

## 5.3

# Creating a Project Culture

Innovation

Learning

Culture

Project

### LEARNING OBJECTIVES

1. Describe how project culture is developed and enforced.
2. Describe how differences in culture between stakeholders can influence the project.
3. Describe the role of innovation on projects.

Project managers have a unique opportunity during the start-up of a project. They create a project culture, something organizational managers seldom have a chance to do. In most organizations, the corporate or organizational culture has developed over the life of the organization, and people associated with the organization understand what is valued, what has status, and what behaviors are expected. Edgar Schein defined culture as a pattern of basic assumptions formed by a group on how to perceive and address problems associated with both internal adaptation and external integration.<sup>1</sup> Schein also described organizational culture as an abstract concept that constrains, stabilizes, and provides structure to the organization. At the same time, culture is being constantly enacted, created, and shaped by leadership behavior.

## Characteristics of Project Culture

A **project culture** represents the shared norms, beliefs, values, and assumptions of the project team. Understanding the unique aspects of a project culture and developing an appropriate culture to match the complexity profile of the project are important project management abilities.

Culture is developed through the communication of

- the priority
- the given status
- the alignment of official and operational rules

**Official rules** are the rules that are stated, and **operational rules** are the rules that are enforced. Project managers who align official and operational rules are more effective in developing a clear and strong project culture because the project rules are among the first aspects of the project culture to which team members are exposed when assigned to the project.

## Operational Rules on a Multisite Project

During an instructional design project that required individuals to collaborate remotely, an official rule had been established that individuals would backup their work in a location other than the shared folders they were using every week. It did not take long, however, for everyone involved to see that one member was actively backing up all work. Believing that was sufficient, the operational rule became simply leaving the backing up to a single individual. They assumed that official rules could be ignored if they were difficult to obey.

When this individual fell ill, however, no one picked up the slack and followed the official rule. When some files were corrupted, the team found that their most recent backups were weeks old, resulting in redoing a lot of work. The difference between the official rules and the operational rules of the project created a culture that made communication of the priorities more difficult.

In addition to official and operational rules, the project leadership communicates what is important by the use of symbols, storytelling, rituals, rewards or punishments, and taboos.

## Creating a Culture of Collaboration

A project manager met with his team prior to the beginning of an instructional design project. The team was excited about the prestigious project and the potential for career advancement involved. With this increased competitive aspect came the danger of selfishness and backstabbing. The project leadership team told stories of previous projects where people were fired for breaking down the team efforts and often shared inspirational examples of how teamwork created unprecedented successes—an example of storytelling. Every project meeting started with teambuilding exercises—a ritual—and any display of hostility or separatism was forbidden—taboo—and was quickly and strongly cut off by the project leadership if it occurred.

Culture guides behavior and communicates what is important and is useful for establishing priorities. On projects that have a strong culture of trust, team members feel free to challenge anyone who breaks a confidence, even managers. The culture of integrity is stronger than the cultural aspects of the power of management.

## Culture of Stakeholders

When project stakeholders do not share a common culture, project management must adapt its organizations and work processes to cope with cultural differences. The following are three major aspects of cultural difference that can affect a project:

1. Communications
2. Negotiations
3. Decision making

Communication is perhaps the most visible manifestation of culture. Project managers encounter cultural differences in communication in language, context, and candor. Different languages are clearly the highest barrier to communication. When project stakeholders do not share the same language, communication slows down and is often filtered to share only information that is deemed critical. The barrier to communication can influence project execution where quick and accurate exchange of ideas and information is critical.

The interpretation of information reflects the extent that context and candor influence cultural expressions of ideas and understanding of information. In some cultures, an affirmative answer to a question does not always mean yes. The cultural influence can create confusion on a project where project stakeholders share more than one culture.

## Culture Affects Communication in Mumbai

A project management consultant from the United States was asked to evaluate the effectiveness of a management team executing a project in Mumbai, India. The project team reported that the project was on schedule and within budget. After a project review meeting where each of the team leads reported that the design of the project was on schedule, the consultant began informal discussions with individuals. He began to discover that several critical aspects

of the project were behind schedule and lacked a mitigating strategy. The information on the project flowed through a cultural expectation to provide positive information. The project was eventually cancelled by the U.S.-based corporation when the market and political risks increased.

Not all cultural differences are related to international projects. Corporate cultures and even regional differences can create cultural confusion on a project.

## Cultural Differences between American Regions

Be aware that cultural differences don't only occur if you have a multinational team. On a major project in South America that included project team leaders from seven different countries, the greatest cultural difference that affected the project communication was between two project leaders from the United States. Two team members—one from New Orleans and one from Brooklyn—had more difficulty communicating than team members from Lebanon and Australia.



Image by UK Department for Business, Innovation and Skills

## Innovation on Projects

The requirement of innovation on projects is influenced by the nature of the project. Some projects are chartered to develop a solution to a problem, and innovation is a central ingredient of project success. The lack of availability of education to the world at large prompted the open education movement, a highly innovative endeavor, which resulted in the textbook you are now reading. Innovation is also important to developing methods of lowering costs or shortening the schedule. Traditional project management thinking provides a trade-off between cost, quality, and schedule. A project sponsor can typically shorten the project schedule with an investment of more money or a lowering of quality. Finding innovative solutions can sometimes lower costs while also saving time and maintaining the quality.

## Innovation on a Textbook Project

A project manager brought together a team of professors, graduate students, and undergraduates to develop a mathematics textbook. One of the major goals of the team was to present the information in a compelling way. To encourage innovation the project manager was lenient with the dress code, noise levels, and even space (there were members of the team that liked to wander). This created a comfortable atmosphere where participants felt welcome to take risks and suggest a variety of ideas. This approach was not, however, in line with the expectations of the university in which they were housed. The project manager had to decide if he wanted to maintain the lenient atmosphere or ask

the team to abide by the expectations of the university. Feeling that the innovation of the project would suffer by changing the dynamic the group had established, the project manager chose to rent office space off-campus. Innovation is a creative process that requires both fun and focus. Stress is a biological reaction to perceived threats. Stress, at appropriate levels, can make the work environment interesting and even challenging. Many people working on projects enjoy a high-stress, exciting environment. When the stress level is too high, the biological reaction increases blood flow to the emotional parts of the brain and decreases the blood flow to the creative parts of the brain, making creative problem solving more difficult. Fun reduces the amount of stress on the project. Project managers recognize the benefits of balancing the stress level on the project with the need to create an atmosphere that enables creative thought.

## Stress Managed on a Website Design Project

When a project manager visited the team tasked with designing the website for a project, she found that most of the members were feeling a great deal of stress. As she probed to find the reason behind the stress, she found that in addition to designing, the team was increasingly facing the need to build the website as well. As few of them had the necessary skills, they were wasting time that could be spent designing trying to learn building skills. Once the project manager was able to identify the stress as well as its cause, she was able to provide the team with the support it needed to be successful.

Exploring opportunities to create savings takes an investment of time and energy, and on a time-sensitive project, the project manager must create the motivation and the opportunity for creative thinking.

### KEY TAKEAWAYS

- Project culture is developed by communicating priority, status, and the alignment of official and operational rules. It is enforced through use of symbols, storytelling, rituals, rewards or punishments, and taboos.
- Differences in culture between stakeholders can affect communications, negotiations, and decision making.
- Innovation can be the main focus of the project, or it can be used to achieve improvement in goals that are usually mutually exclusive, such as lowering costs and shortening schedule.

[1] Edgar Schein, "Organizational Culture," American Psychologist 45 (1990): 109–19.



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