

Cross-Cultural Project Management in International Construction Projects in Kenya

Kimani Thomas Njuguna, Dr. Ahmad Omar Alkizim and Dr. Mugwima Njuguna

Abstract—Kenya, in line with vision 2030, is planned for intensive development. The vision aspires for a country firmly connected through a network of roads, railways, ports, airports, water and sanitation facilities. Residential, commercial and industrial developments are also envisioned by the government and private developers. With the country's progress and revolution, construction projects have become international affairs with multi-cultural teams located in multiple countries. The historically monolithic Kenyan construction industry is slowly being diffused by foreign competition and there is pressure on the industry to increase productivity and reduce costs. Managing cultural diversity in construction projects is crucial for their success. Understanding and successfully managing cultural differences can bring several advantages to the project. On the other hand, problems arising from cultural differences can cause conflicts, waste of resources and delay of construction. The paper identifies barriers and problems caused by cross-cultural conflict in international construction projects in Kenya. It gives a theoretical basis and recommendations to construction project managers for a harmonious working environment in this era of globalization.

Keywords— Culture, Diversity, Expatriate, Globalization, Performance.

I. INTRODUCTION

THE globalization of the construction project management profession is following the globalization of the economy. Advances in Information Technology and free trade agreements are the main forces behind globalization [1]. This is coupled with government's initiating trade incentives on a global scale along with investments into more sustainable technologies, like large-scale renewable energy projects [2].

In times of tight budgets, there's even more pressure to lead projects to success, so the qualification of the project managers becomes even more crucial and important. Project teams are currently hired from anywhere in the world, depending on where skilled people are available [3]. So when a project takes place in Kenya, the project manager might have to deal with a multicultural team. The need to recognize and manage other cultures is an important component in this era of globalization. When the contractor, the lead consultant, or the employer in a project do not come from the same country, and at least one of them is working outside his or her own country,

the project is an international construction project [4]. In international construction projects, no company or government can afford to miss their project goals on grounds of cultural differences and misunderstandings. These trends will lead to more projects being implemented on a regional or global scale with ever increasing demands for skilled project managers.

A research carried out under reference [5] showed that culture in the construction industry is considered to be about the “characteristics of the industry, approaches to construction, competence of craftsmen and people who work in the industry, and the goals, values and strategies of the organizations they work in”. Culture has several properties which have also been widely accepted [6, 7]. It is shared, learned, symbolic, a tradition, shapes behavior and can change over time [8]. Culture is considered personal, business, or societal. The reason is that each layer of culture modifies the others and depends upon the intelligence, experience, and genetic make-up of each person. A Chinese-American individual could have predominately Chinese or American personal values and ideas, or a mixture. A Chinese-American working for a contractor in China or for a contractor in Africa could have a significantly different corporate cultural perspective. A Chinese-American working in Europe or in Angola would have a different societal perspective on business values and norms [9].

As different researchers hold different views towards cross cultural management, there is not an agreed definition available [10]. According to reference [11], cross cultural management focuses on cultural encounters between different entities: the organizations and the nation-states, as well as helping to deal with cultural differences which would be sources of conflicts or miscommunication. The definition given by reference [13] states that cross cultural management mainly cares about organizational behaviours, which is describing and comparing organizational behaviour within and across countries and cultures, as well as seeking to “understand and improve the interaction of co-workers, clients, suppliers, and alliance partners from different countries and cultures”.

Currently, in Kenya, there is a vision (Vision 2030) that aims at transforming Kenya into a newly industrializing middle income country that is safe, secure, prosperous, and globally competitive in Africa and beyond and that provides a high quality life to all its citizens by the year 2030. To ensure that the main projects under the economic pillar are implemented, investment in the nation's infrastructure is given

K. T. Njuguna, Department of Construction Management, JKUAT (phone: +2540724514271; e-mail: kimani.thomas.n@gmail.com).

A. O. Alkizim, Department of Construction Management, JKUAT (e-mail: aalkizim@gmail.com).

M. Njuguna, Centre for Urban Studies, JKUAT (e-mail: mugwima@gmail.com).

the highest priority [14]. The implementation of the large infrastructure projects started with the construction of Thika road (Thika Super Highway) linking the City of Nairobi to Thika Town. The project involved multiple Chinese contractors working together towards its successful completion. The second flagship project is the Lamu Port and New Transport Corridor Development to Southern Sudan and Ethiopia (LAPSSET) project. The LAPSSET project has already started and will involve the hiring of international consultants, 5,000 Chinese workers and 30,000 Kenyan workers to work on the project [15].

Private investors have not been left behind, for example, Ruaraka Diversified Investments Limited is developing Garden City a mixed use real estate development along Thika Road on 30 Acres, Centum Investments Group is developing Two Rivers, a mixed use real estate development and Azalea Holdings is developing The Hub in Karen, a mixed use development.

The projects named above have a mixed team of professionals from all over the world with different educational and cultural backgrounds, for example, for Garden City, project management is being done by Mentor Management, a Nairobi-Based project management firm, Project architects are Leonard Design Architects based in Nottingham, United Kingdom working in association with Triad Architects based in Nairobi. Consulting engineers are ARUP, based in London and South Africa working in association with Howard Humphreys (EA) Ltd. The main builders works are Chinese contractors, specialized sub-contractors are Local (Kenyan citizens of Indian Origin) and South African.

Global markets are increasingly taking advantage of the strength and economic advantages of a diverse global workforce. It is common on international projects to find multi-cultural teams located in multiple countries. It is also common to find such projects led by Project Managers who come from many different countries. So having a person raised in India managing a project in Kenya, with a design team in the United Kingdom, procurement teams in China and South Africa, and a drafting team in India is not unusual. Even in historically monolithic markets like Kenya. In addition, the pressure on the industry to increase productivity and reduce costs is unrelenting. This leads to flatter project structures, and the need for proper cross-cultural management at multiple levels [9].

This study therefore seeks to identify and analyze barriers and problems caused by cross-cultural differences in international construction projects in Kenya. It draws upon aspects of cultural history in its approach to the study on construction projects and involves a close reading of these texts. The findings of this study are crucial and can be taken as strategic tools by Construction project managers to prevail over cultural barriers and improve performance levels.

II. CROSS CULTURAL MANAGEMENT IN CONSTRUCTION

Culture and cultural differences are important issues for

every organization in every industry. As [16] stated, these concepts become more critical in construction due to the nature of contracting, internationalization of procurement, joint venturing, and partnering in this industry. Like in other industries, the increase in strategic alliances in construction also increases the significance of cultural differences due to the interaction of people from different cultures [17]. The advantages of managing cultural differences successfully have been addressed by many researchers. Reference [18] shows that it can enhance organizational effectiveness and give an organization a strong competitive advantage. On the other hand, failure to manage cultural differences can cause serious problems such as delay of construction and decrease in productivity.

In researching national cultures, Hofstede, reference [19] identified four dimensions of culture. These extensively used and well known dimensions are; power distribution, tolerance for uncertainty, individualism/collectivism and harmony/assertion. The four dimensions provide a framework for considering the effects of cultural differences on management and organizations. Hofstede has been criticized for making generalizations about cultures but his work is unarguably useful for predicting how a group of people from a given culture may react in a given scenario.

Hofstede's four dimensions were considered in this study;

TABLE I
HOFSTEDE'S CULTURAL DIMENSIONS

Dimension	Research Question
Power Distribution	Are significant power disparities accepted? Or is the society more egalitarian?
Tolerance for Uncertainty	How comfortable are people with uncertainty or unstructured situations?
Individualism-Collectivism	Is the society organized around individuals or the group?
Harmony-Assertion	Does the society emphasize interpersonal harmony or assertiveness?

Many authors have found Hofstede's cultural dimensions to be a useful tool to explore the implications of culture [20, 21]. His extensive empirical grounding makes it very easy to get a quick read of the central tendencies he found by country of interest. For example, according to Hofstede's rankings, those from countries with high power disparities like Singapore and Malaysia are more comfortable with highly defined structures or more centralized authority. Hofstede found the Japanese to be extremely risk averse. The United States and Great Britain ranked highest on the independence scale and relatively high as countries whose citizens display a competitive nature. See the table below selected regions/ countries rankings of cultures using Hofstede's classification.

and having an effective management system. Some management practices were also highlighted in the interviews, these are human resource management, communication management, safety management, time management and negotiation. The authors also attempted to explore whether the use of Hofstede's cultural dimensions could elucidate any understanding of the cultural differences.

1) *Barriers Caused by Cross Cultural Differences*

a) *Language Barrier*

The respondents reported that language barrier influenced the projects in a number of ways. For example, one Kenyan project manager experienced challenges communicating with companies which English is their secondary language especially Chinese firms. For contractor X, a Chinese contractor, most of his Chinese workers do not understand English while his local employees only understood English making daily communication very difficult. The time and resources spent on translations from time to time were a lot in some cases, bad translations could invalidate relationships between two entities and could further disrupt the relationships within the project.

b) *Business Etiquette.*

Business etiquette is a barrier because culture differences arise in rules of proper behavior, such as greetings, dining, and dressing. Business etiquette is defined as the behavior, manners, and protocol established by convention as acceptable or required in a business or profession [22]. Under this, one of the biggest problem expatriate workers encountered was corruption. Most contractors complained that local government officials would not let them do anything until they had given them enough money, otherwise the contractors would face the risk of huge penalties or site closure. Another critical aspect that came up was when two experts from two cultural backgrounds differed on ways of implementing a project. Engineer K who works as a supervising consultant in a major project in Kenya stated that at some point, they were forced to suspend works on the basis that the contractor was working without drawings approved by themselves and the local authorities, lacked consistency in the implementation of the works and submitted drawings without proper design codes. The suspension resulted in delays and additional costs to the project.

c) *Religious Differences*

British architect L noted that religious differences can hardly be solved and thus companies should always take ways to avoid possible cultural conflicts caused by these. For example in design, the architect stated that he had to carefully consider religious values in all his international designs. Chinese contractor G also suggested that cultural values, in this case religious values of Confucianism had a significant impact on their economic behavior.

TABLE II

RANKINGS OF 10 NATIONAL/ REGIONAL CULTURE'S USING HOFSTEDE'S CLASSIFICATION

Country	Power Distribution (1=Accept Authority, 53=Egalitarian)	Tolerance for Uncertainty (1=Risk Averse, 53=Not Risk Averse)	Individualism -Collectivism (1=Individualistic, 53=Collectivist)	Harmony-Assertion (1=Seeks Harmony, 53=Assertive)
East Africa	22	36	34	39
Great Britain	43	47	3	9
Arab Countries	7	27	26	23
China	15	49	37	18
India	10	45	21	20
Japan	33	7	22	1
South Africa	35	39	16	13
West Africa	10	34	40	30
U.S.	38	43	1	15

III. METHODS

This research strives to identify and analyze barriers and problems caused by cross-cultural differences in international construction projects in Kenya.

A qualitative approach was used to provide for an enhanced understanding and generate rich descriptions of the concept of cultural diversity in the Kenyan construction industry. Since there was no prior hypothesis that was to be tested, an exploratory study was used to inform the research, exploratory Interviews were conducted to collect data from the perspectives of different Construction industry players (Architects, Engineers, Quantity Surveyors and contractors) in Nairobi, Kenya. 15 semi-structured face to face interviews were conducted. Materials from previous desk studies were used to prepare for the interviews, all interviews were approximately 1 hour in length for each. The respondents had at least 10 years experience in International Construction projects and their suggestions were not only based on specific projects but also on their working experience in different countries.

The data was then analyzed by the authors using the technique of context mapping.

IV. RESULTS & DISCUSSION

During the interviews, the participants were asked for their opinions about the possible barriers they encountered during the different project execution stages, the effects of culture on project outcomes, effects of cultural differences on management practices and the relationship between cultural differences and construction projects success.

All the interviewees acknowledged that there were cross cultural barriers in international projects. Besides the barriers, other factors affecting project success were also noted by the participants which are technology transfer, experience in international construction projects, benchmarking, learning

d) Skilled Labour Disparities

Contractor Z, a Chinese corporation with a major infrastructure project in Kenya stated that even though he was contractually obligated to use as much Kenyan expertise as possible for the job, he found that the Kenyan employees lacked sufficient experience in specialized construction. The reasons for the disparity being historical coupled with training gaps in tertiary institutions. This barrier resulted in additional training and technology transfer costs.

e) Goods and Materials

The impact of this barrier can be regarded as highly critical. One case example was by an engineer involved in a major infrastructure project in Kenya which has a huge cement demand and the governments guideline's were that 40% of the cement to be used was to be sourced from local producers. However, the contractor on the project imported cement and other materials in contravention of an earlier contract citing poor quality of local materials. This resulted in a conflict between Kenyan cement producers and the contractor and had the potential of resulting in a substantial cost to the project.

2) Explanation of the Barriers based on Hofstede's cultural dimensions

a) Power Distribution

The Chinese community belongs to a culture that scores higher on Hofstede's power distribution index compared to other communities (East Africans, British, Americans, Japanese and South Africans) working in Kenya. According to Hofstede, superiors in cultures with high power distance scores are accustomed saying what to do and are less familiar with the more democratic ways that are common place with cultures with small power distances. Conversely, Kenyans belong to a culture (Kenya is part of East Africa which includes Uganda and Tanzania) with a lower power distance index and are used to flatter structures of power where subordinates and authority work together on more equal terms and subordinates expect to be consulted. Perhaps this explains the need for Kenyan engineers to be involved in design and approval while the Chinese didn't see any need for consultation.

b) Tolerance for Uncertainty

Expatriate experts working in Kenya have a higher uncertainty avoidance index compared to their local counterparts. Perhaps this is clearly indicated by British Architect L in his designs by avoiding religious conflicts. It's also illustrated by The Chinese corporation training it's Kenyan workers to ensure consistency in quality and avoiding future risks of poor workmanship.

c) Individualism versus Collectivism

The Kenyan and Chinese communities are more collectively oriented compared to other communities working in Kenya. The collectivist cultures tend to present the opinions and

interests of the group rather their own interests. It is likely that the training of the Kenyan employees by the Chinese Corporation indicates that the company was looking out for all its employees.

d) Harmony versus Assertion

The Kenyan community is more assertive compared to other communities working in International construction projects in Kenya. Perhaps this is well captured in the Cement row involving Kenyan cement companies and an expatriate major contractor. Even though the materials qualities might not have met the required standards, the Kenyans showed a forceful personality even though the local cement might have affected the project quality.

V. CONCLUSION & RECOMMENDATION

The main purpose of this paper was to provide foreign as well as local Kenyan construction project managers a reference for understanding cultural differences and their impacts on project management areas.

As illustrated in the discussion, any project aspect is subject to interpretation against a cultural background and could result to potential misunderstanding or disagreement within the project which could affect the triple constraints (cost, schedule and scope) of construction projects.

As a construction project manager deals with all the nine areas of project management (Integration management, scope management, time management, human resource management, procurement management, cost management, communications management, quality management and risk management), he needs to understand that all the areas are influenced by cultural factors to a substantial extent. The specific tasks project managers have to perform within all these knowledge areas such as negotiations, conflict resolution and problem solving all take place within a cultural context.

Having experience in International construction projects and being familiar with the national cultures of other project participants are considered as important issues to overcome the barriers caused by cultural differences. Moreover, effective knowledge sharing with people having different cultural backgrounds was seen as one of the key aspects that bring more advantages to the project.

The results support findings of previous studies. Future studies will be carried out to investigate the relationship between cultural differences and construction projects success in Kenya. Mtsumo and Juang, reference [23] once stated "*Our ignorance of languages other than English, and the unfortunate ethnocentrism that often accompanies this ignorance, may be the root of our future downfall*". They refer to business in the United States of America, but their statement might just hold as true for Kenya or other countries, as well as for organizations, project teams or even individuals.

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