman, 1995, p. 90). The second lesson is that taking the time to deal with each stage thoroughly, especially the initial stages, encourages the development of mutual trust, which enhances problem-solving on other matters down the road. A third lesson of Newman’s study is that the partners in international projects should select senior managers for their “capabilities that match the needs at that stage” (Newman, 1995, p. 90). There is still a need for continuity over the life-cycle of the project, and Newman suggests that this can be assured at the highest level of management. But there is no “one-size-fits-all” manager for the entire life cycle of international projects. The fourth lesson is that large payoffs came from the partners’ special efforts to improve intercultural communications (via the intermediary company and the use of younger Chinese managers trained in the US). And the final lesson lies in their consulting from the beginning with key stakeholders, notably some Chinese government offices.

2.5. Conclusions

What can we conclude from this survey of the existing literature on the factors that determine the success or failure of international or intercultural projects? Although individual authors may differ, it is clear that the overall “sense of the literature” is

that all three factor groupings, the individual/interpersonal, the organizational, and the environmental, are highly important and perhaps critical. In addition to this general conclusion, the following list attempts to distill the key lessons we derive from the review of literature:

2.5.1. At the individual/interpersonal level

- There is clearly a core level of cross-cultural skills and knowledge needed by all international workers, as well as some specialized management and interpersonal skills (e.g. negotiation, teamworking) required by some workers at various stages of a project;
- building personal relationships between managers at all levels acts as a pathway to overcoming many other obstacles to project success.

2.5.2. At the organizational level

- Some organizational factors may be sine qua non, in particular clarity and mutual buy-in of project objectives, appropriate and well-defined management structures, and the commitment and material support of the headquarters of all parent organizations;
- the phasing (of the stages) of projects is important, meaning that certain tasks must be accomplished before it is sensible to attempt others and that some skill-sets may be more useful at one stage than at others;
- means should be found of achieving as early as possible and in a manner consistent with management's intentions, informal working "understandings" between managers and workers on the precise interpretation of project goals, roles and responsibilities, governance mechanisms, and even some technical matters.

2.5.3. At the environmental level

- Certain environmental conditions (e.g. lack of political and key stakeholder support) may have such a destructive effect on international projects that it is probably better not to proceed with the project if they are not addressed decisively at the outset;
- cultural distance is not an insurmountable barrier to the success of international projects, but the groundwork must be laid very carefully, taking one's time if necessary, in awareness of the challenges cultural distance does pose;
- there are many techniques of environmental management that can help international projects succeed (e.g. building a local network, community involvement).

2.5.4. Crosscutting all the levels

- It is important to take the time to build trust between managers of different cultures, trust being a kind of "critical mass" that makes everything else easier;

- all managers should adopt an attitude of modesty and continuous learning toward their international project, to avoid applying preconceived notions from what worked at home to interpersonal relationships, organizational decisions, and environmental analysis.

3. The logic and content of a new model training program for international project success

The ultimate goal of a re-vamped typical training program for the personnel of international projects would be to contribute significantly to the eventual success of such projects, as defined by the partner organizations. In other words, to move towards Kirkpatrick's highest goal of training that is to contribute to organizational results (Kirkpatrick, 1967), which might include profitability, market penetration, technology acquisition, or development results.

Each of the areas we have covered—the individuals involved, the organization of the project, and the economic and political environment of the project—can present challenges to project success. Arguably, organizations must address several needs to get to a state of readiness to launch an international project:

- negotiation of strategic goals, operational objectives, and governance structures;
- project financing;
- project planning to set out detailed objectives and benchmarks (a plan of operations);
- selection of personnel, especially senior and middle managers and some “mission specialists” as well as determining the right mix of expatriate and local personnel;
- training of personnel to improve their intercultural and interpersonal skills and to upgrade project-relevant skills and knowledge (e.g. networking in the host country); and
- achieving “understandings” or informal agreements among managers (and stakeholders) on the interpretation in practice of the strategic, operational, and governance rules in place. These usually only arise from person-to-person contact and some level of built-up trust, especially when the managers are from different cultures and organizations.

3.1. Training as a strategic intervention

A well-formulated training program can contribute significantly to all of these project needs, most obviously to training itself and to the achievement of understandings, but also in some measure to the negotiating, planning, and financing interventions by acting as a feedback-and-correction mechanism. A training program should be regarded as a unique opportunity in the life cycle of an international project. It is a strategically situated event where key personnel (and outside stakeholders) should be brought together under conditions of minimal distraction in order to, most obviously, learn new skills and knowledge, but also to

build personal relationships, face issues, and achieve the informal understandings referred to above.

We submit that this wide-ranging potential of training programs as a key intervention in the project life cycle can be brought closer to realization through some reforms in the process and content of training programs, in what we are calling a “New Model Training Program for International Project Success”, whose basic features and components are outlined below.

On process matters, the conclusions of the literature review would suggest that four process reforms are in order. First, in view of the complexity of the environments of international projects, the participants in a reformed training program should embrace a broader group than is currently typical. This would include all of the senior and middle managers from the participating organizations, the key sub-contractors and consultants that will be involved in the project, and stakeholders such as government officials, labor union representatives, citizen’s groups, etc. Of course not every module would have to include all these parties. Second, training programs should be longer than is generally the case today. Again, the literature review reveals the range of issues and therefore potential topics that go into project success and to address them takes time. Two to three weeks is probably a good estimate, for it would permit exploration in greater depth of important topics as well as time for informal relationship building. Thirdly, the training program should be based on a team approach, where working groups rather than simply individuals are trained. This would enable all key partners in the project to come together to better understand each other and to work out a consensus on how the project will be managed. And fourth, training content should vary somewhat according to the stage of a project particular employees will be assigned to, given that some studies stressed that different skill-sets would be more useful at different project stages.

As for the timing of the training intervention, it seems appropriate and realistic to continue the current general practice of placing it just before the implementation phase (when most of the key personnel have been selected and a formal agreement between the partner organizations is in place). But this initial training would ideally be followed up by periodic training during the life of the project, perhaps biannually. This would promote continuous learning, renew team commitment and trust, and reinforce clarity with respect to the informal understandings reached previously.

3.2. The content and intended results of a new model training program

A New Model Training Program for International Project Success should produce three kinds of results in Kirkpatrick’s terms:

- behavioral change from training modules in intercultural and interpersonal skills;
- key new areas of knowledge of relevance to achieving project goals; and
- informal “understandings” between the key managers from the participating organizations and outside stakeholders about such matters as the practical interpretation of governance structures and strategic orientations; reconciliation

of or at least recognition of any conflicting interests and goals of the participating organizations; addressing the delicate relationships that often exist between foreigners and local colleagues arising from unequal technical and different organizational culture backgrounds; appropriate information flows; and expected consultations with partner organizations and stakeholders. Such understandings are likely to occur only as trust builds between the parties during the Training Program. (It is also wise to make progress in these areas before project implementation begins, for there will be real-world pressures on local colleagues and stakeholders to distrust the foreigners.)

Two principles should shape the content of a reformed training program for international project success. First, since the literature reveals multiple causes of project failure beyond any shortcomings in the intercultural skills of the individuals involved, the content of training should add new knowledge and skills intended to enhance some key organizational and environmental requisites of project success. And second, the training program should include mechanisms to stimulate, and then gain the blessing of senior management for, various informal understandings that can contribute to success. These two principles underpin the basic learning modules proposed below for a New Model Training Program for International Project Success. We will not go into much detail on the actual content of these modules, but simply wish to give a notional account of the most important needs.

3.3. Outline of the elements of a new model training program for International Project Success

3.3.1. Theme A: Improving individual cross-cultural competencies

The readiness of an organization for undertaking international challenges is enhanced by increasing in quantity and quality its stock of individuals with strong competencies for work in intercultural settings. The following three training program modules in this Outline are the ones that current practice comes closest to fulfilling:

Course I-1 (for Individual-1): Cross-cultural awareness and understanding: All managers in an international project, whether expatriate or locally raised, should have a solid understanding of the concept of culture and its implications for management, and of the major cultural values and practices of the host country and the differences with the cultures of the expatriate workers. The role of stereotypes, attitudes and attributions, prejudice and other key concepts influencing the outcome of intercultural interactions would be discussed.

Course I-2: Essential cross-cultural skills: All managers should develop some elementary cross-cultural skills in such areas as adaptation, communication, relationship-building, etc. These will help them to develop confidence in their ability to work effectively and harmoniously with colleagues of a different culture. In contrast to course I-1 above, which emphasizes more the theoretical and conceptual foundations for achieving cross-cultural understanding, the emphasis in this module would be on skills demonstration and personal applications of these concepts in practice.

Course I-3: Multicultural teamwork and partnering skills: This module would present an overview of what we know about effective team work across cultures, and draw on the training methodologies which have proven to be effective for team building. The intention here is to acquire skills to enable the multicultural team which will implement the project to achieve clarity of both purpose and process and build trust that is the fuel of intercultural teamwork.

Exercise I-1: Monitoring and evaluation process: The aim here would be to establish a set of parameters and a process for monitoring progress and evaluating success. All key personnel, both management and staff, involved in project implementation would agree and commit to achieving certain milestones during the course of the project and the process for monitoring progress. This process for monitoring and evaluation should include expectations and standards for individual/team performance, organizational effectiveness, and environmental awareness.

3.3.2. Theme B: Addressing key organizational issues

A training program can help address key organizational issues by first, equipping individuals with project-enhancing forms of knowledge and skills, and second, providing the opportunity through exercises and informal time for the achievement of informal “understandings” between local and foreign counterparts, between more senior and subordinate levels, and between the project managers and outside stakeholders.

Course O-1: Best practices in planning, and implementing international projects: This course would review the key lessons learned from the academic research on the causes of success and failure of international projects (along the lines of the literature review above). Trainees would consider how they could make use of these lessons in implementing and managing their own project. Moreover, proven best practices such as the use of cross-cultural mediators, project champions, and community involvement would be introduced to the trainees, with discussion of innovations they would propose themselves.

Course O-2: The issue of organizational culture: All international projects bring together at least two different organizational cultures, and these differing management values and traditions can cause much friction and slipping away from the intended objectives of the project. This course would include an introduction to the dangers of organizational culture clash and some ways successful international projects have dealt with them, as well as a discussion to identify key areas of difference and similarity between the organizations in the project at hand. The aim would be to identify and practice ways to manage differences and build on the areas where similarity in thinking and process actually exists.

Course O-3: Balancing local practices and universal needs: This would be especially directed at managers in the subsidiaries of MNCs, where the Headquarters has the power to impose management practices from the home country, but where experience shows a large degree of localization to be a wise policy. There could be a lecture on these problems, followed by a discussion of such issues and possible solutions in their particular case between expatriates and local employees. This is also an area where non-management employees, such as labor union representatives,

might usefully be invited to participate. The goal here is to help the multinational or other foreign organization to “fit in” to the local environment, meeting their corporate goals while learning to respect local traditions and gain local support and readiness for change.

Course O-4: Management dialogue on the mission philosophy and strategy: The aim here would be to facilitate a dialogue between employees, sub-contractors, and stakeholders on the guiding principles behind and the strategies for bringing the project to fruition. This would hopefully lead to shared understanding of and commitment to the same outcomes. For example, for development projects whose ultimate objective is sustainability, not just immediate deliverables, the intentions of management should be clarified, discussed, and “bought into” by all parties. This module is important because international projects are so often plagued by a lack of clarity and competing interests and commitments among personnel involved in the project.

Exercise O-1: The interpretation in practice of project objectives, roles and responsibilities: Achieving an understanding that enhances management’s intentions: Beginning with a lecture on how reality often diverges from formally stated objectives, roles and responsibilities, managers should engage in informal discussions of how they intend to proceed in practice as a multicultural team, and then their conclusions should be fed back to their superiors for comment and adjustment. The idea would be neither to force a slavish adherence to the formal goal statement, nor to let more junior employees decide policy, but to find a workable *modus operandi* that enjoys a consensus of local and foreign managers and the support of senior management.

3.3.3. *Theme C. Equipping managers for better environmental analysis and management*

It is true that one means of improving the accuracy of environmental analysis and the management of the social/political and economic environment of the project is to employ specialist expertise on the host country, from local or foreign sources. But it is greatly advantageous for much of this knowledge to filter down to all levels of management, particularly since decisions that damage the project’s relationships with stakeholders can be made by even the lowest levels of management. This is an area where local managers would most naturally take the lead as educators of their foreign counterparts, but they too could benefit from further knowledge of best practices and some special techniques.

Course E-1 (for ENVIRONMENT-1): More accurate environmental monitoring and analysis: In this lecture would be presented material on the importance of assessing the economic and social/political environment prior to project initiation or any major initiatives, and basic techniques for monitoring and assessing the environment (e.g. polling, creating a network of informants, etc.).

Course E-2: Stakeholder analysis: A sociological and organizational analytical framework for assessing the interests, power and influence of, and the inter-relationships between, the various stakeholders in an international project, with a view to balancing competing interests and establishing a cooperative environment.

Course E-3: Environmental management techniques: A presentation of the evidence that international projects can influence their social/political and economic environment (though imperfectly) and of some techniques of environmental management that can be used by managers at all levels (e.g. creating networks, public relations methods, consulting with stakeholders, community involvement, defusing and even swaying opponents, etc.).

4. Conclusion

This article has attempted to make a case for a reformation of typical training programs for managers and stakeholders in international projects with a view to improving the prospects for success in all of the three major areas that affect success, the individual/interpersonal, the organizational, and the environmental. A selective literature review revealed the importance of all three areas and highlighted some particular findings that merit incorporation in a re-styled New Model Training Program for International Project Success. We invite training centers to implement training programs along these lines, and then to evaluate them to assess their effectiveness in contributing to overall project success. Such an evaluation process could be informed by the recent work of Mendenhall et al. (2004), who call for increased rigor, both quantitative and qualitative, in evaluating training impact in terms of individual intercultural competence and organizational effectiveness in another culture. Although we believe the present suggested New Model Training Program to be a solid step forward, ultimately only the results of evaluation can refine it to make it a practical means of contributing to overall project success.

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