

38

Cut connections

Ben Johnson's mini-case studies



With no resources, no funding and no information (apart from the project deadline) how can Dacian begin to get a grip on this situation?

Send your answer to
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Entries should ideally be no more than 300 words. The Editor reserves the right to shorten and edit entries. One entrant will get a free project management course and one a copy of One project too many for the most perceptive answers. The project management course is courtesy of ESI International. ESI say that their project management and business courses make it simple for people to succeed. A leader in project management and business analysis education they have a wide range of courses for professionals at every level of expertise. If you are our 'course' winner, you will receive a free ESI course of your choice. For further details of the courses on offer please call +44 (0)20 7017 7100 or visit www.esi-emea.com

Dealing with cultural clashes

Dacian, a technical specialist in the field, has been entrusted with winding down one of the company's service offers as it is no longer delivering a high-enough margin. This is meant to be a limited-scope project lasting no more than a few months while the final remaining service contracts held by customers expire.

One way of winding down the service would have been to outsource the remaining contracts to a third party, another way might have been to reduce the numbers of service support personnel progressively as the contracts expire, but the company chose neither of these traditional methods. Instead all the personnel working in this sector were laid off together on Dec 31 to be sure they were off the company's books by the end of the year, whether they liked it or not.

Before they left they made a very thorough job of clearing away any remaining information about the contracts, installed equipment, or even the list of existing customers.

This is the situation Dacian has inherited. He has no information at all apart from a generic description of the service in a company prospectus. On the other hand, customers do have information about him. His contact details were sent out by members of the previous team just before the accounts were shut down; Dacian is now swamped with messages. Customers naturally expect their service contracts to be honoured for the full length of their term.

Many of these customers also purchase other products and services from the company, and are starting to get pretty annoyed.

Fortunately this case study is fictitious.

Sinister Signs

In the December 2009 issue the mini-case concerned Krzysztof's problems following a merger by his company and one from a different continent. Under the new regime, he is expected to get a signature from his customer Yerkhan at the completion of every project milestone. This is not a culturally acceptable practice in Krzysztof and Yerkhan's region, where trust and personal commitment are more highly respected than pieces of paper. Yet Krzysztof is expected to follow the new corporate policy.

We asked you what options Krzysztof has to overcome this cultural obstacle, and which option would you advise?

Irene Melo, student of Information Systems sends the following analysis:

Krzysztof's company was merged to an international company that wants all its processes standardized in order to best control what happens in the company. The executives of the company that took over Krzysztof's company certainly did not assess and analyse the current processes and then decided what should be changed or kept, as a more thoughtful manager would have done.

This non-democratic way of taking over current processes does not help in developing dynamic capability in a company. However, this ability to adapt to change may be seen as essential for any company to 'survive' in a changing environment.

In this case, reinforcing this 'alien' process will eventually lead to the loss of a valuable customer - Yerkhan.

My suggestion to Krzysztof would be to try and make clear to the new company's managers the need to be adaptive and keep some processes that have proved to be effective with customers. If this approach makes the managers feel they completely lose control over the process, then maybe some adjustments could be suggested, such as

allow for an electronic memo to acknowledge receipt of items.

The new managers are certainly not interested in losing customers, especially after a merging and all the costs associated with it, so chances are that, with the right arguments, some flexibility would be granted.

I suppose the other solution would be to go on with the new orders and explain to Yerkhan why things changed. However, I believe Yerkhan would not accept the new changes lightly, firstly because it is against its cultural beliefs, and secondly because it clearly constrains the smooth running of business between Krzysztof and Yerkhan.

Gillian Tinning, project manager, Skandia UK points out:

Cultural change is never easy to implement. In this case it is not helped by Krzysztof assuming Yerkhan will be offended. The best approach that Krzysztof can take is to approach his new management team and explain the working background he has with Yerkhan. He needs to clearly explain the facts and figures regarding this working relationship. Is it a high net worth customer? Would this change force Yerkhan to move to a new supplier? What would be the impact to the new owner's reputation and profit margins? Is there any work around solution for existing customers that they could implement? If Krzysztof takes this pragmatic and non-emotional approach he cannot be accused of ignoring the directive, plus he'll be able to confirm once and for all the decision his new management insist is followed before approaching Yerkhan. After confirmation he can sit down with Yerkhan and explain the change of ownership, what this means to him personally, and what he now needs from Yerkhan going forward. In this way he can empathise with Yerkhan, helping him with any necessary transition whilst mitigating any risk that their working relationship is damaged.

David Chazal, installation project manager, Belgium, suggests:

why not ask Yerkhan what he thinks? After all, he has probably heard of such practices and may well have a not so unfavourable opinion of

them, even if it is not so common in his own culture. At least it would get the discussion going and Krzysztof could test the waters. It would probably be possible to get a trade off, that things should continue as they are for this project, but for the next one the new practice will be adopted.

There may well be advantages for Yerkhan, for example guarantees on installed equipment might run from the date of signature of the milestone rather than from date of delivery on site, certainly gaining a couple of months of 'free' guarantee.

Gyozo Kroo, IT project manager, Hungary, notes:

With this merger Krzysztof's company must have been aware they were extending their global reach; What was their objective? Impose a sterile Western-way of thinking on the whole world or embrace a wealth of new opportunities by thinking differently? I believe it was probably the latter, and with a little investigation Krzysztof could find some printed evidence of the fact in a press release or management presentation.

In fact it is practically unthinkable for a company to state that the purpose of a merger is to 'eliminate any and all cultural differences between companies and impose 'one right way' of doing things' Safe with this knowledge Krzysztof will have a strong argument to maintain his current relationship with Yerkhan, for the benefit of everyone involved.

Tom, Barman, London says:

Yerkhan and Krzysztof should review their initial agreement.

*The winner of the ESI course of her choice goes to Irene Melo for her well thought-out analysis, and a copy of the book **One Project Too Many**, by Reiss and Leigh to Gillian Tinning*



Ben Johnson has specialised in education and training for over 30 years. He has taught in 27 countries to participants of over 70 different nationalities. His clients include: Philips Semi-conductors, Microsoft Corporation, Novartis Consumer Health, Mitsubishi Electric, Novell, Hewlett Packard, the European Society of Cardiology and he regularly delivers courses on behalf of ESI Europe. In order to keep in touch with reality he manages projects on large-scale training roll-out and organisational change. He was born in Liverpool and now lives in Provence. He can be contacted at Ben.Johnson@wanadoo.fr