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Do Australian Project Managers Working in the UAE Need Cross-cultural Training?

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ABSTRACT
Western corporations have extended their operations to the United Arab Emirates (UAE). Consequently, some problems can arise because many expatriate managers cannot adjust to such a foreign environment. Hence, many projects are likely to fail. However, adequate expatriate preparation can reduce or even prevent expatriate failure. Cross-cultural training intends to assist expatriates enhance their knowledge and skills, which in turn can help the expatriate practise in an unfamiliar host country and to be more productive.

Most Australian project managers working in the Middle East in places such as the UAE have not been adequately prepared for their overseas assignment. This research set out to find out if Australian project managers would like to receive and be thought cross-cultural training.

This research uncovered that cultural training is of utmost importance if the expatriates are to be successful in the UAE. Language study, a preliminary site visit, discussions with local managers and discussions with the team they are going to work with, meeting with anyone who has returned from the same posting are all necessary for their success. However, more importantly, making sure the expatriate is the right person for the position is the most important indicator for success. All these factors must be controlled by the companies to help expatriates adjust and come with the new environment and the challenges which come with it.

KEYWORDS
cross-cultural training, Australian project managers and recruitment

INTRODUCTION
Buildings are major assets and form a significant part of facility management operations. Although buildings are long lasting they require continual maintenance and restoration. Eventually, buildings can become inappropriate for their original purpose due to obsolescence, or can become redundant due to change in demand for their service (Johnson, 1996). It is at these times that change is likely: demolition to make way for new
construction or some form of refurbishment or reuse (Langston and Lauge-Kristensen, 2002).

Making better decisions about built assets will significantly improve our sustainability performance and deliver economic, social and environmental benefits to property owners and investors. In particular, the reuse of valuable resources will offset the need to destroy existing buildings and will contribute positively to climate change adaption initiatives that are increasingly urgent. An understanding of how long buildings last contributes to this discussion.

The aim of this paper is to develop a new method for predicting a building’s useful life based on an assessment of its physical life and its annual rate of obsolescence. This forecast can be determined initially during design and periodically re-evaluated or monitored as actual events unfold. A unique physical life calculator is employed to arrive at a baseline value. This value is then discounted by a derived obsolescence rate per annum to predict useful life and calculate the ratio of useful to physical life. The approach adopts a large number of adaptive reuse case studies to evaluate retrospectively whether the proposed framework has real world validity. The paper indeed demonstrates that the method is robust. The ability to effectively model useful life enables more sustainable decisions to be made, in the context of both new construction and existing building interventions.

**BACKGROUND**

The literature strongly advises that cross-cultural training should be provided to expatriates before they are sent overseas to work. Adequate and appropriate cross cultural training will prepare expatriates to deal better with the new and unfamiliar environment. Additionally, proper pre-departure preparation will give the expatriates an idea of what to expect in the new location to reduce the effects of culture shock.

There is also the non-financial effect of failure. These effects include loss of business opportunities and damage to the company’s reputation. There are also psychological issues associated with failure. The expatriate will, most likely, have lower self-confidence and damaged self-esteem.

Any cross-cultural program should focus exclusively on the UAE culture, religion, and on how to practice project management in the UAE. This program would have to cover laws in the UAE, leadership and ethics. Emiratis take business personally, so it makes sense to learn as much as possible about the host country’s culture in order to be able to avoid misunderstandings and conflict. This research (part of the author’s PhD work) has uncovered three stages of expatriate training: the pre-departure stage, on-site stage and the repetition stage.
Project management is a leadership role in which the individual needs to plan, budget, coordinate, monitor and control the operation of the entire project from the beginning to the end. This is done by using various techniques in a broad range of activities in order to meet the requirements of the particular project (Bass and Stogdill, 1990). A good project manager has all those skills, however, many companies believe that because their project manager has the technical competency he/she will be successful regardless of the location and hence they do not offer cross-cultural training. Those companies forget that the Arab and Australian cultures are very different and those cultural differences are very real and those differences will affect the project manager. Hence cross cultural training and preparation are the keys to success.

The purpose of this paper is to highlight the importance of cross-cultural training. As well as, to look into the types of cross-cultural training that should be provided and how the training should be delivered to Australian project managers who are being sent to work in the UAE.

It would be risky to assume that the same expatriate managerial behaviours, positive or negative, are going to affect foreign nationals in the same way as in the expatriates home country. Expatriates need to know what behaviours that should be avoided and which they should engage in and this will differ from country to country.

Researchers such as Porter et al., (1999) have indicated that just because an employee is successful in his/her come country it is not a predictor that the employee will be successful in a foreign environment. Unless those potential expatriates are aware about the significance the culture differences play this means they need to be trained on cross-cultural awareness. It takes a long time to learn about a new culture and how to conduct business and behave socially in the new environment. Goodman (1994:41) pointed out a very significant element of culture:

“In many respects, one can think of culture as being analogous to an iceberg. As with an iceberg there is the part of the culture that is clearly in sight and there is a larger part of culture (the most dangerous) that is submerged, out of sight, below the waterline, waiting to destroy any business venture if people are unaware of its hidden dangers”.

The obvious parts of a culture such as language, clothing and architecture are easy to detect. However, the subtle and important elements may be more difficult to detect and these may be the ones “under the water”. These are much harder to recognise and may include; business ethics, employee loyalty and morality, motivation. This is why every potential expatriate needs to be equipped with adequate and appropriate cross-cultural training to appreciate the obvious and more subtle aspects of a new environment and different culture.
Cross cultural training

Vance and Ensher (2002) claim that training for expatriate staff will help expatriates to adjust faster to their new environment. However, Vance et al. (2002) like many other researchers in this field have discovered in their research that many companies do not train their expatriate staff for overseas assignments. They believe that the absence of cross-cultural training is due to the fact that some organisations assume that if the manager has proven him/herself in the home country or previously overseas they do not require additional training. Bird (2001) argues that cross-cultural training is necessary to succeed abroad and that effectiveness of expatriate training can be improved by asking former expatriates for their input and advice. The experience the previous expatriates have should not be ignored since it has the potential to improve the cross-cultural training (Selmer, et al., 2007).

More than 20 years ago Black and Mendenhall (1989) two of the best known researchers in this field reviewed 29 studies on cross-cultural training and they stated that cross-cultural training has an positive impact on cross-cultural effectiveness and that it should be offered to potential expatriates. However, according to Brewster and Pickard (1994) many companies still claim that the benefits of cross-cultural training are minimal. Their employees on the other hand believe that the training is very helpful in terms of dealing with culture shock and adjustment issues. Forster (2000) stated that many companies either do not offer any type of training or the training which is offered has a very low quality. Forster (2000) points out that pre-departure training which focuses on cultural briefings is very beneficial for both the potential expatriate and his/her dependants.

Research conducted by Caligiuri, et al. (2001), suggests that companies should develop more tailored, relevant and realistic pre-departure cross cultural training programs. Cross-cultural training has the potential of assisting expatriates to adjust to the host country successfully and this in turn promotes successful overseas alignment which is indispensable to the companies. Mentors can help new expatriates make appropriate decisions related to the host country nationals, which in turn will maintain positive relations with the host nationals. Mentors can also provide the new expatriates with critical feedback in a constructive manner, as well as provide emotional support, coaching, friendship, give them the feeling of acceptance and if necessary provide them with counselling.

Bird (2001) believes that the use of case studies and reality-based role playing can enhance the depth of learning. The training should also encompass simulation training with realistic situations which the expatriates may encounter while overseas.
Cross Cultural training and its effects on cross-cultural adjustment

Cross-cultural adjustment is the degree of psychological comfort felt by an individual with several aspects of a new environment (Black, et al., 1990; Parker and McEvoy, 1993; Caligiuri, 2000). In 1988 Black came up with three (3) facets of cross-cultural adjustment:

1. Work adjustment
   - Performance;
   - Responsibility, and
   - Supervision
2. Relational adjustment
   - Interaction with members of the host country
3. General Adjustment
   - Host country life conditions

These three facets of cross-cultural adjustment have been confirmed by many researchers (Black and Stephens, 1989; Black et al., 1991; Parker, et al., 1993; Waxin, 2000). Waxin (2000) studied the different effects of cross cultural training on the three facets and believes that the expatriate’s country of origin has a direct and significant effect on the three facets of adjustment.

Selection Criteria of Expatriates for International Assignments

The factors for choosing expatriates for the overseas assignment should be based on international selection criteria. These selection criteria differ from country to country and from company to company. Usually the selection is influenced by the company’s experience and is more often than not, culture-based (Luthans, et al., 2009). Companies also need to consider both technical and human criteria when selecting expatriates. Expatriates that are sent overseas must be able to adapt to change and according to Luthans, et al. (2009). They also need a degree of cultural toughness. Most research shows that most expatriates seem to suffer from a culture shock after the initial arrival as the honeymoon period wears off (Ratiu, 1983). However, a culture shock might be also a good sign as it can indicate that the expatriates are getting involved with the new host culture.

Other criteria that should be considered when selecting expatriates are their age, experience and education. Heller (1980) also points out younger managers are more eager for international assignments. However, more often than not younger managers are often the least developed in management experience and technical skills. In the past companies have made their selections based on the technical competence of the expatriate. Technical competence is important, but it is only one of a number of skills that
an expatriate will need to succeed in a host country. If the company only selects an expatriate based on his/her technical skills the company is setting the expatriate up to fail, because the expatriate will go overseas believing that he/she is ready and they will not be able to deal adequately with the challenges awaiting them, and hence is more likely to fail. In addition, companies usually want the expatriates to be well qualified and have an academic degree as well as the desire to work abroad. Over the years companies have realized that a balance is important and this is why they send both younger as well as seasoned expatriates overseas (Luthans et al 2009).

According to Tu and Sullivan (1994) expatriates that are planning to go overseas should carry out a self-assessment. This can be done in three (3) phases:

- **Phase one (1) Self-evaluation and general awareness**
  - In this phase the individual asks him/herself is this international assignment really for me?

- **Phase two (2) Technical and cultural training**
  - Learn about the costumes, language, and etiquette, develop cultural awareness

- **Phase three (3) Activities that one needs after being selected**
  - If possible visit the host country before moving there as well as talk to people who have worked in the region and ask for advice

**RESEARCH METHODOLOGY**

When both a quantitative as well as a qualitative approach are combined these two methods are known as the mixed-methods approach (Tung, 1988). By using two types of data collecting approaches to conduct the data collection the limitation that the research methods have as individual approaches are diminished.

First, an online survey was used to collect both quantitative and qualitative data. The sample size of the survey was 100 Australian (western) project managers. The survey had a 72% respondent’s rate which made the survey answers both reliable and valid. The survey was very helpful in providing rich information on cross cultural project management as well as helping the researcher develop questions for the case study interviews.

After the survey data was collected the questions were analysed with the help of the *SurveyMonkey* software which collects and analyses all the data. The survey results provided the researcher with areas that need to be researched in more depth. This in-depth research was achieved by conducting a number of follow-up case studies.

The data collection started off by using an online questionnaire, which was based on a literature review. Australian project managers were the primary target for the
questionnaire survey. Since only Australian project managers were targeted the survey was in English and there was no need to translate it into Arabic. The questionnaire was designed to find out if Australian project managers working in the UAE were receiving any training prior to their departure or on site. In addition, the survey asked questions about culture, about basic demographics of the participants and about their experiences and advice.

The Survey consisted of 34 quantitative questions and 13 qualitative questions. The quantitative questions mainly focused on the demographic questions such as age, gender, nationality, and the survey also asked yes and no questions about cross-cultural training.

Examples of quantitative questions:

- Does your company prepare Expatriates to work in the UAE before they start work?
- Do you think it would be beneficial to prepare Expatriates for the UAE business climate?

The qualitative questions were simple questions and the respondent expatriates were asked to write a couple of paragraphs. Examples of qualitative questions:

- What methods are used to train the Expatriates?
- If cross-cultural training were to be provided to you; what do you think should the training encompass?

After the survey data of the 100 Australian project managers was collected and analysed it was followed up by 6 case studies. First of all the researcher had to research Australian international companies that also operate in the UAE. After the potential companies had been selected the researcher emailed the company’s directors and CEOs of the companies for permission to contact employees of their companies. Then emails were sent out to company contacts, which introduced the researcher and the research and it asked if the individuals would be willing to participate in the study. The emails were received favourably and most companies and individuals were willing to be part of the research.

In some cases the directors and CEOs were the ones interviewed and in other cases the directors and CEOs recommended employees who were best suitable to answer the questions as accurately as possible. The snowballing technique was used to extend the sample, this involved asking each interviewee if there is anyone they know off who would be useful for this research, so that the researcher could then interview the identified individual too (Green, Kao and Larsen, 2010).

The case studies were collected by using semi-structured in-depth interviews. Once the interviews were transcribed and analysed any area that needed more information or explanation was collected by contacting the participants by email and asking them the relevant questions. This provided a clear statement of the answers and sound
The documentation for each study. The case studies were similarly structured, and below are a list of a few of the questions that were asked during the interview. The questions included:

- What do you think is important to learn about the UAE and the Emirates before starting to do business in the UAE?
- In your opinion what are the 5 most critical facts for being successful in business in the UAE?
- Does your company prepare Expatriates to work in the UAE before they start work?
- How do you recruit, who and why?

The survey data was analysed with the help of SurveyMonkey. The case studies were firstly transcribed and then coded with the help of NVivo8.

RESULTS

The results will be represented in three different stages; the pre-departure stage, the on-site stage, the repetition stage. In the end the result section will also take a look at expatriate recruitment and its influence on expatriate’s learning willingness and adjustment ability.

The pre-departure stage

The training should cover; geography, some history, a review of the Islamic religion, some Arabic, a summary of Arabic body language, workplace communication culture and lifestyle. Arabic mannerisms and cultural awareness of specific items that could easily offend the Muslims should also be included. These issues are given in more detail below. Cultural as well as business etiquette needs to be learned before starting to do business in the UAE. The information provided must be relevant and useful. Most of the challenges are due to the lack of knowledge on how things are done in the UAE compared to Australia. Those mental challenges could be avoided or minimised with appropriate training and preparation of expatriates. A social network and access to support groups would be helpful as well. Expatriates need to be provided with all the relevant and up-to-date information in order to be able to make an informed decision on if he/she wants to work and live in the UAE before they leave their home base. All six case studies agree that cross-cultural training is important. The literature review, the surveys and the cases studies reveal that a Starter Pack would be useful and should be offered to the expatriates at the pre-departure stage. A Starter Pack needs to be provided to all fresh expatriates and to be specific on the UAE and it needs to cover the following (in no particular order):
A company overview – with some information on the key people, their contact details and their photos.

Some information on the UAE Geography and more specific information including maps on the Emirate where the expatriate will live and work.

Brief history on the UAE and its Population.

UAE Local Time, Climate, Useful Phrases.

UAE Public Holidays for the year, with a brief explanation on what the holiday represents.

Customs and Etiquette.

A list of international relocation companies.

Visa information for the UAE - this should be country specific. For example if an Australian is moving to the UAE he/she needs to be provided with information regarding tax and working visas.

Accommodation information – is the company providing the accommodation if not how much does accommodation cost to rent? Which areas are good to rent in, how much an average rent is, rental agreement contracts what to look out for. If accommodation is provided by the company then the location needs to be given. Otherwise accommodation information in the form of property advice is needed.

Property bond and up-front payments (Those can be onerous in the UAE).

Official documents - have the correct and valid documents. For example, valid passport, get children their own passports, visa and work permits need to be approved, driving licence(s) needs to be valid for at least the next six months.

Appoint a power of attorney in Australia for any legal or financial administration.

Inform your solicitor of your move.

Speak to a financial advisor or accountant regarding taxes, investment portfolio and pension.

Notify all relevant persons and institution about the move. For example, the bank needs to know about any address change and so does the doctor and schools, if the children are going to school, and so on.

Arrange for copies of medical and dental records to be transferred as well as having all the appropriate heath checks and vaccinations before moving to the UAE.

After arriving in the UAE, meet and greet with a representative of the company.

Transfer to hotel or local accommodation – is the company sending someone to pick the expatriate up or is the expatriate getting a taxi?

Office location (map).
• Office induction – this should be done on the first day of work. The expatriate should be introduced to his her mentor on the first day too.
• Transportation. For example, if a company car was not part of the package then car hire or rental information needs to be provided.
• Utilities.
• Money and tax.
• Education information for expatriates with children.
• Healthcare.
• Useful tips, books, web sites.

All this information that is provided in the pack needs to be relevant and up-to-date. One more advantage of having a Starter Pack is that all relevant information such as phone numbers and who to contact is in one booklet. Once on site the expatriates need to be provided with cross-cultural training workshops. Additionally, it was recommended in the survey that expatriates need to know what they are getting themselves into. It is recommended that, if possible, expatriates should visit the UAE before they move over there. The new expatriates can help themselves by talking to other expats currently living and working in the country which would help manage expectations and prepare them for their work.

The on-site stage

Cross-cultural training intends to assist expatriates enhance their knowledge and skills, which in turn would help the expatriate practice in the unfamiliar host country and to be happier and more productive. Training can help expatriates to better understand the culture, customs and work ethics of their host country. For developmental and functional reasons successful expatriate assignments are invaluable to companies. It is no surprise that the expatriate management literature has paid a great deal of attention to the management of cross cultural adjustment of expatriates. The case studies in this research indicated that on-site training was desirable. However, for most expatriates it is almost non-existent.

Newly arrived expatriates should be given induction workshops. The induction is similar to a refresher course for what was done in the pre-departure training workshops. The exception is that the induction should be spread over two half-days. The reason for this being that a whole day is considered too long and people cannot concentrate and absorb everything if they have to spend a whole day listening to it. Hence, having the training for only half a day over two days would be much more effective. The program needs to be a specific culture preparation program, which would include a review of the construction industry in the UAE and how and if the technical side of work is any different in the UAE.
compared to Australia. Additionally, expatriates need to think about how to keep out of trouble when they get to the UAE and some of the specific technical skills required. Once they are over in the UAE there is a need to reinforce the cultural environment information and after they have been there for a while, they need a refresher course about 3 months after arrival, then 6 months and then once a year.

The repetition stage

After the induction is over every new expatriate should get a mentor through a mentoring, coaching and development system. According to the six case studies a mentoring, coaching and development system was recommended. The mentoring, coaching development system would work in the company as a policy where before one can get promoted to the next job (go one level to the next level) the expatriate needs to have completed around fifty hours of coaching or mentoring. They would need to have successfully coached or mentored somewhere between seven to ten new expatriates before they can get promoted. Essentially this is the buddy system, but for branding and selling purposes it should be called the mentoring, coaching and development system.

The mentoring, coaching and development system has a couple of very useful advantages. Firstly, it will make sure that there is someone the new expatriate can approach and talk to, or if he/she has a problem or does not understand something there would be someone who can help. Secondly, this type of training acts as a reinforcement phase for the mentor; and this is why a mentoring program is of utmost importance. Additionally, having this type of support base and network is very important because the expatriate knows that he/she is not alone and there is someone who can help.

After completing the refresher workshop (three (3) months after arriving) this is followed by a workshop six months after that, and then another refresher course after one year. It is strongly advisable to take into consideration feedback from the nationals on what can be improved in the workshops and to try and implement it.

Research shows that many host country nationals would like to see changes and improvements in some styles of expatriate managers. Those changes include the expatriate manager’s leadership, decision making, communication and group work (Luthans, et al., 2009). In terms of leadership, the following changes would be desirable; expatriate managers need to be friendlier, available and respect subordinates and their suggestions. In terms of decision making, the host county nations would like to be involved in the decision making process by those who will be affected by the decisions made and have a clear definition of goals. In terms of communication; the expatriate managers should adopt more group problem solving with more teamwork as well as encouraging the exchange of opinions and ideas between managers and subordinates.
This indicates that the training approaches used need to reflect both the industrial, professional, personal and the cultural environments.

Testing the post training experience

The survey revealed that most (61.1%) participants agree that testing for post-training experience would be beneficial. Figure 1 shows the survey results.

The testing of the post-training experience can indicate if the training is working. If the training is not working then the training should be modified. Additionally, the training can provide feedback and suggested improvements and in this way the training can be revised on a regular basis. In return this helps the company save money by having well trained workers who are able to deliver successful projects.

The post training experience can be conducted by the either the mentor who is mentoring the expatriate or by the expatriate’s manager. The expatriate would not be asked to do a self-assessment as most individuals are unable to be objective when conducting self-assessments. Professionals in the field agreed that the post training experience is important and it should be carried out by someone who works with the expatriate and not by the expatriate alone as people see themselves differently to how they are perceived by others.

Figure 2 shows a structural concept map of the whole cross-cultural training program with all the stages indicated together with the form of workshops and mentoring required.
Recruitment

Many researchers argue that companies have failed to pay attention to “screening, selection and training of potential expatriate staff and the non-technical skills they should possess.” (Forster, 2000:63). The way the “right” people can be chosen for the overseas assignment is by pre-testing the employees. It is important that they are able to adapt to new and unfamiliar situations, Porter et al., (1990) believe that these characteristic is very important to success.

The expatriates in those case studies have all been recruited in different ways. Most had a phone interview while still in their home country. One of the case study companies has been in the UAE for the last 30 years and only carries out an initial phone interview where they run through most of the difficulties that will come with working in the UAE. They look for people who have the skills set that are required to do the job. In addition, people who are known by the company’s staff or who have worked previously on project with staff from the company have priority. In addition, they look at the age of the person and maturity level of the people that they are employing. All of their senior managers do a personality profile, specially carried out by a consulting company to make sure that the person will fit the job.
CONCLUSION

There are a vast number of reasons why cross-cultural training is important. From a company perspective, if their expatriates are adequately trained for the overseas assignment they will be more successful by increasing the overall efficiency and profitability and the company. Cross cultural training also helps expatriates to improve and be able to interact effectively with local people and co-workers and it helps expatriates to adjust to an unfamiliar environment faster than if they had no training at all. The lack of training or no training at all, is associated with higher expatriate failure rates. This research has discovered that cross-cultural training is positively linked to improving the relationships between expatriates and host nationals.

REFERENCES


