Management Of Global Construction Projects Read Online

Most governments in the four continents will do so, but a number of countries are facing huge challenges in funding infrastructure projects. On a national scale, construction activity will be greatly determined by wider economic factors, including wider GDP growth potential, population growth, specific developments in employment patterns and urbanisation. These four variables will, for example, influence growth in world cities over the next ten years.

The key driver to this growth is expected to come from infrastructure projects in developing countries and in non-residential construction in emerging economies. In Western Europe a number of countries will experience slow growth, with the UK and Greece showing the least growth, and countries such as France, Spain and Italy not far behind. On the other hand, Eastern Europe will experience higher growth, with a per cent rise in construction productivity expected in the next eight years. Economists see Poland as one of the ten fastest growing construction countries in the world, and, further east, Russia also shows great potential.

Together with China and Russia, India, Nigeria and Vietnam will experience fast growth in the new global construction economy. In Pacific Asia, Japan will show the weakest growth up to Canada is expected to move to rank fifth largest. In each region the three major long-term drivers will include the rate of change in population growth, the level of economic activity and the degree of urbanisation.

Current issues and implications for the global construction industry are noted in what follows. This trend will have major implications for economic growth and demand for housing, and will counterbalance other factors such as rising income levels.

On the whole, the demographic trends are likely to have a positive impact on the construction industry. In China, due to the hold-up effects of the one-child policy, population growth is expected to slow. All the same, the impact of demographic changes on emerging economies is likely to be strongly positive. This will be strengthened by other variables that will encourage housing demand such as increasing workforce mobility.

In emerging economies, the continuous population growth has led to demand for better quality housing, higher quality utilities and higher living standards. The recent economic recession has left long-term scars on the global economy. For instance, in the developed world, a number of countries have accumulated large financial shortfalls. In the medium term, this is likely to limit government spending in major infrastructure construction projects being delivered in developing countries.

This makes the picture look dreary for construction organisations operating in Europe. In the UK, major heavy engineering construction projects have helped the government to counter the predicted depression. Interestingly, emerging economies will not experience strict budgetary limitation, although there will be some major exemptions to this, as in Russia.

The global construction industry acknowledges that environmental and life cycle models are needed to help decision makers in the design and construction of heavy engineering construction projects. The notion of environmental sustainability is explored in more detail in Chapter In the new global economy, stakeholders have become more sensitive to environmental issues, but it is difficult to assess the impact because a number of policies are still unclear.
In addition, it is difficult to determine how committed both developed countries and emerging economies are to having fully integrated environmental policies in their construction activities.

In order to address the above issues, clients will have to take a more proactive and educated leadership role. Direct engagement at both national and international level between institutions and governments will help stimulate research in global environmental sustainability. The primary role of secondary stakeholders in the delivery of large heavy engineering construction projects is becoming increasingly recognised.

All the same, a number of business leaders, unions and economists have come out in favour of the project. As shown in Figure 1. Increased awareness Environmental protection in construction Laws and regulation Cost pressures Figure 1. It examines drivers for, and prerequisites of, partnering and alliancing in global construction projects.


Related Papers. Developing Cross-Team Relationships. By Keith Hampson. Enterprise Networks, Partnering and Alliancing. Procurement Choices. By John Bateman. Grabowski and Roberts also identified four areas for risk mitigation in virtual organizations: organizational structure, communication, culture, and trust. Apart from culture, Damodara argued, in the context of engineering and construction projects, that organizations need to change their project management practices in at least six areas to remain competitive globally.

They are as follows: Most of these project management issues are relevant for every industry. Lientz and Rea identified a number of factors that add complexity to global projects: lack of control due to external issues such as local priorities; diverse cultures; different time zones; volatility associated with local and foreign exchange currencies; differing rules and regulations in different geographical locations; political pressures; and greater public visibility of these projects.

Therefore, the project manager and the team have no option but learn about legal issues, rules, and regulations of all the countries involved in the project. Additionally, these global projects have to cope with changing management styles, which vary from country to country. Likewise, the value of money and time are different in different places, and attitudes toward individual and team efforts vary.

To some extent, knowledge sharing using technology helps address some of these issues. While it is important, designing information systems for effective communication is not easy. Lehmann pointed out the difficulty of setting up a global information system for a large multinational firm, the issues being the definition of requirements, the internal politics of the organization, and the changing strategic direction of the organization.

Yasin et al. More interestingly, global project managers are more knowledgeable about integration management, customer satisfaction, and leadership. According to their study, project managers with global experience considered procurement management to be important when managing their projects.

Lee-Kelley also found that selection of team members in the global team is critical to project success. As noted earlier, global virtual teams go hand-in-hand with global projects. The virtual team’s effectiveness plays an important role in project performance. In planning meetings of the virtual teams, time and place determine the type of meeting Singer, , and four options are available; same time and same place, same time and different place, different time and same place, and different time and different place.

Each option can use different communication tools and techniques to overcome communication barriers. In fact, technology is the enabler for organizations to go global with their projects and it has changed the paradigm for projects.

Technology is an enabler, but it alone cannot instil trust among the project team members. Therefore, caution about other factors associated with virtual teams is needed. They identified people- and technology-related key issues for global virtual teams.

People-related key issues are culture, language, and IT proficiency. Technology-related key issues are accessibility, reliability, compatibility of technology, and appropriate use of it. Team building is considered essential for virtual project teams PML. Referring to a Standish Group report , Nidiffer and Dolan observed that building virtual teams with a minimum of face time, clearly defining work, measuring cybernetic worker productivity, and managing employee communications across time zones are major management priorities.

These priorities are relevant to projects and have a significant impact on the project manager’s role and how projects are managed. Needless to say, technology is critical in supporting and meeting these priorities. Based on their study of virtual teams using WebCT, Sarker and Sahay suggested that attention to technical and social components of virtual teams would minimize the friction related to locational and temporal distances.

In the context of software outsourcing, Erickson and Ranganathan, argued that the project management capability of the outsourcing agency has a significant impact on whether the outsourcing project is effective; that is, meeting schedules, controlling costs, achieving technical performance, and attaining overall results.
After a qualitative study, they concluded that team management and project planning and control capabilities have a significant influence on offshore outsourcing effectiveness. The authors also identified some enablers, which include collaborative effort, proactive resource allocation, project organization, and conviction among all the stakeholders that it will be a win-win situation for all.

While external factors such as culture and legal environment influence project performance, global projects are also affected by internal factors such as project management practices, which vary from country to country.

Research findings of Yasin et al. Using the above literature review findings as reference, we have developed a list of factors that appear to have a significant influence on global projects see Table 1. Obviously, these factors include both enablers and barriers. We have combined them to label them as factors of influence on the performance of global projects. We have used two research methods.

The first, Interpretive Structural Modeling ISM, examines the underlying dependency relations among the factors identified from the literature review Table 1.

The second method was designed to establish the importance and level of impact of each of these factors on the success of global projects. To obtain this information, a questionnaire was sent to project management professionals working in virtual teams on global projects. Using the survey results in conjunction with the ISM results, the most important success factors were identified and strategies developed to manage them.

The ISM methodology was used to determine underlying relations among the factors listed in Table 1. Developed by Warfield, this research method is normally used for structuring goals and objectives into a hierarchical model. ISM was chosen because human brains experience problems in coping with complex problems with a significant number of elements and relations among elements. ISM has other advantages too: it uses an interactive discussion method to collect data, which forces the participant in the research study to carefully analyze links between these factors.

After identifying a set of global project management factors Table 1, ISM was used to develop an understanding of the shared underlying mental model in which these factors operate. An Excel spreadsheet shown in Figure 1 was used for collecting the data. ISM uses a process in which individuals or a group of people participate in structuring their collective knowledge and modeling interrelationships in a way that enhances the understanding of the complexity associated with the elements.

In the process, ISM facilitates identifying structure within a system of related elements and creates an opportunity to analyze it from different perspectives. Figure 1 was used when discussing the barriers and enablers with the participants in the study, and they were asked to fill out the white cells of the matrix shown in the figure with the following instructions: Using this methodology, we can identify the direct and indirect relationships between attributes of project performance and show how to include softer variables in the analysis.

The steps involved in using the input to develop a model are shown in Appendix A. Using the Excel spreadsheet shown in Figure 1, data was gathered from discussions and interviews. The participants included project management professionals and academicians in the project management discipline. The participants were actively involved in global projects.

The computational results are shown in Appendix B. Using these results, ISM software has generated the model shown in Figure 2.

The survey was sent to 40 project management professionals involved in global projects, and 23 responses were received. The remaining members were part of the senior management; albeit indirectly in day-to-day management, senior management are involved in global projects as well. All the organizations that respondents worked for use Internet and email for communication with virtual team members.

Respondents were asked to rate all the global project factors identified in Table 1 on a scale of 1 to 5, with 1 representing low impact and 5 representing high impact. The results are shown in Table 2.

The results establish that communication is the key factor and is likely to have a high impact on project success. Considering that virtual teams are less successful compared to teams working using face-to-face communication, communication assuming greater importance than other factors is justified. Communication is followed by the importance of leadership and establishing trust. The high impact of stakeholder and customer satisfaction implies the significance of communicating with the stakeholders and managing their expectations.

The next two factors—planning, execution, and control and fast and reliable information systems are means to employ effective communication, and manage the project and its team to meet stakeholder and customer satisfaction. Respondents were not as overly concerned with time zone differences. It is suggested that the reason for this could relate to the fact that project team members are now continually using asynchronous communications and time difference is a normal part of their experience.

Also, the low impact of time zone differences agrees with instant messaging as the least-used technology tool for communication. By using ISM results in conjunction with these survey results, we can add more clarity to the success model. Considering the top five factors with greater importance than the rest and considering the remaining as behind-the-scenes driving factors, we have modified the comprehensive model in Figure 2 to a simplified version, shown in Figure 3, for managing global projects successfully.

The relevance and importance of the research findings, as reflected in Figure 3, in the project implementation phase are obvious. Once installed, it is important to maintain and upgrade the information systems to ensure their performance at the desired speed and reliability levels throughout the project management life cycle. Likewise, leadership and trust help create effective communication that must be sustained throughout the project life.

Geographically dispersed project teams without an opportunity to get the whole picture of the project status are likely to be unaware of the project
Several research studies have shown that stakeholder and customer satisfaction is the ultimate goal of any project and our research results confirm it is a determinant of project communications and the structure.

Component of global projects and represents a significant difference between global projects and traditional projects. Involvement of various agencies in different parts of the world makes integration extremely important. The involvement of these agencies is a critical component of global projects and represents a significant difference between global projects and traditional projects.

Integration management in the context of global projects is about integration within the organization as well as outside the organization. The involvement of these agencies is a critical component of global projects and represents a significant difference between global projects and traditional projects.

Global project managers must exercise prudence in exploring and identifying all the possible sources for procurement of materials, services, and people, because there are no geographical boundaries or other constraints. Similarly, organizational structure, while adjusted to project leadership and management practices, is also influenced by information systems and time zone differences.

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Involvement of various agencies external to the parent organization is decided by global procurement management practices and their effectiveness is a determinant of project communications and the structure.

Several research studies have shown that stakeholder and customer satisfaction is the ultimate goal of any project and our research results confirm...
this. However, for this to happen in global projects, stakeholders and customers should be made to feel that they are in a win-win situation and should be included in project communication whenever it is feasible.

These results have several implications. In order to manage a global project successfully, organizations need to understand the global business environment and different relevant cultures. Further, the sponsoring organization and the project manager must develop an understanding of the relevant legal and political issues. The project-sponsoring organization and all the key stakeholders must recognize similarities and differences in culture and values.

If required, the entire project team can be considered for training on cultural values. However, developing and nurturing a culture of openness and trust is usually a gradual process and will have a significant impact on communications. It is critical that the global project establish current, reliable, and fast information systems because of the geographical dispersion of project team members and stakeholders. Integration is a key success factor and the primary stakeholders will have to play important roles in managing this aspect of the global project.

Finally, project managers who are managing global projects must adopt their leadership and team management practices and processes based on prevailing cultural values, legal and political issues, time zone differences, and information systems. Only after these aspects are addressed in detail can we move on to the traditional project management life cycle phases of planning, executing, monitoring, and control.

A limitation to creating a model that represents a structure of relations is its general applicability across organizations. Therefore, caution should be exercised in using these findings. In addition, the number of participants remains an issue. To increase the validity of these results and to develop a more robust shared mental model, participation of more project management professionals is planned.

To increase the validity of the study findings, we plan to approach more project management professionals to participate in the study. These actions will facilitate the development of a more robust structural model. It is planned to further validate the model by using survey questionnaires to establish the importance and effectiveness of each factor included in the model, and establish their dependency relations using statistical methods.

Through the use of ISM, the research study has shown how we can capture the behavior of factors that can act as either enablers or barriers to global project performance. It has also shown that such a qualitative approach allowed us to retain the richness of the complexity associated with the interactions among the factors.

With the research results, we have identified important strategies and suggested methodologies for successful implementation of global projects. From the standpoint of enablers and barriers, this approach allows us to understand how each of these elements can behave as an enabler as well as an inhibitor to the success of global projects. Consequently, these results will help redefine some of the key project management processes to improve performance.

The model can be used to set priorities within a global project and assess the ability of global projects in meeting their objectives. The model helps in global project evaluation and as a tool, supports in improving project management processes. It also serves as a structure to develop strategies and set priorities for global projects. Adenfelt, M. Enabling knowledge creation and sharing in transnational projects. International Journal of Project Management, 24, Al-Tabtabai, H.


**Management Of Global Construction Projects Reviews**

These consortia may comprise individuals, individuals and companies, government and companies; a considerable diversity of clients is possible when individuals, companies or governments see either an opportunity or a need for some form of construction product at the scale of a global project.

While the diverse nature of such consortia can bring uncertainty frequently, consortia will have some players that have never previously worked together and there may be uncertainty regarding their abilities or financing, it is also an inevitable characteristic for the majority of global projects. Without the diversity of players there will simply be insufficient funds for the project to proceed. Where enough clients exist there is a real incentive for the development of global construction contractors.
As part of entering the market, the contractors need to develop expertise in a number of areas, including the development of project management expertise in the global context. Global construction contractors also face uncertainty. The concept of uncertainty is addressed in detail in Chapter 10, but here it is relevant to consider the impact of uncertainty in terms of those key issues of the size and nature of the global construction project market.

Uncertainty in a global market environment can be both a threat and an opportunity. Global construction projects can be considered as a response to a perceived need that may be largely or indeed entirely humanitarian in nature. Such projects may also be a response to a purely commercial opportunity. There is little opportunity in this sector of the construction market for the making of a commercial profit.

Indeed, such projects are typically funded by a combination of government aid money and aid money flowing from either not-for-profit organisations, charities or philanthropic individuals. Nonetheless, global construction contractors may seek an involvement in such projects simply to evidence their social, ethical and moral credentials. However, at some point they have to be involved in projects that will allow them the opportunity to make a commercial profit. For such projects, there has to be a level of certainty in the wider economy before clients will decide to proceed.

Without sufficient certainty that enough tenants currently holding leases within that 70 million square footage will decide to move and the leaseholders may decide not to renew their leases even if they decide to stay put, the projects to build the new office space will not be given the go-ahead by their investors, and the larger construction contractors will find themselves operating within a reduced marketplace.

In this case contractors will need to decide if they are going to compete within the reduced marketplace or move to a different one — to relocate. Global construction contractors are, by their very nature, capable of relocating; construction companies have always had to be mobile in that their product has to be constructed in a specific but new location every time they find a client.

However, the true extent of that mobility is, for the majority of construction contractors, considerable. Chapter 3 considers the nature of stakeholders in global projects and discusses the problems of identifying stakeholders and the needs to which a contractor may have to react.

The greater the mobility of a contractor, the more diverse is the stakeholder community. This factor has tended to act against contractors moving outside a relatively well-defined geographical location; many contractors have found that such a move can be problematic and performance is not always at the level required or expected. It is worth noting that global construction contractors have developed the management expertise required to move across regional, national and even continental boundaries in order to exit falling markets and enter rising markets.

This kind of movement simply reflects the manner in which the global construction clients operate their businesses. One of the most significant discussions in construction management research is globalisation. The past decade has seen the rapid growth of construction companies operating in more than one country. As revealed in this book, the process of globalisation has significant business, social, cultural and economic implications. A number of organisations and authors have used the term globalisation to refer to diverse multicultural project teams, universal similarity and international scope.

Construction organisations with project operations around the world can be branded international. From the reviewed literature, authors have used the term international to describe firms that are local or regional in scope. According to Chinowsky and Songer,10 from the supply side, a number of construction organisations have joined the global market because the construction sector shares similar attributes with other sectors that facilitate globalisation, such as transportation, funds and reduced costs of communication.

From the demand side, the collapse of trade barriers has led to more opportunities for organisations with competitive advantages. Global projects can be large scale, and complex construction projects involve project members from more than one country, and require project teams to negotiate great geographical distances, and cultural, regional, organisational and international differences.

Both residential and non-residential sectors accounted for 68 per cent of the global output. From to comparable rates of economic growth will take place; this will be an average of 5. Globally, it has been suggested that the infrastructure sector will have an annual growth rate of 5.

Most governments in the four continents will do so, but a number of countries are facing huge challenges in funding infrastructure projects. On a national scale, construction activity will be greatly determined by wider economic factors, including wider GDP growth potential, population growth, specific developments in employment patterns and urbanisation.

These four variables will, for example, influence growth in world cities over the next ten years. The key driver to this growth is expected to come from infrastructure projects in developing countries and in non-residential construction in emerging economies. In Western Europe a number of countries will experience slow growth, with the UK and Greece showing the least growth, and countries such as France, Spain and Italy not far behind.

On the other hand, Eastern Europe will experience higher growth, with a per cent rise in construction productivity expected in the next eight years. Economists see Poland as one of the ten fastest growing construction countries in the world, and, further east, Russia also shows great potential. Together with China and Russia, India, Nigeria and Vietnam will experience fast growth in the new global construction economy. In Pacific Asia, Japan will show the weakest growth up to Canada is expected to move to rank fifth largest.

In each region the three major long-term drivers will include the rate of change in population growth, the level of economic activity and the degree of urbanisation. Current issues and implications for the global construction industry are noted in what follows.

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This will be strengthened by other variables that will encourage housing demand such as increasing workforce mobility. In emerging economies, the continuous population growth has led to demand for better quality housing, higher quality utilities and higher living standards. The recent economic recession has left long-term scars on the global economy.

For instance, in the developed world, a number of countries have accumulated large financial shortfalls. In the medium term, this is likely to limit government spending in major infrastructure construction projects being delivered in developing countries. This makes the picture look dreary for construction organisations operating in Europe. In the UK, major heavy engineering construction projects have helped the government to counter the predicted depression.

Interestingly, emerging economies will not experience strict budgetary limitation, although there will be some major exemptions to this, as in Russia. The global construction industry acknowledges that environmental and life cycle models are needed to help decision makers in the design and construction of heavy engineering construction projects.

The notion of environmental sustainability is explored in more detail in Chapter 3. In the new global economy, stakeholders have become more sensitive to environmental issues, but it is difficult to assess the impact because a number of policies are still unclear.

In addition, it is difficult to determine how committed both developed countries and emerging economies are to having fully integrated environmental policies in their construction activities. In order to address the above issues, clients will have to take a more proactive and educated leadership role. Direct engagement at both national and international level between institutions and governments will help stimulate research in global environmental sustainability.

The primary role of secondary stakeholders in the delivery of large heavy engineering construction projects is becoming increasingly recognised. All the same, a number of business leaders, unions and economists have come out in favour of the project.

As shown in Figure 1. This course is for people working in or studying the built environment. This might be students, recent graduates or construction professionals engaged in construction cost and project management, civil and structural engineering, architectural technology, surveying and building services engineering.

Since you have been able to take a degree on FutureLearn. This free course is a bit like a starter course for a degree — it should give you a flavour of the degree subject but can also be your first step towards a degree qualification. Apply core concepts and techniques in project management and develop an enhanced awareness of managing project resources, finances, risks, people and organisational change. You can use the hashtag ProjectManagementGlobalConstruction to talk about this course on social media.

Assist the importance of project management in the global construction context. Interpret and evaluate the project management methodologies in global construction projects and their importance.

**About Management Of Global Construction Projects**

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Lee-Kelley, L. Locus of control and attitudes to working in virtual teams. International Journal of Project Management, 15 4, Beranek, P. Management of virtual project teams: Guidelines for team leaders. Communications for the Association for Information Systems, 16, Damodara, K.

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projects. Shenhar, A. Mapping dimensions of project success. Project Management Journal, 31 2, Identification of Elements: The elements of the system are identified and listed. In this study, it is achieved using literature review. However, brainstorming or other research methods can be also be used.

Contextual Relationship: A contextual relationship between elements is established, depending upon the objective of the modeling exercise. Four Symbols are used to represent the type of the type of relationship that can exist between two elements of the system under consideration. These are: The following conversion rules apply. Level Partitioning: Level partitioning is done in order to classify the elements into different levels of the ISM structure.

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the elements identified as level elements in the previous iterations are deleted, and new elements are selected for successive levels using the same
Accordingly, all the elements of the system are grouped into different levels. Canonical Matrix: Grouping together elements in the same level develops this matrix.

The resultant matrix has most of its upper triangular elements as 0, and lower triangular elements as 1. This matrix is then used to prepare a Digraph. Digraph: Digraph is a term derived from Directional Graph, and as the name suggests, is a graphical representation of the elements, their directed relationships, and hierarchical levels. The initial digraph is prepared on the basis of the canonical matrix.

This is then pruned by removing all transivities, to form a final digraph. Interpretive Structural Model: The ISM is generated by replacing all element numbers with the actual element description. The ISM therefore gives a very clear picture of the system of elements and their flow of relationships. Report Teams August Organizations must invest in building a culture - and project teams - that can turn cutting-edge ideas into reality, according to new PMI research.

Article Teams 1 July We asked the Future What famous person would you want on your project team? Report Teams June PMI research shows project teams that draw from an array of perspectives and skillsets deliver powerful outcomes. Teams 8 June Strategy , Teams 16 March Learning Library.

Global projects how to manage them successfully? Thomas, Michael How to cite this article: Anantatmula, V. Global projects: how to manage them successfully? As more organizations expand the operations to compete in the global marketplace, more project managers are routinely managing global projects, and with this, navigating their way through the myriad of issues, influences, and challenges involved in managing culturally diverse and globally located project teams.

This paper examines the inter-relation of the enablers and barriers involved in implementing global projects. In doing so, it defines the concept of a global project, listing its three dimensions; it overviews the field's literature on the enablers and barriers of global projects, identifying twelve key factors which project managers and project teams working on global projects most commonly encounter and must frequently leverage or resolve, factors that can significantly affect a global project's outcome.

It describes the authors' two research methodologies--including interpretive structural modeling ISM--to explore the dependency relations which affect positively and negatively the outcomes of gl. Introduction Globalization and the free market philosophy, the forces that shaped our present economy, are creating new customer demands and needs, thereby challenging organizations to raise their performance.

Enablers and Barriers An interesting advantage of using a team from different parts of the world is that the time difference can be used to allow team members to work on the project at different times and as a result, project teams can work round the clock to minimize schedule duration. They are as follows: An organizational structure that will be cost-effective in the global environment State-of-the-art information systems, which facilitate fast, reliable data delivery anywhere in the world Project management team members who can think globally; project management team's ability to communicate and delegate work to others in distant locations An ability to make effective use of suppliers all over the world to allow lower manufacturing and delivery costs An ability to take advantage of local existing facilities to lower material and construction costs Achievement of a global quality, regardless of location.

Table 1. Enablers and Barriers

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<th>Enablers and Barriers</th>
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<td>Communication Language and associated cultural differences—an obvious obstacle to communication, but its importance is apparent with the increasing use of the World Wide Web. Beliefs, outcome of culture, can influence work practices.</td>
<td>Local, regional, and national management practices can vary from country to country and could be different from western norms, such as time off from work, hierarchical authority, gender issues, etc. Therefore, it is a challenge to possess the knowledge of the best places to go for materials and labor, which can impact global project success. Leadership and people skills are more important for global projects. They help in establishing trust. Micromanaging is a temptation in global projects because of lack of understanding of the capabilities of the project team members, including contractors, and the absence of trust. Stakeholders need to be part of the global project process and should be made to feel that they are in a win-win situation with respect to the project outcomes. Communication and control systems that are standard, compatible, reliable, and can be used in the participating countries are essential for knowledge sharing. However, time zone differences can also allow work to proceed 24 hours a day.</td>
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Global workforce , November, 13—7. Singer, C. Leveraging a worldwide project team. However, brainstorming or other research methods can be also be used 2.

These are: 1...for the relation from element E i to E j , but not in the reverse direction; 2...for the relation from E j to E i , but not in the reverse direction; 3...for an interrelation between E i and E j both directions ; 4...to represent that E i and E j are unrelated. This material has been reproduced with the permission of the copyright owner.
Report Teams June A Case for Diversity PMI research shows project teams that draw from an array of perspectives and skillsets deliver powerful outcomes.

Teams 8 June Pulse of the Profession A Case for Diversity PMI research shows project teams that draw from an array of perspectives and skillsets deliver powerful outcomes. Enablers and Barriers. Language and associated cultural differences—an obvious obstacle to communication, but its importance is apparent with the increasing use of the World Wide Web.

Cultural values. Religion has an impact on a project in terms of work ethics, values, holidays, who will work with whom, etc. Global business environment. International market, international economics, international finance, and currency—an understanding of all these global business environmental issues will facilitate making better project decisions throughout the project lifecycle.

Legal and political issues. Country-specific laws, environmental regulations, political issues, and acceptable standards can impact a global project. Integration management. Vertical within the organization and horizontal integration external to the organization is critical and can become difficult across regions and countries. Project organizational structure. Cost-effective organizational structure will be decentralized and flexible to collaborate and manage global projects successfully to meet customer needs.

Global procurement management. Procurement management in global projects will have no geographical boundaries. Leadership and establishing trust. Treating a global project as a standard project can lead to problems. Planning, execution and control. Planning, execution and control—which include risk management—are impacted by cultural differences, varying working conditions, and local issues. Stakeholder and customer satisfaction.

Stakeholder and customer satisfaction—cultural, financial, communication complications can occur in terms of determining what the customer considers a successful project. Fast and reliable information systems. Fast and reliable information systems are essential for success in global projects. Time zone differences.

Time zone differences can create communication meetings problems, specifically in synchronous mode. Mean value Impact. Planning, execution, and control.

Fast and reliable information system

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Let us consider the characteristics of global projects against the Process Group framework and understand key considerations for such projects against each Process Group. The Initiating Process Group consists of those processes performed to define a new project or a new phase of an existing project by obtaining authorization to start the project or phase PMI, a, p Significant tasks performed in this Process Group include developing project charter and identifying stakeholders.

So what makes megaprojects carried out at a global level succeed? What are some of the differentiating factors that are present in successful projects? What can organizations and project managers do to influence project outcomes to be successful? In the author's experience, there are five critical success factors that project managers should pay attention to, in order to increase their chances for project success:

Let us briefly look at each of these differentiators and understand why these are levers that project managers can exercise to make themselves and their stakeholders effective. Organizations with active project sponsors are more likely to have better project outcomes PMI, b, p 9. This measure holds true whichever way project success is interpreted i. Exhibit 2 — Organizations with a higher percentage of active project sponsors enjoy higher project success rates than those with a lower percentage of active project sponsors.

The principal challenges organizations face during a large-scale global project implementation are people-related. Along with project sponsors, the organization's leaders play a critical role in minimizing these challenges and enabling the organizational readiness and adoption process.

Leadership engagement plans serve as a guide and checklist of the activities that are needed from key leaders to support and enable the success of the project. Exhibit 3 Deloitte Consulting LLP, captures the select reasons to engage leaders and the benefits that can accrue from that investment.

Given that projects of this scale and size are multi-phase, multi-year efforts, one of the specific messages that need reinforcement with leadership is how the project continues to provide benefit realization throughout its life cycle. Benefits should be clearly defined, tangible, measurable and tied to change management and check points set up at end of each phase in order to confirm continued benefit streams from the project.

Organizational Change Management OCM refers to the set of activities designed to address organizational and people challenges associated with adopting project-related changes. The OCM team's overarching goal is to help stakeholders understand what is changing and prepare end users to follow new processes and use new systems.

OCM identifies focus areas e. Change adoption is a multi-stage process and evolves over time. As shown in Exhibit 4 Deloitte Consulting LLP, stakeholders make a journey starting with building awareness about the change through to change ownership, when they make changes on their own and create new ways to use and improve the new processes. The change strategy needs to take into consideration cultural and regional factors and subtleties in how change resistance manifests itself in various regions and cultures.

The good news is that an increasingly larger percentage of projects are adopting change management processes, as shown in Exhibit 5 by recent research PMI, p 5. Executives and project managers alike recognize that poor communications contributes to project failure.
As shown in Exhibit 6 PMI, c, p 6 , the same study further notes that high-performing organizations: Exhibit 6 — High performing organizations communicate more frequently across many topics and in many ways of delivering communications. While preparing and implementing the communication plan, project managers should keep the following in mind:

Uncertainty in a global market environment can be both a threat and an opportunity. Global construction projects can be considered as a response to a perceived need that may be largely or indeed entirely humanitarian in nature. Such projects may also be a response to a purely commercial opportunity.

There is little opportunity in this sector of the construction market for the making of a commercial profit. Indeed, such projects are typically funded by a combination of government aid money and aid money flowing from either not-for-profit organisations charities or philanthropic individuals. Nonetheless, global construction contractors may seek an involvement in such projects simply to evidence their social, ethical and moral credentials.

In this case contractors will need to decide if they are going to compete within the reduced marketplace or move to a different one — to relocate. Global construction contractors are, by their very nature, capable of relocating; construction companies have always had to be mobile in that their product has to be constructed in a specific but new location every time they find a client. However, the true extent of that mobility is, for the majority of construction contractors, considerable.

Virtual teams located halfway around the globe, with different cultural sensitivities, speaking several tongues and working in different time zones are a reality for these projects.

Global project managers should recognize these added complexities and mitigate them in order to make project communications effective. A robust and stable governance model contributes to clarity of direction, cohesiveness of the team and alignment.

An effective governance structure includes decision making authority as well as an escalation path for issues that require attention from sponsors, leadership team, and quality and risk management teams.

In addition, it provides a framework for transferring knowledge and building organizational capabilities to manage future complex projects. Some of the elements that a project governance model should address include scope definition and management, resources, risk management, issue management and escalation.

In order to achieve these goals, typically, a governance model with the following organizational structures and enabling mechanisms is set up as shown in Exhibit 7 Deloitte Consulting LLP. A key tenet of program governance is to provide a framework that enables effective, impactful and timely decision making. Please refer to Exhibit 8 Deloitte Consulting LLP, that highlights typical proportion of decisions that are made at various levels of the program structure. The task of building and leading a cohesive project team is perhaps a very challenging and yet rewarding task for global project managers.

Here are some practical steps that project managers can take to get their global teams to buy-in and put in their sincere efforts for personal and project success: Global projects are great opportunities for organizations to plan and execute high-impact ventures that help them achieve their strategic goals. The paper outlines several key considerations and critical success factors; namely, strong leadership alignment and support, proactive organizational change management, effective degree communications, practical project governance, and collective team commitment that will go a long way in making global projects achieve their goals.

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Please see www. Certain services may not be available to attest clients under the rules and regulations of public accounting. Project Management Institute.

Project management process groups. By Laursen, Markus Through an empirical study of two interorganizational project networks in a cultural setting, this article explores how value is created in project networks. The article discusses recent theoretical. … The concept of uncer- tainty is addressed in detail in Chapter 10, but here it is relevant to consider the impact of uncertainty in terms of those key issues of the size and nature of the global construction project market.

There is no substitute for such professional advice or services, nor should it be used as a basis for any decision or action that may affect your business. Before making any decision or taking any action that may affect your business, you should consult a qualified professional advisor. Deloitte shall not be responsible for any loss sustained by any person who relies on this publication.

Chapter 3 considers the nature of stakeholders in global projects and discusses the problems of identifying stakeholders and the needs to which a contractor may have to react. The greater the mobility of a contractor, the more diverse is the stakeholder community. This factor has tended to act against contractors moving outside a relatively well-defined geographical location; many contractors have found that such a move can be problematic and performance is not always at the level required or expected.
It is worth noting that global construction contractors have developed the management expertise required to move across regional, national and even continental boundaries in order to exit falling markets and enter rising mar- kets. This kind of movement simply reflects the manner in which the global construction clients operate their businesses. One of the most significant discussions in construction management research is globalisation. The past decade has seen the rapid growth of construction companies operating in more than one country.

As revealed in this book, the process of globalisation has significant business, social, cultural and economic implications. A number of organisations and authors have used the term globalisation to refer to diverse multicultural project teams, universal similarity and international scope.

Construction organisations with project operations around the world can be branded international. From the reviewed literature, authors have used the term international to describe firms that are local or regional in scope.

According to Chinowsky and Songer, 10 from the supply side, a number of construction organisations have joined the global market because the construction sector shares similar attributes with other sectors that facilitate globalisation, such as transportation, funds and reduced costs of communica- tion. From the demand side, the collapse of trade barriers has led to more opportunities for organisations with competitive advantages.

Global projects can be large scale, and complex construction projects involve project members from more than one country, and require project teams to negotiate great geographical distances, and cultural, regional, organisational and international differences. Both residential and non-residential sectors accounted for 68 per cent of the global output.

From to comparable rates of economic growth will take place; this will be an average of 5. Globally, it has been suggested that the infrastruc- ture sector will have an annual growth rate of 5. Most governments in the four continents will do so, but a number of countries are facing huge challenges in funding infrastructure projects. On a national scale, construction activity will be greatly determined by wider economic factors, including wider GDP growth potential, population growth, specific developments in employment patterns and urbanisation.

These four variables will, for example, influence growth in world cities over the next ten years. The key driver to this growth is expected to come from infrastructure projects in developing countries and in non-residential construction in emerging economies.

In Western Europe a num- ber of countries will experience slow growth, with the UK and Greece showing the least growth, and countries such as France, Spain and Italy not far behind. On the other hand, Eastern Europe will experience higher growth, with a per cent rise in construction productivity expected in the next eight years. Economists see Poland as one of the ten fastest growing construction countries in the world, and, further east, Russia also shows great potential. Together with China and Russia, India, Nigeria and Vietnam will experience fast growth in the new global construction economy.

In Pacific Asia, Japan will show the weakest growth up to Canada is expected to move to rank fifth largest. In each region the three major long-term drivers will include the rate of change in population growth, the level of economic activity and the degree of urbanisation. Current issues and implications for the global construction industry are noted in what follows. This trend will have major implications for economic growth and demand for hous- ing, and will counterbalance other factors such as rising income levels.

On the whole, the demographic trends are likely to have a positive impact on the construc- tion industry. In China, due to the hold-up effects of the one-child population growth is expected to slow. All the same, the impact of demographic changes on emerging economies is likely to be strongly positive. This will be strengthened by other variables that will encourage housing demand such as increasing workforce mobility.

In emerging economies, the continuous popula- tion growth has led to demand for better quality housing, higher quality utilities and higher living standards. The recent economic recession has left long- term scars on the global economy. For instance, in the developed world, a number of countries have accumulated large financial shortfalls. In the medium term, this is likely to limit government spending in major infrastructure construction projects being delivered in developing countries. This makes the picture look dreary for construction organisations operating in Europe.

In the UK, major heavy engineering construction projects have helped the govern- ment to counter the predicted depression. Interestingly, emerging economies will not experience strict budgetary limitation, although there will be some major exemptions to this, as in Russia. The global construction industry acknowledges that environmental and life cycle models are needed to help decision makers in the design and construction of heavy engineering construc- tion projects.

The notion of environmental sustainability is explored in more detail in Chapter In the new global economy, stakeholders have become more sensitive to environmental issues, but it is difficult to assess the impact because a number of policies are still unclear. In addition, it is difficult to deter- mine how committed both developed countries and emerging economies are to having fully integrated environmental policies in their construction activities.

In order to address the above issues, clients will have to take a more proactive and educated leadership role. Direct engagement at both national and interna- tional level between institutions and governments will help stimulate research in global environmental sustainability. The primary role of secondary stakeholders in the delivery of large heavy engineering construction projects is becoming increasingly recognised. All the same, a number of business leaders, unions and economists have come out in favour of the project.

As shown in Figure 1. Increased awareness Environmental protection in construction Laws and regulation Cost pressures Figure 1. It examines drivers for, and prerequisites of, partnering and alliancing in global construction projects. Editorial Global projects: Strategic perspectives, Scandinavian Journal of Management, 26, pp.