International Projects

Some Lessons on Avoiding Failure and Maximizing Success

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Performance improvement for companies and governmental agencies involved in "international projects" is a major challenge of the new century. Business joint ventures, subsidiaries of multinational corporations, aid projects, and similar international projects have been multiplying in recent decades and have had spotty records of success—understandably, in view of their inherent difficulty. This article will summarize lessons from the authors' experience and research in improving the success of international projects and identify 10 causes of international project failure and the corresponding steps to success.

Two broad areas of performance improvement are highlighted. First is the upgrading and broadening of competencies for personnel undertaking international assignments. The second area focuses on organizational capacities for project articulation and management, particularly in the areas of partner selection; headquarters commitment and support; clear, realistic, and phased goal or performance target setting and achievement; consulting and building consensus to integrate local concerns and management practices; and assessment and management of the project environment. This article could be seen as a checklist of essential to-dos for top managers who wish to ready their organizations for undertaking a successful international project. This includes cross-cultural training, knowledge of newer areas like stakeholder analysis and community relations, and making use of training programs to encourage consultation and consensus building among project participants and stakeholders.

What we are calling "international projects" constitutes a major trend in the globalized environment of business, government, and voluntary sector organizations today. The most common examples are business international joint ventures, the foreign subsidiaries of multinational corporations, the development and humanitarian projects of governments, international organizations, nongovernmental organizations in the developing world, and intergovernmental cooperative programs (such as the international space program, police, and antiterrorism task forces, and even ongoing peacekeeping operations).

International projects, which could also be thought of as "intercultural" projects, share no small number of difficulties precisely because they are workplaces where local people and expatriates from different cultures must interact, produce together, and innovate together. One estimate of the success of these projects put it at about 50% (Harrigan, 1988). Another estimate focusing on joint ventures in China placed success rates at only 6%, although the authors believe it was probably improving as experience was gained (Hu & Chen, 1996). In a similar vein, studies have reported that as many as 50% of the foreign assignments of international business personnel are considered failures (Naumann, 1993).

Challenges Facing International Projects

There are three general challenges common to most international projects. First, the coexistence of national cultures in international projects creates unique communication and work-style issues, which tend to create difficulties when attempting to achieve a unity of purpose. Unlike the familiar situation of domestic workplace diversity in the United States, an American company operating abroad will not enjoy the overarching common culture that at least provides a common point of reference for both majority and minority groups in the United States. Moreover, in an international project the familiar sociology of domestic multiculturalism is often reversed: Almost certainly it will be the cultural minority—the expatriates—that have special power because of ownership or specific expertise. Yet the cultural majority—the local employees—feel an understandable entitlement to expect things to be done their way in their own country.

Several means have been tried to deal with this reality of potential cultural friction, ranging from conscious attempts to create an overarching "organizational or corporate culture" to simply attempting to do a better job of choosing and training expatriates and key locals to work together. But the essential problem remains: the potential for cultural differences to complicate and even undermine organizational strategies and processes.

The second difficulty for international projects is one of distance, despite advances in transportation and virtual communications. Absence from family and from the headquarters office can affect the morale of expatriates, and fewer face-to-face meetings with key colleagues at headquarters often result in more misunderstandings. In general, there are perennial problems of communication and harmony of purpose between headquarters and field operations that make international projects a challenge for most international organizations.

A third challenge is one of accurately assessing and predicting trends in the economic, social, and political environment that will affect the success of the project. One study of Canadian firms operating in China found this to be the biggest single issue: Insufficient understanding of the political, regulatory, and market realities led to a sense of having a lesser ability than at home to predict and proactively influence the Chinese business environment (Abramson & Ai, 1999).

Eight Keys to Being an Interculturally Effective Worker

Any organization that recruits and trains its expatriate and local workers to possess strong intercultural competencies will be better prepared for international projects. Ideally, these workers, particularly the expatriates, should have the following kinds of knowledge, skills, and attitudes:

1. Adaptation skills: The ability to cope personally and in their family context with the challenges of living in another culture, both as a prerequisite of job effectiveness and to enhance their personal enrichment.
2. An attitude of modesty about their own culture and respect for and interest in learning the ways and management practices of their local colleagues; a willingness to listen to and consult with colleagues before coming to conclusions on issues.
3. An understanding of the concept of "culture" in its several meanings (i.e., national, organizational, occupational, etc.) and of the strong influence these kinds of cultures will have on the life, work practices, and values of all workers.
4. Extensive knowledge of the host country and society and a desire to constantly expand that knowledge, particularly as it relates to their professional field.
5. Intercultural communication skills: The ability to make themselves understood in a sensitive way by colleagues of a different culture and the willingness to attempt to understand the real intentions as well as overt messages of colleagues.
6. Sociability and interpersonal and relationship-building skills: The ability to socialize easily and to build harmonious interpersonal relationships within their project, as well as task-functional working relationships (such as teams, committees, etc.).
7. International management skills: The willingness to make contributions to meeting the organizational and environmental management challenges of their international project, for example, by suggesting improvements to the management of the project and by being an ambassador and network builder for their project in the community.
8. Commitment: A high level of personal and professional commitment to the assignment and to experiencing an enriching life in another culture.

Despite these endemic difficulties, there has been an exponential expansion of international projects by companies and government agencies in recent decades. Reliable worldwide numbers are not available, but in 1998 in China alone there were 140,000 active foreign-Chinese joint ventures (Luo, 1998). This testifies to the potential for rewards from these international activities, as well as to the fact that ways can be found to overcome the difficulties posed by culture and distance, ways that do not require a major organizational overhaul or the recruitment of global supermanagers. The skills required for international success are not that uncommon and can be relatively easily acquired or upgraded. Your organization probably already has most of the right people. The key, however, is knowing what to look for; these abilities cannot be assumed to be the same ones required for domestic success. There are also some low-investment organizational solutions that have proven invaluable for many companies. These two imperatives—*readying the people* and *readying the organization*—are given further elaboration at the end of this article.

The Most Frequent Causes of Failure in International Projects

The authors and the intercultural training institute with which we work have observed problems in international projects and their attempted solutions for more than three decades. Recently we have undertaken studies in two areas: (1) the lessons learned from organizations dealing with international projects (summarized here) and (2) a definition of the essential skills and knowledge required of expatriate and local-born employees and leaders in international projects (see the sidebar *Eight Keys to Being an Interculturally Effective Worker*, as well as Kealey, Protheroe, MacDonald, & Vulpe, 2003). Our work with companies such as Citigroup and Petro-Canada and with government and voluntary agencies such as NASA, the Canadian Aid Agency, and the International Red Cross leads us to believe that our conclusions about the causes of project failure and about the personal skills and knowledge that workers require to make projects succeed may apply very widely to all kinds of organizations.

We have identified 10 specific causes of failure, which may be organizational, environmental, or individual and interpersonal in nature. Organizational issues refer to how well the project is defined, governed, scheduled, supplied, and managed. Environmental issues concern how congenial the economic, social, and political conditions surrounding the project are to the project in the first place and how and to what extent these can be managed. The individual factor relates to the adaptation, intercultural, and management skills of the individuals, both expatriate and locally raised, who work in the project. All are important. Even superbly qualified individuals may not be able to salvage a poorly designed and governed project; otherwise sound projects may founder on poor market conditions, political instability, or lack of buy-in by stakeholders; and even well-managed and environmentally congenial projects can fail because of interpersonal and intercultural conflicts and lack of communication.

Here is our list of the 10 principal causes of failure or subperformance in international projects. (They are placed in order of the typical sequence of events, not necessarily in order of our view of their importance.)

1. Motivations: Failure to examine, clarify, and prioritize one's motives and strategic goals

In entering into international projects, organizations may possess three general kinds of motivation. The first could be called "largely benevolent," where the organization is seeking the welfare and building up of a partner organization. This is characteristic mainly of development projects, where technology transfer is the goal, and of many multinational companies, which are building the capacities of their subsidiaries. The second motivation could be called "mutually cooperative," with a view toward achieving a mutual performance enhancement with their partner organization. Quite often, joint venturing firms are seeking to enter new markets, learn new competencies, share or exchange facilities and functions to cut costs, jointly exploit a resource to share risk, or find a merger or acquisition partner—but it is consistent with the interests of the other partner and there is the possibility of a win-win outcome. The third, and a far from uncommon motivation, is the pursuit of entirely selfish and opportunistic goals, such as taking advantage of cheap labor without building any sustained presence in the host country, spending development funds without building local capacity, or, frankly, stealing technology from one's ostensible joint venture partner.

It can be said that when organizations with essentially opportunistic motives try to pose as if they are undertaking cooperative endeavors, it is unlikely that they will achieve either the selfish benefits or the cooperation. This is because distrust will almost certainly emerge and spiral out of control, with destruction of the project being the almost-inevitable result. It is best to be clear about one's goals; to communicate these to potential partner organizations; and, if the goals are frankly opportunistic, then to negotiate a set of project goals that do not go beyond the exchange of certain benefits. The latter is particularly true of joint ventures between competitors, where each wants to learn competencies from the other without revealing too much of its own technology.

The other causes of failure concern organizations that do possess broadly cooperative motivations, but are not doing the right things to ensure success. The sidebar *Ten Keys to*

Ten Keys to Becoming an Internationally Effective Organization

Organizations contemplating international projects should pay special attention to readying themselves in the following 10 areas:

1. Examine and prioritize your motives and strategic objectives. Are they consistent with those of a partner organization such that a cooperative, win-win relationship is likely?
2. Select partner organizations that have compatible or complementary competencies, management practices, and organizational cultures.
3. Be clear on and ensure agreement with partners on operational goals and performance targets.
4. Be realistic in setting objectives and performance targets.
5. Have clear and unambiguous governance mechanisms and definitions of the roles and responsibilities of the partner organizations and the middle and senior project managers.
6. Consult and build consensus. Seek out the views of local partners and stakeholders in the community and try to integrate the best of the management traditions of the host country as much as is possible, consistent with corporate and project goals.
7. Ensure the commitment of senior management at headquarters by having a project champion and providing services to ease the life of expatriates.
8. Constantly assess the sociopolitical and economic environment of the project, weighing its feasibility in the first place, making ongoing adjustments during implementation, and having programs to consult with and influence local and international stakeholders and build community support.
9. Recognize the importance culture will have on project management, and select and train personnel to be culturally sensitive and effective collaborators with people of another culture.
10. Trust your partners until proven wrong.

Becoming an Internationally Effective Organization provides a summary of to-dos that are the action implications of these causes of failure.

2. Selecting Partners: Failure to select partner organizations that complement one's goals and mesh with one's organizational culture style

There are some aspects of partner selection that are often ignored in practice; these include such basic attributes of a potential partner as financial soundness, experience, and the technical or business competencies one seeks to benefit from. For example, in China the most common fit has been between foreign companies' financial and technological contributions and the Chinese partners' local marketing knowledge, distribution channels, and general business and government contacts.

Less-obvious and often overlooked partner areas are ones of compatibility with organizational goals, motivations, and culture. The latter includes both general management practices and the more subtle values that together make up an "organizational culture." With regard to management practices, the compatibility of personnel practices, accounting systems, information systems, and so forth can clearly be seen as sources of mutual strength or potential trouble. In the case of organizational culture and the values underlying management strategies and administrative practices and systems, clashes can be catastrophic, especially when combined with conflicts stemming from differences between national cultures. For example, an aggressive, risk-taking North American organization has frequent compatibility problems with a conservative, careful Asian company. This is easiest to examine in the case of joint ventures, which attempt to create hybrid organizations. But it also applies to multinationals, where local employees are often from very different organizational and national cultures, as well as to development projects where typical Western expatriates are attempting to promote change in undynamic local organizations.

3. Setting and Delivering on Goals: Failure to clarify operational objectives by achieving a clear and shared understanding of work objectives, performance targets, and management responsibilities

Establishing a shared understanding of desired steps, targeted results, success indicators, and expected contributions from each party is critical. We are aware of an example of such lack of clarity involving a Canadian agency and a Brazilian public-private consortium collaborating on a wastewater management system. Despite signed contracts and a detailed plan of project operation, it wasn't until a program review midway through the multiyear project that the two sides discovered there was a difference of a whole year in their understanding of the project completion date!

The problem may sometimes be in the communication of operational goals and sometimes in the persistence of vested interests that undermine the project goals. For example, in one study only 60% of the executing agency managers felt that "understanding international development is an important factor in ensuring successful outcomes"—this in a Canadian development project in Egypt (Kealey, 1996). Probably both poor communication and vested company interests in commercial benefits over development benefits to the host country played a role in this case.

Even if objectives and targets are clear and shared in the foundation agreements, they sometimes have a way of slipping over time. Of course, there may be sound reasons for adapting operational plans and targets to changing conditions, but when a project's mandated purposes are subverted by lack of or slippage in the clarity of operational goals, there is a serious problem. This suggests that foundation documents and plans need to be supplemented with regular review and follow-up guidance from the top, as well as people-to-people understandings of the goals and targets based on trust and effective communication.

4. Setting Realistic Goals: Failure to set realistic objectives and a realistic pacing of implementation schedules

Not only must goals be clear, as stressed above, but they also must be realistic. Trying to accomplish too much too quickly can be fatal when cultural differences or variations in organizational capabilities are wide. For example, many North American firms, impatient for results, have mistakenly decided to take on ambitious designs and to proceed full speed ahead, with poor results, especially in projects in developing countries. Not only must goals be realistic, their pacing should be too. Taking the time to get things right before moving on to the next stage is crucial. This means ensuring that both sides agree on the state of progress to date and their expectations for the future. A U.S. company in China attributed much of the success of its joint venture in China to having taken 2½ years to hammer out in meticulous detail the joint plan of operation, and indeed making sure each stage was completed before proceeding to the next to avoid problems festering, and importantly building trust along the way (Newman, 1995).

5. The Governance Issue: Failure to establish clear, mutually agreed on, and effective governance structures

Many of the examples above are traceable to ill-conceived, ambiguous, or ill-maintained governance mechanisms. Many international projects, especially joint ventures and development projects, have been vague (often because negotiations "succeeded" by leaving some things vague) about the relations between the parent organizations, the decision-making mechanisms, the degree of autonomy possessed by local project managers, the true CEO or COO of the project on site (double staffing of senior positions is common), and the scope of line managers' roles and responsibilities. (Multinational companies' subsidiaries are generally clearer because of 100% ownership.)

6. Lack of Consultation and Consensus Building: Failure to consult with and integrate the substantive and process views and management practices of local colleagues and stakeholders

In our several decades of involvement with international projects, one of the most disheartening things we have observed is the tendency of (mainly) Western companies and agencies to ignore or minimize the policy views and managerial experience of local participating organizations, individual colleagues, and stakeholder groups. For example, in the area of development aid, failure to adequately consult and build consensus among local partners and stakeholders in the community when projects are being planned and implemented has been a major criticism of hundreds of academic and official reports and evaluations for a half century. The reasons this lack of consultation persists are likely the greater resources and expertise (on paper) of the Western partner organization. Other factors include the fact that the foreign partner is usually there to bring technological and managerial change to moribund local institutions, which tend to resist change. It may also be as simple as an unconscious arrogance. But we do not believe this state of affairs is inevitable, and we have seen some examples of genuine two-way consultation and consensus building. Without these, projects will be like sand castles, swept away once the foreign presence is removed or reduced.

Similar issues arise in the area of management practices, which can differ greatly between cultures. This includes such areas as hiring, promotion, compensation, rewards, punishment, and corporate values and ethics codes. The challenge is to find a balance between corporate or project priorities and local management traditions. It is not easy, given that many places in the world have management practices that are dysfunctional (nepotism, corruption, promotion by connections rather than performance), but there are some approaches that can help. For example, hiring and grooming local individuals who understand local practice, yet are committed to modern management, can be a positive tactic. Another strategy is to adjust the timing of reforms: Some successful joint ventures in Eastern Europe permitted local managers to initially use their own management practices and only gradually introduced Western methods (Laurence & Vlachoutsicos, 1993). A path somewhere between imposing unfamiliar foreign management practices and succumbing to dysfunctional local traditions is almost always a wise course.

7. Commitment and Support: Failure by headquarters to maintain strong, consistent commitment and support to seeing the project through to a point of sustainability

Commitment at the highest levels is crucial. Obstacles will inevitably arise, concrete results may be slower than anticipated, and the political and economic environment may become less hospitable. Yet it has been shown that managements that do not persevere in the face of apparent (but, it is hoped; temporary) lack of success will be engaging in a self-fulfilling defeatism. One study found that United States–Japan joint ventures actually had longer durability

on average than United States–United Kingdom partnerships, a paradoxical finding partially explained by the greater commitment possessed by executives in U.S.–Japan joint ventures who fully expected a greater challenge (Park & Ungson, 1997). Some concrete indicators of commitment included strong two-way communications between headquarters and the field and the provision of material support necessary for success.

Successful companies have also learned the lesson that international employees require special attention and support. For example, one major oil company has a system in place to help families find accommodation and educational facilities and learn the local language and has an office for ongoing troubleshooting at headquarters and on-site.

8. The Project's Political and Socioeconomic Environment: Failure to be proactive in environmental monitoring and management

Inadequate attention to the assessment and management of the local and world economic and political conditions will inevitably affect the project adversely. An illustration of the importance of these issues is provided by a recent report in *The Economist* about a gold mining joint venture in Peru between U.S.-based Newmont Mining and a Peruvian company. For the first several years of the project "the mine ... produced fears and resentments ... protesters blocked the road to the mine ... which locals say [spoils] streams that supply the city with drinking water .... The mine's rapid expansion has affected farmers ... and critics claim a ... lack of benefits for local people ... [and there emerged] an alliance of local activists, extreme leftists ... in alliance with rich-world [nongovernmental organizations]" (*The Economist,* 2005). Without judging the merits of the particular case, this quote illustrates well the variety of political, economic, and social conditions and stakeholders that make up the environment of international projects today.

Environmental challenges with international projects appear at three levels. First, many companies have not assessed with brutal realism whether the political and economic environment is congenial and supportive enough to justify beginning an international project at all. One important aspect of the original environmental analysis is to discern the views and interests of stakeholders (affected groups, government agencies with jurisdiction over various aspects of the project, customers, competitors, etc.) and consult with them to obtain their blessing or at least non-opposition.

Second, companies and other organizations have often been overly confident in assuming that success at home in adapting to and managing changing environmental conditions can be repeated abroad. For example, marketing realities, dealings with governments, regulations, taxation, and the competitive landscape may be very different in the new country than at home. What is required is not omniscience, but rather a willingness to constantly keep one's antennae up for clues to changes in the environment. Companies also need to have some modesty about their ability to assess the environment accurately. Paradoxically, one study found that the most successful international companies turned out to be those that had the strongest perceptions of *uncertainty* in understanding the local business environment (Abramson & Ai, 1999). This attitude of modesty and experimentalism on the part of project managers—recognizing that one does not understand everything initially—leads to a willingness to seek out reliable informants and to make frequent adjustments until a successful route is found.

The third aspect of failure in environmental management with international projects has been that many organizations have not put enough effort into proactively influencing the local environment. Although the political and economic environments of international projects are never fully within one's control, much can be done. Successful project managers can develop personal relationships with local authorities and opinion makers at all levels; keep such contacts informed about developments and solicit their opinions; and create community ties by sponsoring sports teams, scholarships, and contests. Some companies have even given away noncore technologies to build a strong local network of partners and customers.

The possibilities of environmental management can be illustrated by returning to the denouement of the story of the gold mine in Peru. It appears that the companies involved have been quite successful in turning the tide of local public opinion more in their favor. *The Economist* reported that the project manager "issued an unprecedented apology [for the element of] genuine grievance ... spent $30m on three large dams to filter run-off water ... spent $16m in cleaning up past pollution ... increased the amount of supplies and services it buys locally ... [and made] donations to schools and a regional hospital ... [and the CEO] has told his managers to make greater efforts to listen to the communities around the mine" (*The Economist,* 2005).

9. The Challenge of Culture: Failure to recognize the pervasive influence of culture on all activities and to select and train personnel accordingly

The coexistence of two or more national, and probably organizational, cultures creates the potential for both harm and rewards. Many of the examples given above have cross-cultural aspects or are made more severe as the cultures involved are more distant (clarifying operational goals, for example).

Cultures are known to vary widely on basic aspects of life and work, time management, reward and loyalty systems (often ranging from an individual to a collective orientation), the order of business (getting right down to business versus building human relationships first), and on authority

and social relationships (ranging from egalitarian to hierarchical) (Adler, 1997; Hofstede, 1980, Trompenaars, 1993). For example, Western firms in China have discovered the importance of *guanxi* relationships to doing business—these are slowly developing, enduring, and very personal and loyal relationships in the work world, which contrast with the more impersonal and expedient business relationships that are typical in the West. Another example occurred with knowledge-intensive NASA when multinational crews in space became common in the 1990s. In one incident, a fist-fight transpired in space between astronauts of different cultures; and in another incident, a female astronaut lodged a complaint about sexual advances from a male astronaut of another culture (Kealey, 2004). Culture and its effects cannot be wished away, and the organizers of successful projects have recognized and thought carefully about these matters in advance and developed mechanisms for dealing with them.

Personnel selection (and training) is perhaps the area that shows best whether a company has grasped the importance of culture. Surveys of international organizations' personnel practices confirm that technical expertise remains by far the most important criterion for selection for international assignments. Although "soft" skills (e.g., adaptability, sociability, flexibility, ability to communicate) are becoming better recognized, their importance as selection criteria remains low in practice. Organizations have too often sent technically superlative employees who lacked some social and managerial skills when working in a new culture, or whose family situations or personal qualities made coping with culture shock and living abroad difficult. Simply put, business goals cannot be realized if the cultural and interpersonal issues that influence day-to-day operations are ignored. The sidebar *Eight Keys to Being an Interculturally Effective Worker* (see page 39) provides eight key attributes of interculturally effective workers based upon our research.

Having the right people is not limited to the need for competent expatriates. Another common problem is where local employees feel threatened by foreign supervisors or change agents who are uncooperative or resistant to change. One way of helping to bridge such gaps is to employ the services of a cultural mediator or coach, a local person who knows the management practices of both cultures and can offer guidance in problem solving and how to avoid conflicts based in cultural differences.

10. Trust–The Tipping Point?: Failure to achieve a high level of mutual trust between the participating organizations and their employees

Trust is initially an intangible that can become a genuine form of management capital. Little may exist at first, and it may develop slowly. But with the emergence of a certain critical mass of mutual trust, everything that follows becomes far easier, including the resolution of misunderstandings over project objectives and the myriad problems that are inevitable when people of different cultures must work together. Trust operates both at the level of the headquarters of the participating organizations and at the level of individuals of different cultures working together in the field.

Sometimes trust develops quickly and without much effort; sometimes it takes an intervention (for example, in one case an intermediary trusted by both sides was used to unlock an impasse in negotiations and the trust spilled over to the main parties) (Newman, 1995). The experience of making progress together often helps create the new resource of trust. At other times, the development of trust takes longer, perhaps because the cultural gap is wide and little progress has been made with other obstacles. There are situations where the emergence of trust may be almost impossible, such as in the case of joint ventures between potential competitors who both suspect the other of opportunistic motives. (This possibility should be carefully considered prior to the decision to undertake an international project—perhaps it should be aborted or be plainly conceived as no more than a negotiated exchange of benefits.)

In any case, building trust is essential to the blossoming of most international projects. This is not soft-headed idealism. Cullen, Johnson, and Sakano (2000) make two compelling points. First, the use of contractual arrangements, the sending of expatriates as gatekeepers, and the double staffing of positions—which are common means of protecting against opportunism—are inefficient and costly. Second, the learning of business and technical competencies that motivate one to enter the partnership in the first place becomes almost impossible unless one is willing to trust enough to engage in a genuine exchange of information and know-how. Transfers of practical business knowledge, unlike theoretical knowledge, often only happen at an interpersonal level, where people exchange information reciprocally and observe each other over time.

Performance Solutions and Implications for Human Performance Technology Practice

We end by proposing practical steps for the performance improvement professional to take to get an organization's people and systems and procedures into a state of readiness to undertake an international project in an intercultural setting.

Ready Your People

Provide cross-cultural training to equip expatriates with essential skills for living and working in another culture and interacting with expatriate colleagues. In a 2002 multicountry survey of expatriates, almost 57% of respondents reported having no cross-cultural training; two-thirds of those who did receive such training rated it as valuable (Cendant Mobility, 2002).

View your training interventions as an important strategic step and build personal relationships at all levels, all of which builds trust and thereby makes all subsequent problems easier to solve. Given that the causes of project failure are more than personal and interpersonal in nature, any training program should address areas that help solve the organizational and environmental causes of project failure. For example, it would be useful to provide courses or workshops on such areas as environmental analysis, stakeholder analysis, community relations, team building, and so forth.

Bring stakeholders and partner firm employees into the training program to help build trust early on. Evaluate employees' "soft" skills first. Some Japanese companies evaluate their expatriates only on their social skills, knowledge of the local language and the sociopolitical scene, and networking accomplishments in their first year, wisely reasoning that this lays the groundwork for more solid achievement in production and profitability goals later.

Help your key employees in the field by providing intercultural and country advice through cultural mediators, who are usually bilingual and knowledgeable locals.

Communicate, communicate, communicate. Some organizations have set up newsletters and virtual information centers specifically developed to provide ongoing information and support to expatriates and their families.

Invest in travel by headquarters managers to overseas locales. A variation of management by walking around and management by flying around can give these managers keen insights into international operations and the needs of workers in international projects.

Inculcate certain attitudes of modesty and an orientation of continuous learning on the part of expatriates. No one should ever assume that what works at home will work abroad. Such attitudes promote the flexibility and willingness to learn and adapt that contribute to success in a new environment.

Ready Your Organization

Appoint a senior-level project champion who will ensure funding, obtain the CEO's attention, facilitate headquarters-to-field communication, and troubleshoot on myriad issues.

Begin with realistic and fairly easily achieved project goals and schedules, in particular by finishing one phase before moving on to the next, which helps to build momentum for success and keeps failures from accumulating.

Find ways (at least provisionally) of trusting your partner organization and making small gestures of trust in anticipation of reciprocity. Retain the services of some "mission specialists," a country expert or "cultural interpreter," and perhaps others such as a project management professional and a public relations specialist.

Get involved in the local community, for instance, by offering scholarships to local students; sponsoring sports teams and indigenous or intercultural cultural events and exchanges; creating and nurturing a local network of partners—suppliers of goods, services, and potential employees and consultants as well as customers and civic authorities.

Help organizational leaders define the management competencies needed for each phase of the project cycle and hire or contract a series of people who would be especially appropriate for each phase.

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