

# Asian PM / Western PM: Global Standard vs. Local Practice

Standard



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#### Intention of this session

Most of us are aware of the basic project management skills and knowledge base and that they are an important tool to mange a project. However, in most reallife projects, it is not uncommon to encounter frictional and motivational hazards and tensions between stakeholders. These tensions are typically due to less understanding of each other, unexpectedly caused by difference in cultures, mainly [location culture] and [corporate culture]. Why do these exist and how can we gain a better understanding to effectively manage these factors?

#### Tools of this session

As this topic generally has no clear answer, the Round table discussion is more appropriate to share knowledge and experience, and is largely dependant upon the individual.

#### Goal image of this session

The audience will realize that there are clear differences and [tips] relative to the right PM approach, based on the [location culture], as well as [corporate culture]. Having an understanding of how to manage these cultures is the key to successful project management. More specifically, this session would provide the practical (virtual) image and tips for any PMer who is going to manage any project in Asia in future.



#### 1) Introduction & Outline Presentation: 25min

- -Historical characteristics of project management approaches in Europe/America, and Asia
- -PM approach & culture matrix
- -Difference of PM business model in the region (Fee perception, responsibility, etc)
- -Corporate culture types / characteristics
- -Recent changes in Asia

#### 2) Round Table Discussion: 40min

- -Quick question to audience
- -Location Culture & Project management approach
- -Corporate Culture & Project
- -Pit-Holes when both mis-match
- -PM global standard
- -Key words
- -Case Study discussion

#### 3) Closing: 10min

- -Tips for Facility Manager (or PMer) to manage [location culture] & [Corporate culture]
- -Tips for PM global standard & it's flexibility to adjust to local
- -Changing ages for Asian PM style and direction to go



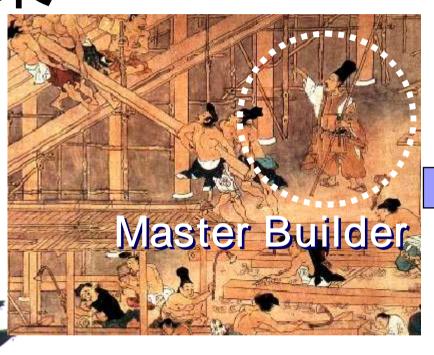
# Historical characteristics of PM approaches in JAPAN

# TORYO

Revolution of 60 years



Design



400 years old

Collaboration between Western technology and Japanese tradition

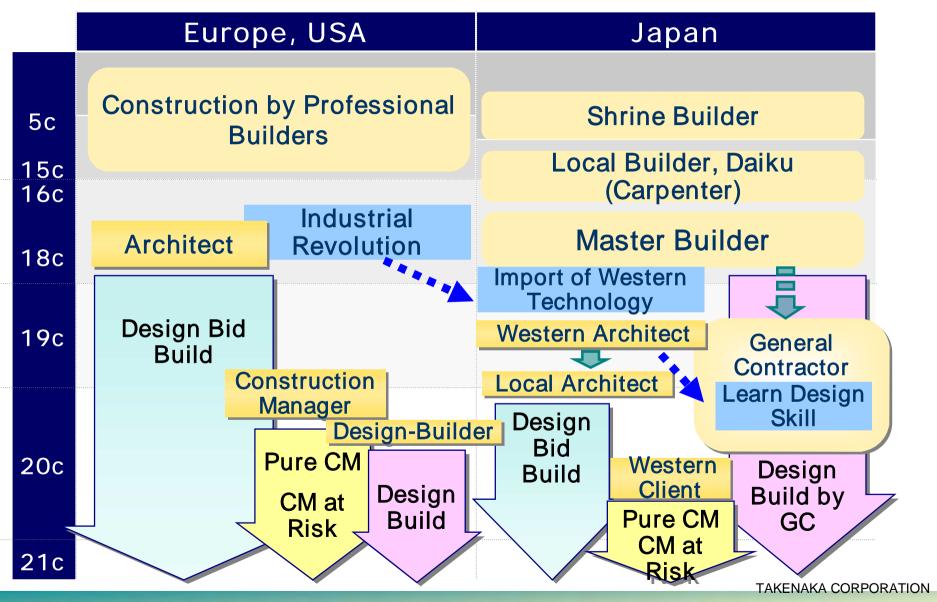
Western Culture



Construction



# Historical characteristics of Project delivery in Europe, USA / Japan



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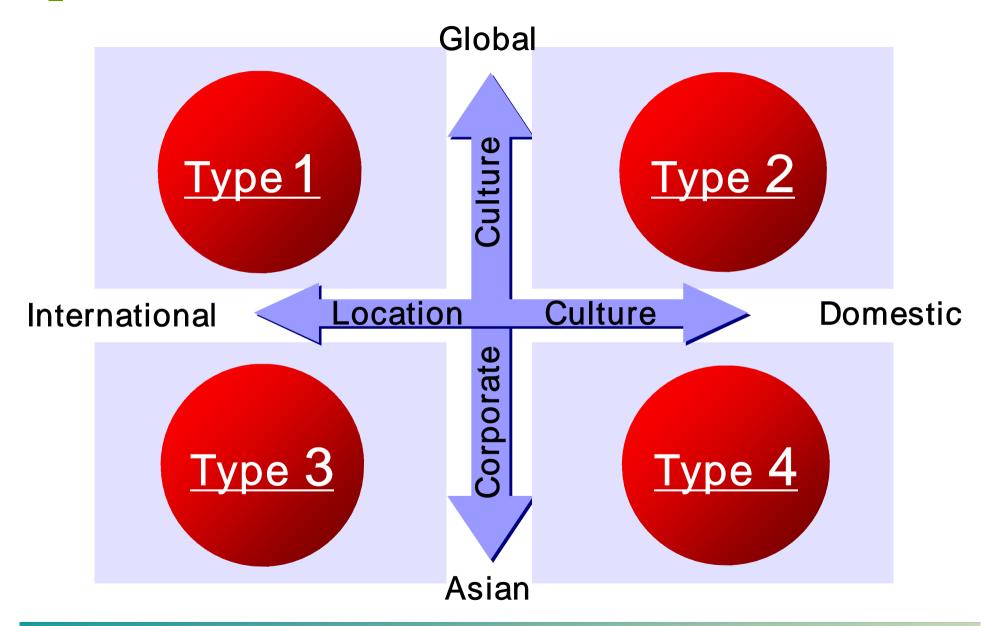


# PM Organization Establishments in Europe/America/Asia

```
Europe IPMA
1965
                        (International Project Management Association)
                PMI
1970
       USA
                        (Project Management Institute)
      Europe
                APM
                        (Association for Project Management)
      Australia AIPM
                        (Australian Institute of Project Management)
1978
                ENAA (Engineering Advancement Association of Japan)
      Japan
1991
      Russia SOVNET (Russian Project Management Association)
1991
      Korea
                PROMAT (Korean Institute of PM and Technology)
1993 India
                PMA
                        (Project Management Associates)
1998
      Japan
                JPMF (Japan Project Management Forum)
1998
      Japan
                PMI Tokyo, Japan Chapter
1999
      Japan
                SPM
                        (Society of Project Management)
2002 Japan
                PMCC (PM Professionals Certification Center)
2005 Japan
                PMAJ (Project Management Association of Japan)
```

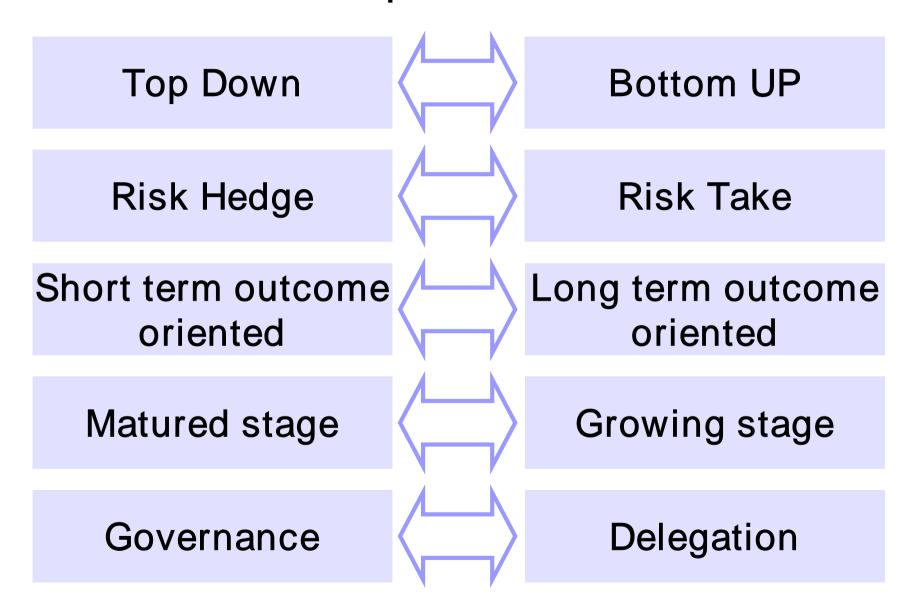


#### PM Culture Matrix in Asian Countries





### Corporate culture





## Location Culture (Example)

USA/Europe (American)

Asia (Japanese)

**Clear Explanation** 

Dry / Logic

Hidden Sense A^Un

Wet / Feeling

**Documentation** 

Independent

**Trust Base** 

Joint & Dependence

Pure PM (simple)

Written Mission & Stand point

Accountability & failure risk hedge

Pure PM Fee

Pure PM Business

Compliance

& Risk Management

Mixed PM (complex)

Broad task & Wide expectation

[Trust] base & Commitment

Biased PM fee

Mixed PM Business



# Case Study 1: US based Security firm

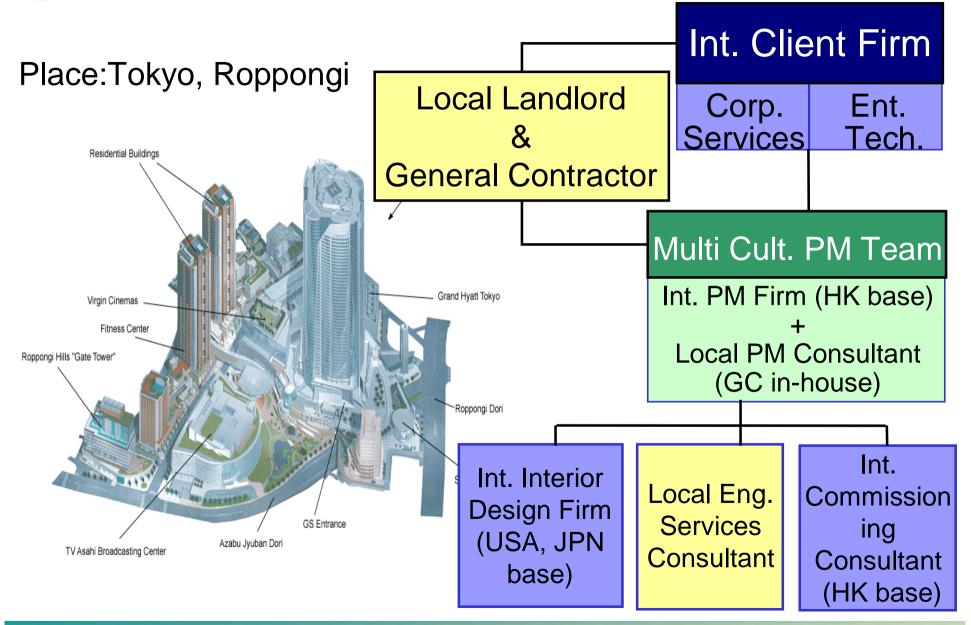
Corporate Culture : Global

Location Culture : International





### Big Office Relocation Project in JAPAN





#### Pit holes

### Case1

# Tips

Poor Integration among international consultants



Integrated Drawing Management

Commissioning standard difference between international consultants and domestic vendors



Engage international knowledge-full domestic M/E engineering consultant

Hard to justify the fair price with client and local vendors



Mobilize domestic independent cost consultant as a member of PM team



# Case Study 2: US based IT firm

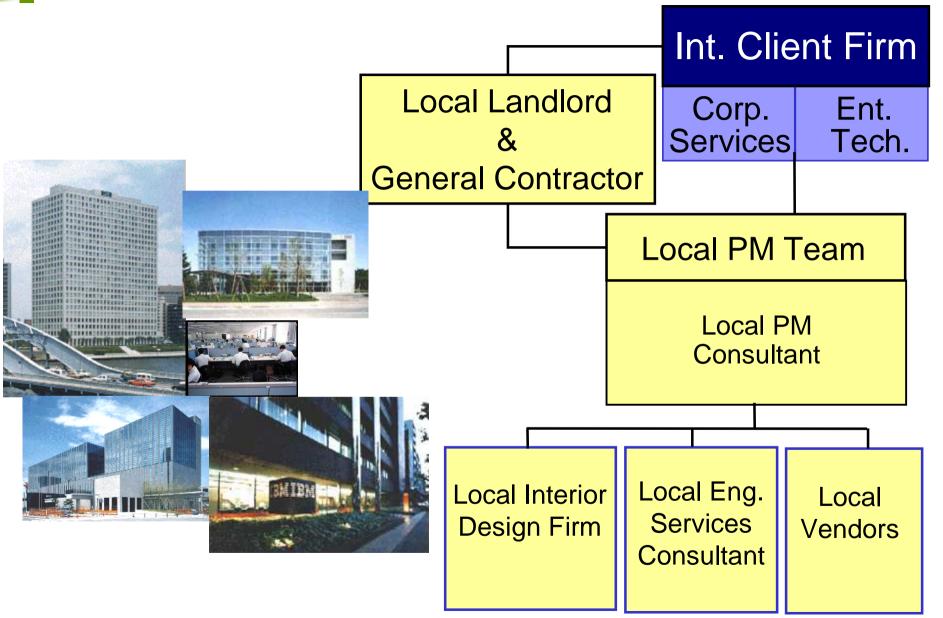
Corporate Culture : Global

Location Culture : Domestic





## Several Facility Projects in JAPAN





#### Pit holes

Case2

Tips

Less explanation to user regarding global concept would create several friction with users



In-house PM'er must build common internal recognition for its right and responsibility

Headquarters
management tend to have
poor understanding of local
practice



Local FM dept. needs to get trusted for their profession by actual practices / result

Local architect / engineer
to have poor
understanding on global
concept



In-house PM'er to share tech. wording in the local language with local architect to respect and maximize their profession



# Case Study 3: Japan based IT firm in China

Corporate Culture : Global

Location Culture : Domestic





## HQ Relocation Project in Greater China

Place: Beijing, China



Owner /Landlord **Base Building** Contractor /NSC

Sony Team GA IS (SH/SI (SH/B J) /TYO)

PM Consultant Sony **Facility** 

Project Outline: The Gateway, 6,200SQM(Net Area), 280 employees Hot Desking

Interior Design & Fitting out Firm

Eng. Services Consultant

Commissio ning Consultant



#### Pit holes

#### Case3

# Tips

Big gap of understanding what is PM work responsibility by local vendors most of whom do not have much experience working with pure PM



In addition to clear documentation, PM'er should act as if being a local contractor

Corp. global standard does not suit to local vendor's local practice



Never neglect to revise global standard. Follow local rule if conflicts.

Cost over run at the end, due to frequent local code change



Understand local costing culture and keep contingency 10-50%



# Case Study 4 : Japanese Steel Manufacturer

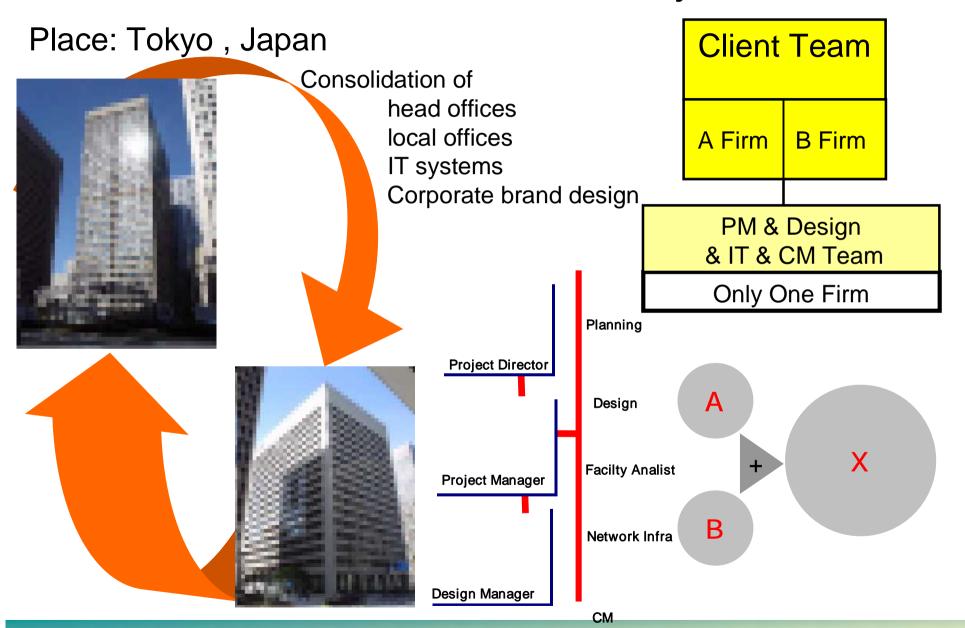
Corporate Culture : Asian

Location Culture : Domestic





## New Office Construction Project For M&A





#### Pit holes

#### Case4

# Tips

Client does not have knowledge to evaluate outputs and its process for each task



Education of client should go in parallel and process sharing by PM vendor

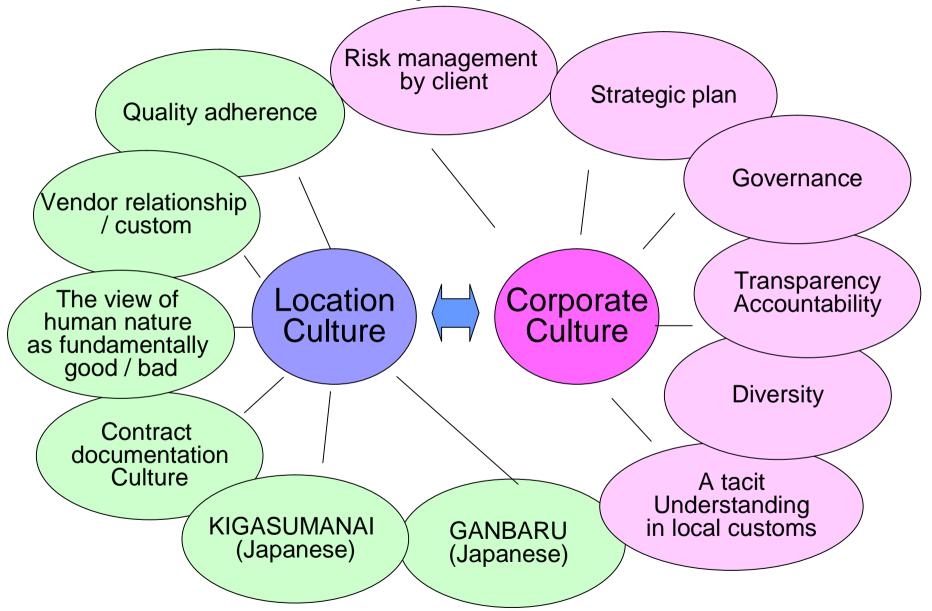
Corp. culture differ even in the same location culture



In-house Fmer need to translate not language but the [culture] to get vendor's support



**Key Words** 





#### Discussion theme

1) What kind of difficulties do you already experience (as PMer) at each local project site, or what do you think /imagine these difficulties would be if you were involved in managing a project in another country?

2) What have you (as PMer) been frustrated or upset at regarding a local project?



#### Discussion theme

3) How did you solve these issues on your own?

4) What was the pit-holes at each region when performing RFPs, Contracts, Fee discussions, Vendor management, Budgeting, Reporting, etc



#### Discussion theme

5) Do you think [PM Global standard] exist. If so how and what are they?

6) Do you think one successful case study in one location, can be simply applied to another location as well?



## +++Closing+++

- 1. Tips for the Facility manager (project manager) in understanding both [corporate culture] and [location culture] and their balancing.
- 2. Tips for establishing PM global standards and localization.
- 3. Sharing the pit-holes for the facility managers(project manager) working in global firms.
- 4. PM culture and the direction to go, especially in Japan, Korea, and China





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#### Young B Kim, CFMJ



Johnson Controls Japan KK. Registered Architect, Japan

Specialized the Securities Over 15 yrs In house FMer experience.

Various Roppongi Hills PJ (Goldman Sachs, Lehman Brothers)

Noriaki Yamada, CFMJ



Sony Facility Management Corp. Registered Architect, Japan

Over 15yrs experience in Sony Gp. Specialized Asia Pacific Fitting out

Sony Computer Entertainment HQ PJ AP Regional HQ PJ

Kentaro Hayashi, CFMJ



Takenaka Corporation Registered Architect, Japan

Over 15 yrs Service Provider xperience.

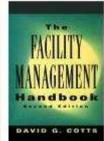
Nissan R&D Conversion PJ

Shigeo Ogawa, PMer, passed away in 2003 Handbook





#### Project Managers Group, Asia **Pacific**











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Over 15yrs Service provider experience

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#### **Group History:**

2003 Facility Management Guide Book Japan 2003 WWP Yokohama (Outsourcing PM) 2005 WWP Philadelphia **Scheduled** Translation Cott's Facility Management

**FM Project Management Mook** 

