The Impact of Cultural Differences on Project Management in the Norwegian Oil and Gas Industry

A qualitative research with emphasis on communication in international project management teams

Silje Vigsnæs Bjørseth (1737496)

August 2013

Table of Contents

Acknowledgement

I would like to take this opportunity to thank all of the individuals that have given me help and support in the dissertation process. The dissertation process has given me the opportunity to develop as a researcher; it has been a challenging and interesting experience.

I would first like to thank my supervisor, Patrick Mongey who provided feedback and guidance throughout the process. He also inspired me with his lectures on communication during the last semester at DBS.

I would also like to express my gratitude to the interviewee participants who kindly shared their knowledge and experiences. They provided excellent information and answered the question sincerely. I would also give a special thanks to my former colleagues and friends Hanna Luukkonen and Kenneth Vilming for their guidance and encouragement throughout the process.

Finally, I would like to thank my friends and family for supporting me from the beginning of the MBA and throughout the dissertation process. I am grateful for the support my family gives me, and their encouragement to study abroad. I am also especially grateful for the help from my good friends Stine J. Aalberg, Kristine Granquist and Madeleine Valberg. They have provided positive support in relation to guidance and motivation during the dissertation process.

Dublin, August 2013
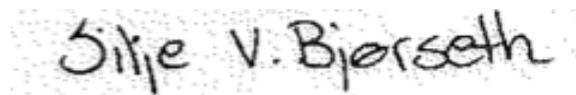
Silje Vigsnæs Bjørseth

Abstract

In the globalized world today national boarders are being washed out and people move out of their natural environment and over seas. Organizations have internationalized and opened up for foreigners in their environment, the internal business environment is then no longer only represented by employees from the host country but often consist of an international environment.

This research aims to explain how culture and cultural differences can impact the internal environment in an organization, and how cultural differences can impact on a project team and the project outcome with focus on the Norwegian oil and gas Industry.

Interviews of four project managers with different nationality were conducted to gather the appropriate information regarding the research topic. The empirical findings were discussed and analyzed with regards to the four objectives and the appropriate literature.

The study finds that cultural differences that occur in the Norwegian oil and gas industry tend to influence internal communication and the project outcome negatively in a project team. It is also evident that individuals from Scandinavia and Asia do not work effectively and without error when put on the same team. However, when the project team consist of individuals from the same nationality or similar culture it usually have a positive effect on the project overall. Personality differences are one of the main reasons for errors in a project team, and not nesesarely cultural differences. This research also highlights the importance of training and knowledge in regards to cultural differences, and individual's ability to apply their knowledge when issues occur.

Finally, the research implies directions for further research and emphasis the importance of investigating other cultures and nationalities that are not mentioned in this dissertation but are represented in the industry and can have an influence in regards to cultural differences in project management.

1. Introduction

1.1 Background

Project managers today and the skills needed have changed during the last few decades. Kernzner (2006, p. 156) states that the project management role has changed from being a technical manager to a business manager. One of the elements that have an impact on this change is globalization, and that organizations today work not only in their home country but also overseas.

Larson and Gray (2011, p. 533) state that a project team consisting of employees from different countries and cultures is known as a global project team. They also state that there is no specific framework for project managers working internationally or with a global project team. They mention, however, that project managers usually will experience difficult problems in relation to for example language, cultural differences and work ethics. (Larson and Gray, 2011, pp. 533-558)

Hofstede (The Hofstede Centre, no date) explains that cultural differences vary both between nations and organizations. While cultural differences between nations are based on value, organizational cultural differences are related du practice. Cultural knowledge, both related to values and practices, are therefore an important element when working in an international organization.

The Norwegian oil and gas industry will experience an increased employment rate, which cannot be covered purely by Norwegians. Representatives from the oil and gas industry states that to meet the demand they will search for labor force abroad. They also emphasis the importance of international knowledge and the benefit it can bring to the industry. (Marketline, 2012)

It is evident that the Norwegian oil and gas industry is growing, which indicates that there will be a high demand for labor force in all sectors of this industry. "Norwegian economy depends on the export of oil and gas. Norway is one of the leading countries when it come to exporting of oil

and the Norwegian oil and gas industry is predicted to grow in the coming years." (Taiyou Research, 2012) Taiyou Research (2012)

1.1.1 The Norwegian culture
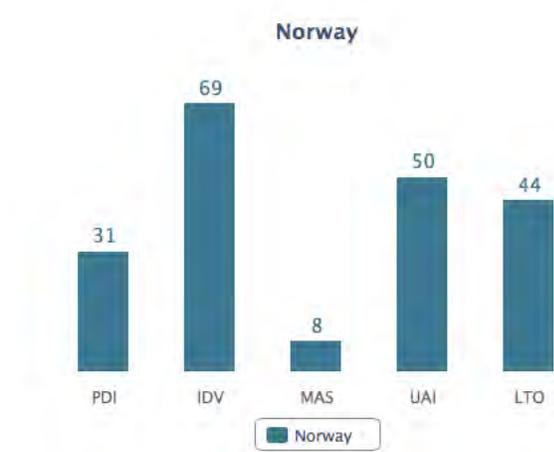
Figure 1: The Norwegian Culture

Source: The Hofstede Center (no date) Available at: http://geert-hofstede.com (Accessed: 17 July 2013).

The researcher is focusing on the Norwegian oil and gas industry and she therefore finds it relevant to mention the features that represent the Norwegian culture. It will benefit the reader to get an understanding of how the Norwegian society can be characterizes and also what to be expected when working and living in Norway. There are many theories on what recognizes a culture and how they can be defined and stereotyped. However, the researcher has chosen to focus on the information from Hofstede´s research and findings.

Hofstede's dimensions are used to underline specific characteristics of the Norwegian culture and the five dimensions are power distance, individualism, masculinity/femininity, uncertainty avoidance and long-term orientation. (The Hofstede Centre, no date)

Power distance (PDI)

This dimension is defined as "the extent to which the less powerful members of institutions and organisations within a country expect and accept that power is distributed unequally" (The Hofstede Centre, no date). The Norwegian culture is according to this dimension recognized as

4

independent with a flat business structure. Managers expect their team members to have appropriate experience and knowledge and the team members are consulted by their manager. The tone at work towards managers and employees is informal, and equal right and direct communication are important factors. (The Hofstede Centre, no date)

Individualism (IDV)

Individualism is defined as "the degree of interdependence a society maintains among its members" (The Hofstede Centre, no date). The Norwegian culture is seen as individualistic, which means that personal opinions are valued and expressed. There is no room for discrimination in the work place and feedback is direct. The management focuses on leading individuals and not teams. (The Hofstede Centre, no date)

Femininity (MAS)

In this dimension we differ between masculinity and femininity and the Norwegian culture can be characterized as a feminine culture. A feminine culture can be defined as "A society where quality of life is the sign of success and standing out from the crowd is not admirable" (The Hofstede Centre, no date). This indicates that the Norwegian culture is soft, which can be identified as having sympathy for others and value harmony. Another important factor to mention is that Norwegians work to live and they do not live to work, they also value free time and organizations often provide flexible working hours. "An effective manager is a supportive one, and decision making is achieved through involvement" (The Hofstede Centre, no date). (The Hofstede Centre, no date)

Uncertainty avoidance (UAI)

Uncertainty avoidance can be defined as "The extent to which the members of a culture feel threatened by ambiguous or unknown situations and have created beliefs and institutions that try to avoid these" (The Hofstede Centre, no date). Norwegians can be described as realistic culture regarding uncertainty avoidance, which indicated that they are relaxed, do not show emotions and that they have a positive attitude to change, risk and improvisation. (The Hofstede Centre, no date)

Long-term orientation (LTO)

This dimension can be explained as "the extent to which a society shows a pragmatic future-oriented perspective rather than a conventional historical short-term point of view" (The Hofstede Centre, no date). Norway is defined as a short-term oriented culture because of the importance of freedom and vacation, and "Quick results are expected and there is a focus on the bottom line and people spend for today" (The Hofstede Centre, no date). (The Hofstede Centre, no date)

1.2 Research Purpose

The purpose of this dissertation is to research the impact that cultural differences might have on project management in the Norwegian oil and gas industry and also how cultural differences might influence the project team and outcome.

This research intends to investigate how people's cultural background and nationality influence communication between team members and how project managers can cope with these cultural differences. The purpose is to look at how the different cultures interrelate and cooperate when working together. The focus is on employees that live and work in the same country, Norway, but have different nationalities and cultural background. Hofstede (The Hofstede Centre, no date) talks about the importance of adapting to local culture. However, the researcher questions people's ability to completely leave their cultural norms and values when working for an international company.

The researcher aims to contribute to the existing literature by providing information on how particular nationalities interrelate and how their differences can impact a project team and the project outcome. Furthermore, this research seeks to identify how cultural differences can influence communication in an international organization. This research also seeks to provide information in regards to how project managers can deal with cultural differences internally in the organization.

The following research objectives were developed to be able to reach the purpose of this dissertation:

1. What cultural differences exist in the Norwegian oil and gas industry?
2. How does cultural differences influence the communication between international tem members?
3. To what extend does cultural differences influence the project outcome?
4. How can project manager's deal with cultural differences?

The researcher will use a qualitative research method to gather appropriate information. The findings will be analyzed so that a conclusion can be made for each of the research objectives.

1.3 Suitability of the researcher

The researcher has an interest in both the project management field and the oil and gas industry because her goal is to establish a professional career as a project manager in this industry. The researchers academic and work background will be explained further below.

1.3.1 Academic background

The researcher has a three-year academic background in international marketing and business from her undergraduate and one year experience in business and administration. The first two years as a student was focused on international marketing at BI Norwegian School of Business in Oslo, Norway. Thereafter the researcher did a double bachelor degree program and combined international marketing and international business with one year at Grenoble Graduate School of Business in Grenoble, France. A double bachelor degree in international marketing and business gave the researcher a great understanding of both marketing and business on an international level, and the focus in the last year was especially on cultural differences and how to extend business internationally.

The researcher has used the last year to complete a Master of Business and Administration with emphasis on project management in Dublin, Ireland. The aim has been to get a deeper understanding of the field project management and to gain valuable knowledge in this field.

1.3.2 Work Background

The researcher has experience within the Norwegian oil and gas industry working as a project planner for DNV Business assurance. This job gave the researcher experience working with project managers, and because the department mainly exists of employees with different national and cultural background she also has experience in regards to working with international project teams. The researcher has also previously been working with people from different cultural background when she worked in France and Norway while studying. However, the researcher has no significant experience working as a project manager in the oil and gas industry.

1.3.3 Learning style

Kolb and Kolb (2005, p. 6) state that a persons learning style is not only defined by personality but also factors such as environmental factors, education, career, skills and job. They also state that all learning is relearning, learning is the process of creating knowledge and that learning is a process (Kolb and Kolb, 2005, p. 2). When evaluating her own learning style, the researcher found she is best defined as pragmatists. This indicates that she prefer to practice ideas, theories and techniques and to work according to a model. A pragmatist is also someone that gets straight to the point and acts on ideas with confident.

1.4 Recipients of the research

The recipients of the findings in this dissertation, conducted by the researcher as part of the Master in Business Administration with emphasis on project management, is recognized as the following:

1.4.1 Main recipients

- Dublin Business School, where the researcher is a full time student attending the MBA in project management
- Liverpool John Moores University, the awarding body
- Mr. Patrick Mongey, supervisor of this dissertation
- The researcher, Silje Vigsnæs Bjørseth, who is attending the MBA in project management at Dublin Business School

1.4.2 Secondary recipients

Other recipients that might benefit from this research are the project managers that kindly participated in the research. Project managers in the Norwegian oil and gas industry, academics and other researchers that can learn from what the researcher will contribute with in regards to project management.

1.5 Limitations

The limitations identified by the researcher regarding this research are that there is only a small selection of cultures that has been taken into consideration when conducting the research. There are a range of different cultures and nationalities that could have been included and would have affected the outcome of this research. However, the researcher aims to get a deep understanding of specific facts regarding the subject of choice and has therefore chosen to concentrate on specific nationalities. The researcher therefore recognizes that the findings in this research are limited to the research participant, which is a small group of the population and does not represent the whole population.

1.6 Dissertation outline

Chapter 1: Gives an overall introduction of the dissertation and presents the research purpose, question and objectives as well as relevant background information.

Chapter 2: Introduce the literature that is of importance for this dissertation with focus on four areas: Project management theory, communication, cultural differences and the Norwegian oil and gas industry.

Chapter 3: The methodology chapter outlines the methods used in this dissertation so that the researcher are able to answer the research question and objectives. The chapter presents the research onion and the different layers. It also cover other areas of research methodology, which are, research ethics, personal bias, research limitations, practical effort, sampling, data analysis, data collection, time horizon and research choice.

Chapter 4: This chapter provides the empirical findings, discussion and analysis of this dissertation. The chapter summarizes the empirical data of importance and further presents an overall analysis and discussion on the findings.

Chapter 5: This chapter gives an overall conclusion of the findings in this research in relation to the research objectives. It also provides the dissertations key findings.

Chapter 6: The Self reflection chapter provides information in regards to the researchers experience, personal developments and learning from the dissertation process.

2. Literature review

The literature review chapter presents an overview of the literature that is related to the research area, for the purpose of this dissertation and the related research objectives. This chapter will focus on the role of the project manager, communication, cultural differences and the industry of interest, the Norwegian oil and gas industry.

2.1 The project management role

"Project management is defined as the knowledge, skills, tools and techniques to project activities to meet the project requirements" (PMBOK, 2013, p. 554). A project manager is assigned to a project to guide the team so that they can achieve the project objectives. The project manager is the link between the project team and the project plan, and his/her task is to satisfy both the team and the task needs. Team needs might be group and/or individual needs. Knowledge, performance and personal skills are competences that are required for a project manager. "Effective project managers require a balance of ethical, interpersonal, and conceptual skills that help them analyse situations and interact appropriately" (PMBOK, 2013, p. 17).

Anantatmula (2010, pp. 19-20) defines a project as unique and commonly related to uncertainty. Great leadership is therefore often of high importance so that the project team will work together towards achieving the project objective. The project manager must play an important role when motivating the team members. Anantatmula also states that a project manager should seek to create clarity and open communication in the project team. (Anantatmula, 2010, p. 19-20)

It is essential for the project manager to be able to create an effective work environment so that the project team is suited to meet the challenges they experience in the global economy today (Anantatmula, 2010, p. 13). Anantatmula (2010, p.19) states "Projects, by definition, are unique and often associated with uncertainties and unknowns. It is reasonable to assume that in project management, it is not if the plans will change, it is when, what will change, and by how much". The project manager's leadership role is also assumed to be of higher importance when there are big changes in a project.

Larson and Gray (2011, p. 533) states that project managers usually face different problems when working internationally. *However, there is no specific framework concerning this topic.* But the complexity of cultures and countries are emphasised and they encourage the project managers to adapt to the culture of the host country. Success or failure of a project is often influenced by how the project managers approach problems that might occur. (Larson and Gray, pp. 533, 558)

International projects might consist of cultural differences such as values and beliefs. Doing business abroad, for example, can create misunderstandings, higher risks and costs. It is therefore important to acknowledge the cultural differences in the host country to be able to reduce risk. It is also important for the project manager to understand the importance of language and meanings so that communication will be understood and interpret in the right way by the project team. (Javernick-Will & Scott, 2010, p. 554)

Zeng, Xie, Tam and Sun (2009, p. 61) states that cultural diversity is one important factor to international project management, and that it is therefore also important for project managers to implement cross cultural management. Some can see cultural differences as negative; however, others also experience it as an essential part of growth in the organization and for individuals (Zeng, Xie, Tam and Sun 2009, p. 61). Zen, Xie, Tam and Sun (2009, p. 62) also define that " In a cross-cultural organization, changes in personnel, clientele, product line, financial climate, and even corporate philosophy and/or vision will happen. Cross-cultural awareness facilitates successful performance of a set task".

Project managers working in an international environment tend to experience challenges in relation to project delivery, knowledge and experience in cross cultural management is therefore important in regards to project success. "Cultural difference is the major factor affecting success or failure of projects" (Zeng, Xie, Tam and Sun 2009, p. 68). (Zeng, Xie, Tam and Sun 2009, p. 68)

Hong, Snell and Easterby-Smith (2006, p. 423) states that project managers that work with international project teams should create awareness in regards to cultural differences and that identifying the different cultures represented is a key component in project management.

2.2 Communication

Communication can be defined as "A process through which information is exchanged among persons using a common system of symbols, signs, or behaviors" (PMBOK, 2013, p.354).

Communication in project management can be internal or external to the organization. The project manager's job is to create a steady flow of communication so that different cultural background, perspectives, interests and expertise have a positive effect on the project outcome. Team members should be included and the project manager has to be certain that the messages communicated are decoded properly. (PMBOK, 2013, p. 287)

Project managers tend to communicate laterally, and they should be able to guarantee that the right information gets to the right person within the desired timeframe. It is also important to mention that communication is both verbal and also non-verbal; people's body language and expressions are therefore also an important part of communication. Good communication is important and will have a positive impact on the project outcome. There are many barriers in communication; one example is that people with different background can view one specific message in different ways. (Kerzner, 2006, pp. 229-230)

Communication is a key element in management. When communications between parties break down, the results of the project can be negatively affected. (Meng, 2012, pp. 188-198). It is essential that the project manager know what kind of message to send, that the message is sent to the correct receiver and how to translate the message into a language that everyone can understand. (PMBOK. 2013, p.290) The project manager can improve the performance of the project team by increasing the level of communication between the parties involved. (Meng, 2012, pp. 188-198).

Cultural knowledge is an important factor to effective communication in an international business environment (Oliveira, 2013, p. 270). National differences have in terms of communication been defined as disturbing to the sending and receiving of messages. However, communication differences are predictable in an international work environment. These differences might for example have a negative impact on the decision-making and work process. (Lauring, 2011, pp.231, 241)

Lauring (2011, p. 247) also states that not only culture and communication style can affect the communication in an international environment but also interaction patters and perception of differences. "The social organization of the workplace is both conditioned of and conditioned on communication" (Lauring, 2011, p. 247). Adopted cultural differences can be used to alienate specific individuals or groups from participating in internal business discussions (Lauring, 2011, p. 248). Lauring (2011, p. 249) also states "Even in well-trained groups of international managers, mistrust and pursuit of personal interests may hinder intercultural understanding".

2.3 Cultural differences

Working in a multicultural team has now developed to be part of the organizational structure and is not nesesarely an option based on preferences. It is also common to create heterogeneous groups rather than homogenous. (Eisenberg and Williams, 2012, p. 2)

A manager should have international and cultural leadership skills and knowledge because people's behavior will be strongly influenced by culture (Javidan et al., 2006, p. 67). Javidan et al. (2006, p. 68) states that many business managers have little or no knowledge on how to handle international teams due to the lack of adequate information about cultural challenges. It is also important to mention that people in different countries tend to have different ways of assessing their leaders, and that the general understanding of leadership can therefore not be applied. (Bass, 1997, pp. 130 – 139)

Managers must know how to recognize the team member´s cultural background and the differences between cultures that the organization operates in to be able to increase efficiency.

Wursten, Lanzer and Fadrhonc (No date, p.1) state that globalization is not about standardization but managing different people with different cultural background.

Certain patterns of behavior can occur in a culture, which, according to Fink and Mayrhofer (2009, p. 58) can be outlined from values, context and memories that characterizes the culture. "Even if values would be the same, typical patterns of behavior can be different in different cultures because a specific convention may serve the purpose as much as another convention, but both are exclusive to each other, e.g., driving on the right hand side or left hand side in the streets" (Fink and Mayrhofer, 2009, p. 58).

People that have a common culture tend to have a general understanding of for example right and wrong, and inappropriate or unacceptable behavior can be difficult to manage. However, the bigger misunderstandings tend to arise when the team members or manager have different cultural background. (Wursten, Lanzer and Fadrhonc, no date, p. 3) It is therefore important for managers to understand that management techniques that are appropriate in one culture will not necessarily be applicable in another (Hofstede, 1984, p. 81).

However, Szabo (2009, p. 77) states that there is a significant difference between cross-professional and cross-cultural differences. There is in fact the business perspective that has an influence on people's specific cultural profile and not nesesarely nationality. (Szabo, 2009, p.77)

It is also important to recognize that there is a difference between national culture and organizational culture. Brouthers and Hennart (2007, p. 416) state, "Organizational culture is the set of beliefs and values shared within an organization that influences what the members of that organization believe to be valid and ethical behavior". A persons individual cultural features and beliefs are not nesesarely shared with the organizational culture. "The higher the cultural distance between home and host country, the larger the adjustment problems" (Harzing, 2002, p. 144). An organization can feel a higher need for control and good communication when the cultural distance is great (Harzing, 2002, p. 153).

Sagiv and Schwartz (2007, p. 177) states that if culture is a liability or burden for an organization and the people represented, there should also be a connection between national and corporate cultures. However, Fink and Mayrhofer (2009, p. 58) states "Behavior of individuals is difficult to predict because it is basically driven by personal interest and by expectations how a counterpart possibly would react". In this situation the person will react according to his personality and culture, as well as judging the counterparts reaction by stereotyping their culture or nationality.

Hofstede defines culture, as "the collective programming of the mind distinguishing the members of one group or category of people from others" (The Hofstede Center, no date). Hofstede´s 5 dimensional model is based on rigorous culture research and not somebody's opinion (Managing people across culture). The five dimensions are; Power distance (PDI), Individualism (IDV), Masculinity (MAS), Uncertainty avoidance (UAI) and Long-term orientation (LTO) (The Hofstede Center, no date). Managers should not ignore cultural differences when working with an international team and the 5 dimensional model is a tool that can be used to get a better understanding of the cultures and their differences (Wursten, Lanzer and Fadrhonc, no date, p. 4).

Hofstede's research has identified the difference between cultural differences related to national culture and organizational culture. The most significant differences in nations are related to values whilst in organizations the differences are related to practices. Hofstede defines organizational culture as "the collective programming of the mind that distinguishes the members of one organization from others" (The Hofstede Centre, no date).

Robert House founded the GLOBE project in 1992, and the project progressed into a multi method research project where the researcher focused on study social and organizational culture, practices and leadership. (Hartog et al., 1999) Hartog et al. (1999) states that cultural background will influence how the social environment is understood. Manager´s perception of what qualities that are typical or ideal might therefore also vary in different cultures. The researchers involved in the GLOBE project defined culture as "the shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of

members of collectives that are transmitted across generations" (House, Quigley, & de Luque, 2010, p. 114).

The Global leadership and organizational behavior effectiveness (GLOBE) project is built on existing cross cultural and management theories such as the value belief theory of culture by Hofstede and Lord and Maher´s leadership theory (House, Quigley, & de Luque, 2010, p. 115). The GLOBE team consists of researchers with different cultural background, and the project focuses on the study of the effectiveness of leadership behavior in different cultural environments. The data analyzed and used in the project is generated from surveying and interviewing managers in 62 cultures in the world (House, Quigley, & de Luque, 2010, p. 113).

The outcome of the study was used to develop a framework that is appropriate to use when analyzing different cultures. The researchers collected responses from middle managers from three industries, telecommunication, food and banking. (Hartog et al., 1999)(Javidan, Dorfman, de Luque and House, 2006, p. 69)

The GLOBE research was concluded with nine cultural dimensions; uncertainty avoidance, power distance, institutional collectivism, in-group collectivism, gender egalitarianism, assertiveness, future orientation, performance orientation and humane orientation (House, Quigley, & de Luque, 2010, p. 116). Some of these dimensions are similar to other researchers, but as mentioned earlier the GLOBE project is builds on existing theories. However, the GLOBE framework is operated and theorized differently.

The 170 researcher involved in the GLOBE project gathered and studied information for ten years, which lead to a valid framework that can be used when analyzing leadership and cultural differences. They also confirmed the existence of cultural clusters such as Latin America, Nordic Europe and Middle East. The clusters vary when looking at the nine cultural dimensions (Javidan, Dorfman, de Luque, and House, 2006, p. 69).

There are many similarities between the GLOBE project and Hofstede´s research, they both focused on a large numbers of countries in an industrial situation. But Hofstede (2006, p. 883)

17

states that there are many important differences between the two researches. The most significant one might be that the GLOBE project focuses on middle management, while Hofstede´s research is based on employees with different positions (Hofstede, 2006, p. 884). Another important difference is that Hofstede´s research was action-driven and the GLOBE project is theory driven. Hofstede also criticizes the GLOBE projects use of questionnaires and the validity of the data gathered (Hofstede, 2006, p.885).

There are many researchers that have developed strategies and theoretical frameworks in regards to leadership and culture. However, Yukl (1998) states that the studies conducted have mainly been done in US, Canada and Western Europe.

Management, both practice and concept, vary from country to country. The theoretical frameworks used to understand culture and management should therefore also naturally differ. For example, western management theories might not be applicable in a non-western environment (Hofstede, 1993, pp. 81 – 83).

Horwitz and Horwitz (2007, p.1009) states in their article that there is no direct evidence that heterogeneous teams work better than homogenous teams. Eisenberg and Williams (2012, p.2) mention that the team member´s cultural differences might not be reason itself to measure a team's performance. However, Ely and Thomas (2001, p. 249, 260) states that diverse teams tend to have less understanding internally in the team environment which can lead to lower performance and effect for example the communication flow. Eisenberg and Williams (2012, p. 3) states that "little clarity exists in understanding the roles that specific personal and situational factors play in multicultural teams' performance". Another factor that might influence the effectiveness and structure of a cultural diverse team is how people communicate and deal with difficulties and pressure related to the diversity.

Gong (2011, p. 101) state that cultural differences affect communication more frequently du to globalization. Any types of misunderstandings du to the differences in cultural background tend to influence the business. "At present, as powerful and insidious force in communication, cultural difference often exists visibly or invisibly in intercultural business" (Gong, 2011, p.

102). Professionals should work to improve understanding of cultural differences. (Gong, 2011, pp. 102 - 103)

Eisenberg and Williams (20012, p. 4) argue that team performance cannot be linked with whether or not the team exists of members with cultural diversity. "We suggest that we need to look for enabling mechanisms that help team members translate their differences into actual process and performance advantages" (Eisenberg and Williams, 20012, p. 3). Their advice is that managers and team members practice and develop a cultural intelligence that can bring advantages to the team. Cultural intelligence can be a potential advantage for the tem in regards to motivation, communication, problem solving and also acceptance of cultural diversity. A team with team members that have high cultural intelligence might experience a positive attitude towards interaction with different cultures and also the willingness to learn. Which also make it less difficult to overcome problems and misunderstanding when working in a multicultural team. This might also have a direct influence on the teams work progress and project outcome. (Eisenberg and Williams, 20012, pp. 11-12)

Research done in the field of leadership and cultural differences is usually based on information gathered with quantitative methods, such as Hofstede´s research (The Hofstede Center, no date). The GLOBE project, however, uses a mixed method of surveys and interviews, but with most emphasize on the outcomes of the surveys (House, Quigley & de Luque, 2010, p. 114-115).

It is important for the manager when dealing with an international project management team to understand the different cultural techniques, and that different tools are effective in different cultures. There is not one specific answer, but the project manager needs to be able to recognize what tools and techniques to apply (Wursten, Lanzer & Fadrhonc, no date, p. 7).

Researchers also emphasize that several countries have various subcultures or are influenced by other cultures within the country, which has made it difficult to gather representative samples from multicultural nations (House, Quigley, & de Luque, 2010, p. 116).

2.4 Norwegian oil and gas industry

International and foreign oil companies were the source of knowledge for the Norwegian petroleum industry. However, Norway has been able to develop their knowledge in the field and Norwegian suppliers are now amongst the best in the world. "The petroleum industry accounts for around one third of national income" (Marketline, 2012, p.13). 100 000 people work in the industry today, and it is estimated that more than 200 000 new jobs will be created. "Investments by oil companies in development, operation and maintenance on the Norwegian continental shelf generate a considerable demand for products and services from the supplier industry in Norway and abroad" (Norwegian petroleum directorate, 2010). There is also emphasis on the importance of being involved in international projects and the benefits of what this might bring to the industry (Norwegian petroleum directorate, 2010).

Statistics Norway states that employment will increase, and that the jobs will mostly be covered by increased migration. Representatives from the oil industry states that to easies meet demand they will search for labor force abroad due to the lack of acceptable labor force in Norway (The Nordic page, 2011).

A reason for the increase in employment is because of rise in the aging population, and the government is therefore expecting a decrease in workforce availability (Marketline, 2012, p 18,20). Norway decided, in 2008, to encourage foreigners to work in Norway, and to make it easier to establish a life in the country. They also anticipated a growing amount of foreigners to live and work in Norway in the coming years. (Marketline, 2012, p.20)

In most parts of the world countries get more globalized and working across boarders is common. Companies seek employment outside their country to gain knowledge and competences that they might not get at home. This also means that people from different cultural and national background will have to work side by side.

It is evident that the Norwegian oil and gas industry is growing, which indicates that there will be a high demand for labor force in all sectors of this industry. "Norwegian economy depends on the export of oil and gas. Norway is one of the leading countries when it come to exporting of oil

and the Norwegian oil and gas industry is predicted to grow in the coming years." (Taiyou Research, 2012). (Taiyou Research, 2012)

However, even when Norway is facing labor shortage new studies show that Norwegian employers prefer to hire Norwegian employees. It is also evident that Norwegian employers are reluctant to hire employees with multicultural background. One of the reasons for this is because of the need to be fluent in Norwegian. Yet, the official language in the Norwegian oil and gas sector is both Norwegian and English. There are however some exceptions, some of the largest companies in this sector employ people from all over the world without hesitation. Aker Solutions for examples have employees from more than 80 countries working in their Oslo office. "Norway's failure to tap into global talent is not new, and both employer associations and politicians have urged Norwegian business to broaden their horizons beyond the Norwegian labour market". (Newsinenglish.no, 2013)(NAV, 2011)

3. Research Methodology

The methodology chapter outlines the methods implemented by the researcher to be able gather appropriate findings so that the research objectives can be answered. This chapter will first present the research objectives and the aim of each of the tem. It will further present the research onion and outline the different layers that are represented by the onion.

It also cover other areas of research methodology, which are, research ethics, personal bias, research limitations, practical effort, sampling, data analysis, data collection, time horizon and research choice.

3.1 Research Purpose and objectives

The following research objectives will be described in order for this dissertation to reach its purpose:

1. What cultural differences exist in the Norwegian oil and gas industry?

    The aim of this objective is to get an overview of the different cultures represented in the Norwegian oil and gas industry. And also what cultures that are more represented than others.

2. How does cultural differences influence the communication between international tem members?

    This objective seeks to understand the relationship between culture and communication in an international project management team. And to what extend communication in the team is influenced by cultural differences.

3. To what extend does cultural differences influence the project outcome?

    The main purpose of this objective is to research the relationship between cultural differences and the project outcome. And to get an understanding of how cultural differences can affect the outcome of the project.

4. How can project manager's deal with cultural differences?

> The final objective seeks to identify skills that project manager should adopt when working with an international team. And how gaining knowledge about cultural differences can affect the project team.

3.2 Methodology
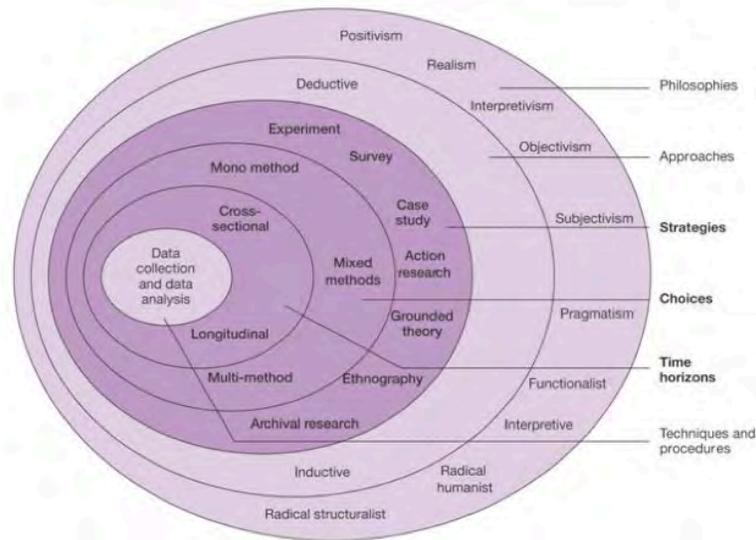
Figure 2: Research Onion (Saunders, Lewis and Thornhill, 2007, p. 102)

The research onion is a tool used to understand the different methods the researcher had to consider. The different layers of the onions represent different stages that the researcher has adopted in the research process. (Sanders, Lewis & Thornhill, 2009, pp. 106-109)

3.2.1 Research Philosophy

The first layer of the research onion is philosophy, which according to Sanders and Lewis (2012, p. 104) represents the way the researcher view the world. The researcher can either adopt a subjective or objective approach and these approaches are regulated by assumptions about ontology and epistemology. (Holden and Lynch, 2004, p.3)

"Ontology is concerned with nature of reality. This raises questions of the assumptions researchers have about the way the world operates and the commitment held to particular views" (Sander, Lewis and Thornhill, 2009, p. 110). Subjectivism can be explained as the researchers understanding of the actions that has an influence on people, and how their view of the world and interpretations of the environment affects their actions (Sanders, Lewis & Thornhill, 2009, pp. 111).

Bryman and Bell (2007, p. 16) states, "An epistemological issue concerns the question of what is (or should be) regarded as acceptable knowledge in discipline". Interpretivism research seeks to understand social behavior (Bryman and Bell, 2007, p. 17).

The researcher seeks to get an understanding of the influence that cultural differences might have on a project team with focus on project managers in the Norwegian oil and gas industry. The research was based on "social actors" in an organization and the behavior and interaction between them. The researcher has therefore adopted the interpretive and subjective research philosophy. (Sanders & Lewis, 2012, 106-107)

3.2.2 Research Approach

The second layer of the research onion describes the different approaches the researcher can take, deductive or inductive. Saunders and Lewis (2012, p. 109) defines inductive approach as "a research approach which involves the development of theory as a result of analysing data already collected". A researcher that use the iductive approach will most likely choose a conduct qualitative research with a small sample of subjects (Saunders, Lewis and Thornhill, 2009, p. 126).

The researcher have explored data and developed theories from research which has been related to literature. She have analysed data that has been collected throught interviews and the researcher have therefore also been part of the research process. The researcher adopted the inductive approach. (Saunders, Lewis and Thornhill, 2009, p. 126).

3.2.3 Research Strategy

The next layer of the research onion is identifying the appropriate research strategy. Bryman and Bell (2007, pp. 62-63) states that " with a case study, the case is an object of interest in its own right and the researcher aims to provide an in-depth elucidation of it". Eisenhardt (1989, p. 534) states, "The case study is a research strategy, which focuses on understanding the dynamics present within single settings". Case studies can be used as a concept to generate relevant theory; this approach is expected to create accurate and testable data. (Siggelkow, 2007, pp. 25-26)

The researcher has used the case study approach and conducted interviews as a data collection technique. The case study approach was appropriate because the researcher have used a qualitative research method, which have given the researcher a good understanding of the environment. The research questions also ask "what" and "how" which is suitable for the chosen research strategy. (Saunders & Lewis, 2012, p. 116)

3.2.4 Research Choice

There are numerous options of research methods for the researcher to use; these are mono method, mixed method and multi methods. Mono method refers to a single data collection technique and multi method means that the researcher selects more than one technique. (Saunders, Lewis and Thornhill, 2009, p. 152) According to Bryman and Bell (2007, p. 658) must both mixed method and mono method be appropriate in relation to the research questions.

The mono method suggests that the researcher use a single qualitative research technique, which was appropriate for this research because the researcher used interviews to collect data (Saunders, Lewis and Thornhill, 2009, p. 152). The interview questions was prepared prior to the interviews, and the questions was structured so that they are related to the research objectives. Interviews was an appropriate technique to use in this research because it gave the researcher a deep insight in the interviewees knowledge and attitude towards the topic.

3.2.5 Time Horizon

According to Saunders, Lewis and Thornhill (2009, p. 155) are there two types of techniques related to time horizon. The longitudinal studies, which is described as a "diary" type perspective and cross-sectional studies that is a "snapshot" of a specific period (Saunders, Lewis and Thornhill, 2009, p. 155).

The researcher selected the cross-sectional approach because research data was collected in one specific time period. The researcher was also given a strict time frame, which could not be changed.

3.2.6 Data Collection

Ponterotto (2005, p. 128) defines quantitative research as a "methods focus on the strict quantification of observations (data) and on careful control of empirical variables". By using a quantitative method the researcher is able to collect data without influencing the result, and the researcher will have a large sample size (Sale, Lohfeld and Brazil, 2002, p. 44) (Ponterotto, 2005, p. 128).

Allen-Meares and Lane (1990, pp. 452-453) states that qualitative data uses methods, such as interviews, to veryfi or confirm theory. Quantitative research seeks to answer the research questions developed and data can be collected through for example interviews or focus groups. "Qualitative research is especially effective in obtaining culturally specific information about the values, opinions, behaviors, and social contexts of particular populations" (Mack et al., 2005, p. 1)

Ponterotto (2005, p.128) also states "Both qualitative and quantitative approaches are empirical methods in that they involve the collection, analysis, and interpretation of observations or data".

The researcher applied the qualitative research technique using interviews to collect appropriate primary data. The sample consisted of four project managers with different cultural and national background. The interviews took place in Oslo, Norway because the context of this research is

the Norwegian oil and gas industry. The interviews took place in June 2013. Secondary data was also of importance, especially in relation to the unit of analysis, which are cultural differences.

3.2.7 Data Analysis

Braun and Clarke (2006, p. 6) define thematic analysis as "a method for identifying, analyzing, and reporting patterns (themes) within data. It minimally organizes and describes your data set in (rich) detail". However, this method does not need a significant amount of expertise in relation to technical and theoretical knowledge (Braun and Clarke, 2006, pp. 8-9). In thematic analysis patterns can be recognized in two different ways, inductive or deductive (Braun and Clarke, 2006, p. 12).

The researcher used a thematic analysis method because the data collected through interviews was summarized, structured and categorized when analyzed. An inductive based analysis method was used, but the researcher did also use grounded theory as an analytical tool. (Saunders, Lewis and Thornhill, 2009, pp. 508-510)

Grounded theory tends to involve qualitative data, such as interviews or observation. Douglas (2003, p. 47) states, "Through constant comparison, coding and analysis of interview and observational data, theory that is grounded in these data emerges".

Coding is a tool that can be used when analyzing data collected with qualitative research methods. A code is often recognized as a word or short phrase that describes specific parts of the data. (An Introduction to Codes and Coding, 2008, p.3) The researcher should develop codes that occur from the data and codes that have been predefined. It is also important to identify patterns and relationships that can be found in the data. (Tips for analyzing qualitative data, 2007, pp. 4-5) There are also electronic resources that can help the researcher code the data collected, for example NVivo. (An Introduction to Codes and Coding, 2008, p. 23)

It is also important to mention that the researcher should not reduce the importance of the data collected but be more abstract which will make the findings easier to compare. (Saunders, Lewis and Thornhill, 2009, pp. 508-510)

3.2.8 Sampling

There are two sampling techniques that the researcher can decide to use, probability or non-probability sampling. "For non-probability sampling, the probability of each case being selected from the total population is not known and it is impossible to answer research questions or to address objectives that requires you to make statistical interference about the characteristics of the population" (Saunders, Lewis and Thornhill, 2009, 213).

Sample selection in regards to non-probability sample is subjective, and the researcher chooses the sample size in relation to the research questions. However, it is important that the sample size gives the researcher an opportunity to collect relevant and valid data. (Saunders, Lewis and Thornhill, 2009, pp.233-234)

There are different sampling options to choose when doing non-probability sampling, such as quota, purposive and snowball. Purposive sampling is used when the cases selected best will allow the researcher to answer the research question. (Saunders, Lewis and Thornhill, 2009, p. 237)

The researcher used non-probability sampling because, as mentioned earlier, it does not require a complete list of the population. Four project managers in the Norwegian oil and gas industry were interviewed. There are approximately 680 companies in the Norwegian oil and gas industry and 136 000 employees work in the different sectors, however, more than 200 000 jobs can be related to the industry. The researcher did therefore use purposive sample. (Ernst and Young, 2012)(Sasson and Blomgren, 2011)

3.2.9 Practical Effort

The researcher used interviews to collect data, which is a qualitative research technique. This method usually has a small sample size because the interviews are done individually. Interviews usually provide detailed information and the researcher should seek to gather as much information as possible from the interviewee (Boyce and Neale, 2006, p.3) (Mack et al., 2005, p.29). This research method tends to provide accurate and detailed information related to the

research topic (Boyce and Neale, 2006, p.3). In comparison to surveys which is less personal, and do not give the researcher a possibility to study the interviewee's body language or attitude.

Interviews "are an effective qualitative method for getting people to talk about their personal feelings, opinions, and experiences. They are also an opportunity for us to gain insight into how people interpret and order the world". (Mack et al., 2005, p.30) The researcher should make recordings and write notes when conducting an interview. The interview notes should not only be based on the answers given by the interviewee but also observations made during the interview. (Mack et al., 2005, p.30)

The researcher should ask natural and open questions, which will give the respondent the opportunity to answer freely, it is not appropriate to encourage answers that will satisfy the interviewer. Follow-up questions should be asked when the researcher want to get a deeper understanding of specific areas. (Mack et al., 2005, p.29)

The researcher has to undertake certain skills to be able to conduct an interview that will generate appropriate data. The interviewer should make the interviewee feel comfortable and express a genuine interest. The interviewer should encourage the participant, avoid asking leading questions and have appropriate body language. (Mack et al., 2005, pp.38-39)

The interview guide can be seen in Appendix 4 and 5

According to Boyce and Neale (2006, p.5) should an interview guide lists the questions that will be asked during the interview and it should also include and informed consent form. There should be more then 15 questions in the interview guide so the researcher can gather enough data and also because an interview should last 1-2 hours. The interview guide should be translated to the appropriate language if the researcher is doing the interviews in a country where English is not the native language.

The researcher adopted the skills mentioned when interviewing project managers in the Norwegian oil and gas industry. Appointments were made based on the availability of the

interviewee. Appropriate candidates for this research was contacted and agreed to participate. The interview questions were also translated into Norwegian when necessary so that they were answered correctly.

The researcher should communicate the purpose of the interview and why the participant should contribute to the research. The researcher should not create false expectations but be truthful and straightforward. Trust is an important part of the relationship between interviewer and interviewee. This can be created by ensuring confidentiality and respecting privacy. A written, oral and/or taped consent form should also be introduced before the interview starts.

3.2.10 Research Limitations

Research limitations for interviews can be both internal and external limitations. The importance of reliability and validity is external factors. "Validity refers to the extend to which the researcher gains access to their participants knowledge and experience" (Saunders, Lewis & Thornhill, 2009, p. 326). It is important for the researcher to make and retain notes that are related to the choices done in relation to the research questions, these notes needs to be appropriate and reliable. (Saunders, Lewis & Thornhill, 2009, pp. 326-328).

Other limitations related to interviews are prone to bias, time-intensive, interview training and techniques (Boyce and Neale, 2006, pp. 3-4). It is important that the researcher creates interview questions and conduct interviews that do not make room for the interviewee to respond based on bias. The researcher have to carefully plan the time allocation to each step of the interview process, it might take more time than anticipated. It is also important that the interviewer is prepared for the interview and has adopted the appropriate interview techniques. (Boyce and Neale, 2006, pp. 3-4).

Limitations related to this research was, amongst others, time. The researcher had a limited amount of time to conduct and analyze data. This is because of the time frame given, and also because the Norwegian summer holiday was in this time period. The researcher made appointments early in the process to avoid problems regarding time. The researcher was in Norway at the appropriate time so that the interviewee could choose a time that suits them.

Language might also be a limitation, because the interviewees come from different countries. This however was not a major problem because the company language is English, which required that the employees have a certain amount of English speaking skills.

Cost limitations is also important to mention because the researcher had to go to Norway to conduct the interviews, printing of the dissertation and other costs related to the execution of the research. The researcher has a limited amount of resources and had to consider this when planning the research process.

Another limitation that can affect the process is personal bias, which will be discussed further.

3.2.11 Personal Biases

Interview bias is according to Saunders, Lewis and Thornhill (2009, pp. 326- 327) when the interviewee is reluctant to answer certain parts of the interview creating only a practical picture. Interviewer bias is when the interviewers personal meanings, values or credibility directly or indirectly affects the interviewees. (Saunders, Lewis and Thornhill, 2009, pp. 326- 327)

It is important that the researcher do not create bias influencing interviewees by for example imposes her beliefs or experiences. This was especially important in this research because the researcher has worked in one of the organization and also knows two of the employees that were interviewed. Personal values or knowledge should not take over the research and its purpose. The researcher should always remember that the goal is to produce data that is appropriate for the topic. (Saunders, Lewis and Thornhill, 2009, pp. 326- 327)

3.2.12 Research Ethics

As mentioned earlier, the researcher should always explain the purpose of the interview and be carful not to create false expectations. She have to be straightforward, truthful and offer the interviewee complete confidentiality. Confidentiality can help to create trust between the parties so that the participant is able to be open and answer the questions truly. It is also important that the researcher avoid making comments about other participants. An oral, written or taped consent should be presented to the participants before the interview begins. (Mack et al., p. 31)

The researcher should also inform the participants on how the data collected will be used and who will have access to the data. A positive environment should be created so that the participants feel comfortable during the entire interview. The researcher has to be open to answer any question the participants might have, it is therefore important to be prepared. (Mack et al., p. 31)

4. Empirical findings and analysis

This chapter will summarize and highlight the empirical data collected by the researcher. It will further present an overall analysis of the data in relation to the literature review. The data was collected through four interviews of project managers working in the Norwegian oil and gas industry. The four interviewees work for different international companies and in an international environment.

The interviewees are each presented separately in the first section of this chapter so that the findings from each interview get the appropriate attention. One of the interviewees requested confidentiality, and will therefore be presented with an alias. Information and background of the research participants will also be presented in this chapter to increase the credibility of the findings.

4.1 Research Participants

Four participants were interviewed for the purpose of this dissertation. They are all project managers in the Norwegian oil and gas industry with different nationality and cultural background. It is also important to mention that to increase the credibility of the findings the interviewees work in four different companies.

Name	Age	Gender	Nationality	Time spent in Norway	years in the oil and gas industry
Hanna Luukkonen	32	Female	Finnish	2 years	2 years
Kenneth Viming	36	Male	Norwegian		5 years
Stine Olsen	37	Female	Danish	5 years	3 years
Zi Ting Chen	42	Female	Chinese	15 years	12 years

Figure 3: Interviewee information

Figures explaining the nationalities of each interviewee and their cultural values are presented in Appendix 1, 2 and 3. The figures also present a comparison of the culture and the Norwegian culture.

4.2 Empirical Findings

The empirical findings chapter consists of the data conducted in the interviews. The findings will be presented in relation to each research objective. The findings from each interview will also be presented separately to get a better overview of the data.

4.2.1 What cultural differences exist in the Norwegian oil and gas industry?

Mrs. Luukkonen defines the organizational culture in the company she works for to be a Norwegian business culture. She said that even though the company is seen as an international oil and gas company with focus on having an international mindset they have still yet much to learn. As a foreign employee working in an international environment she still feel that the company have more Norwegian features than international.

There are only two Finnish employees in the organization. Mrs. Luukkonen works in a department where a variety of nationalities are represented, Norwegian, German, Irish, Vietnamese, Indonesian and Bulgarian. There are significantly more Norwegians then other nationalities working in the department. There are two Finnish employees and one employee representing each of the other nationalities.

Mr. Vilming describes the organizational culture as an international business culture, whit high focus on cultural differences. He explained that the official organizational language is English and that they have both international customers and a range of nationalities represented in the organization. Kenneth explained that there are 17 employees working in his department and that 13 of these are Norwegians. There are also one Russian, one Chinese, one Croatian and one Swede.

Ms. Olsen, who is a Danish employee working for a company in the Norwegian oil and gas industry, defines the organizational culture to be very international. She put emphasis on the fact that there are at least 50 percent international hired in the company.

There are two more Danish people working for the organization, and they have over 20 different nationalities overall. She explained that because of their office in Mumbai, India, they have a lot

of transfers from India to Oslo, Norway. There are also a high number of Swedish people, which she explained might be du to the short travel distance from Oslo to Sweden. The department she works for also has ten people representing the UK and one person from Greece, Germany, Poland, Russia and Finland. The Philippines are also represented but she was uncertain of how many.

Mrs. Chen explained that the organization she works for is defines as an international organization, however, she experience that the culture is Norwegian. This is du to the way the organization is managed. The company language is English, but she does not feel that this make the organization international.

There are only one Chinese employee in the department Mrs. Chen works for but approximately 20 working for the organization. She said that there are most Norwegians working in her department and estimates it to be around 15 Norwegian employees. There are also one Swede, two Canadian, one Portuguese and one from the Netherlands.

4.2.2 How does cultural differences influence the communication between international tem members?

Mrs. Luukkonen explained that culture or cultural differences is not taken into consideration in any project and not at any stages of the project duration. Mrs. Luukkonen stated, "Everyone has to do their own share of work, no matter what". However, she also said that the problems that often occur in her department when working in a multi cultural team is often related to personal problems and not nesesarely cultural differences. Mrs. Luukkonen´s mentality regarding this issue is that she tries to work well with everyone and that work is work.

She also mentioned that the Finnish culture is according to her experience similar to the Norwegian culture, which has made it fairly easy for her to adapt to the Norwegian business culture in general. She also states that she experience Norwegians as straight forward like Finns, that small talk is not a big issue and that people tend to be honest and open minded. Gender inequality is not an issue and that the sense of humor are similar. Mrs. Luukkonen did not

experience any difficulties when moving to Norway. One reason for this is that she decided to learn the language right away.

The communication between team members in the organization is according to Mrs. Luukkonen varying. She said that some individuals communicate well with others and some communicate well with everybody. An example of this is that the employees from Ireland and Norway tend to communicate well with everybody, but that the Vietnamese employee has difficulties communicating with especially the Scandinavian employees. Mrs. Luukkonen said that in her experience the Vietnamese employees tend to say yes to perform tasks for other employees or customers although they do not have time to perform the task. The result is usually that someone else has to do the job instead. Mrs. Luukkonen said that she communicates good with the other nationalities in the department except people from Asia, and that her experience is that Europeans tend to communicate well together in general. She also commented that Asians tend to communicate differently from her and that she experience that they have a difficult time accepting criticism. "They tend to answer yes to every question, no matter if they actually mean it or not". According to Mrs. Luukkonen does this not nesesarely mean that the Asian person is to blame, but that she interpreter them wrong or misunderstand.

Mrs. Luukkonen explained that the cultural differences that occur in their department usually include Asians. She said that she feel that she has to be carful when working with people from Asian cultures because she do not want to "piss them off". Her experience is that they get very upset if she tries to give them any type of feedback. Their response has been for example screaming, shouting, name calling and crying when a change in the task of one person had to be implemented.

Mr. Vilming, who is a Norwegian, experience that language is not a barrier when working with team members with different nationalities. The organization emphasizes the importance of cultural knowledge, and Mr. Vilming experience that the communication between Norwegians in general and other nationalities is good. Training that focus on knowledge on cultural differences is a part of why communication is not directly effected by cultural differences within the project management team. He also said that the employees work closely with similar departments in other countries, which would not be possible if the communication tend to fail.

The employees working together in multinational teams in the department usually works well together. Mr. Vilming thinks that a reason for this is that they all have a general understanding about the other employees and the tasks that will be performed prior to the start date of the project. Managers in the department are also aware that cultural differences might occur, and they therefore evaluate the efficiency of the people working together and how well they communicate before they are put on the same team. He also has the impression that the other nationalities have greater respect for Norwegians because they work in Norway, however Asians are less open-minded.

As a Norwegian, Mr. Vilming experience that he best communicate with Germans and Italian employees. However, he thinks that this is due to personal experience and not based on culture. He also comments that he does not work well with Finish people or Asians. When working on a multinational team he experience more difficulties based on personality and not culture.

Mr. Vilming identified the culture that communicates significantly differently from his as Asians, especially Chinese employees. This is manly based on their way to communicate, which often can lead to misunderstandings. An example he mentioned was that "Chinese employees usually take specific roles on the project, for example that one takes the blame if something goes wrong, one takes the credit if everything goes according to the plan and one actually do the job". Mr. Vilming also means that big problems related to lack of good communication with Asians are because they are too proud to ask questions or to ask for help.

Cultural differences in regards to communication is low in Mr. Vilming´s department, and he thinks that this is due to that the team members try to express them selves clearly and make sure the others understand their intentions. He said that they try to be aware of the challenges that might occur before they start working. The employees are not required to pay attention to this factor but they usually have a general interest in understanding and knowing the different cultures represented in their department. Mr. Vilming also said that he works with positive and serious people that strive to broaden their knowledge every day. They all have some common interests with for example traveling and meeting people from all over the world.

The focus on cultural differences and communication is highly prioritized in the organization Ms. Olsen works for. She states that they for example always include an international element in their information meetings so that the team members are aware of cultural differences that might occur in regards to communication.

Ms. Olsen experience that the Danish culture is quite similar to the Norwegian culture and therefore makes it easier for her to work in Norway than for example Asia. She also feels that she blends in well with her Norwegian co-workers.

The communication in the organization is identified as good, but that there is always room for improvements. Ms. Olsen states that "When you have a lot of different nationalities and cultures working in the same environment will there always be room for misunderstandings". She also said that she focus on being proactive towards these types of misunderstandings. Ms. Olsen prefers to work with Scandinavian people because their communication style is similar to hers. She also said that she sees it as her responsibility as a project manager to make sure that the communication between team members are at its best at all times, despite cultural differences.

Ms. Olsen identifies the nationalities that are most difficult to communicate with as Asian and Indian. This is because they have a different mindset and work culture than her, and their English skills are not as good as Scandinavians. An example of these differences is that Asian or Indian employees find it difficult to express themselves in the right way and understanding problems or create solutions due to language.

Ms. Olsen states "Communication in multi-cultural project management teams will continuously be a challenge. At the same time it can also add something to a team. Different ways to think and approach a problem can sometimes be a shortcut to a solution. The important thing then is that the information is carried out right, so the team actually will benefit from this different mindset".

Mrs. Chen experience that she has difficulties adapting to the Norwegian culture, this is because she feels that the organization she works for is very "Norwegian" and the way of managing is very different from what she is used to. She prefers working on her own, and often experience

inefficiency working in a Norwegian environment. Her main focus when moving to Norway was to work in an organization where the official language is English because she did not want to speak Norwegian.

Mrs. Chen identifies the communication between team members in the organization as average. She experience that she often is misunderstood when working in an international team and she recognize that this is because she is very direct and can be perceived as strict.

Mrs. Chen works best with people from Asian cultures when working in an international project management team. This is because they have a shared understanding of values and work ethics. She also states "When challenges occur in relation to communication it is in my experience often du to personality differences and not nesesarely cultural differences". There are usually few problems when working with Norwegians because she has been living in Norway for over 15 years and has tried to adapt to the Norwegian culture. The problems usually happens when the team exists of people that just moved to Norway and are not used to the Norwegian culture or working with people with different nationalities or cultural background.

One experience that she used as an example in regards to bad communication due to cultural differences was when she worked on a team with a person from Portugal and one from Norway. Mrs. Chen said that the Portuguese person usually start later than the others and go home later, and have long lunches. This made it difficult to set up meetings because she prefers to start earlier. She also said that when she has vacation she stills brings her computer etc. and get some work done, but for Norwegians vacation is vacation, which means no work.

Even though Mrs. Chen experience personal difficulties when working on multinational teams she emphasize that there is usually not any major issue related to cultural differences and communication overall in the organization. This is according to her because the organization has strict rules and policies that the employees have to follow and that it is not accepted to step out of the regulations. However, some cultures are not used to follow regulations and do not understand the consequences of braking the rules. She also said that the regulations are being followed strictly by some, especially Norwegians, and according to her are being used for the wrong

purpose. For example when people are asked to do a task that are not in relation to their job description they tend to avoid to do the job. She said that Norwegians value their free time and do not want to do work that can stand in the way of their time off work, "Pleasure before work". Results of this mentality have often been disagreements and loud discussions.

4.2.3 To what extend does cultural differences influence the project outcome?

Project managers in Mrs. Luukkonen´s organization have very different understandings of how they should relate to cultural differences that might occur in a multinational project management teams. Most project managers tend not to consider cultural differences in the planning or duration of a project. However, Mrs. Luukkonen said that she personally try to be friendly, polite and communicate clearly.

Mrs. Luukkonen stated that internal communication usually have a huge impact on the project outcome. An example she used was that poor communication could result in a project delay or bad performance. She also said that all of the project managers in her department have at some point been affected by poor communication, some more often than others. How the project manager decides to handle the situation will definitely have an impact on the project outcome. Mrs. Luukkonen explained that for example Asians are concerned about loosing face and therefore do not fix problems that occur, which impact the project outcome even worse. This makes the other team members insecure and stressed during the project duration and mistakes usually happen.

In Mrs. Luukkonen's experience is the project outcome negatively affected when there has been bad communication due to cultural differences, usually because it is difficult to get an agreement after the problems occurs. She also personally feels that most problems that have a negative affect on the project outcome is in projects with Asian project managers that manage a multicultural project team. Some cultures also work better together than others, and Mrs. Luukkonen explained that western people or Europeans tend to work better together than Europeans in combinations with Asian or Indians. She thinks that this might be due to differences in background and communication style as well as work ethics.

Cultures with similar enough features are the easiest to work with according to Mrs. Luukkonen. She prefers to work with hard working people that know the clock and respect others time. When in a situation where Mrs. Luukkonen work with people from for example North Europe she find it easier to communicate and avoid misunderstandings which again have a positive effect on the project outcome. She also emphasize the importance of having good communication with customers, because cultural differences in regards to communication can also effect the project positively or negatively which again also will have an impact on the project outcome.

Mr. Vilming states that the organization he works for realized that they had problems regarding cultural differences when they only hired people from the same culture (not Norwegian) and with the same type of personality. They therefore decided to open up to people with different nationalities and cultural background and focused on learning from each other. This had a positive impact on the organization and people were able to avoid misunderstandings and poor communication by gaining knowledge and cultural intelligence. This also had a positive impact on the employees and their work, which again reflected positive on the project and project outcome.

Cultural differences in regards to communication are seen as a positive element in Mr. Vilming's department. He explained that the cultural differences pushes people to do their best because they are all working towards the same goal, which is to provide quality work for the customer. The employees are more concentrated and more aware when they are working in a multinational project team so that poor communicated is avoided. Examples of how people will contribute to create good communication is to show interest in the other team members and how they communicate and learn from others "what is their knowledge and features" and also to take interest.

Mr. Vilming thinks it is important to understand that they are professional, serious and knowledgeable people working together. They all enjoy traveling to different countries because of the interest in different cultures, which also has a good influence in a work situation. "We are generally interested in the differences between our cultures" Mr. Vilming states. However,

cultural differences occur from time to time, which can lead to problems such as poor communication. An example Mr. Vilming brought up was that some people think they communicate clear and understandable for others, but in reality do not. Some people also resolve problems differently than what the norm for the organization or nationality is, which can be challenging.

The project outcome in the organization is based on how well the project team work together and individually. Mr. Vilming said that because of their interest and awareness of the other nationalities they do not often have problems related to poor communication, which again does not negatively affect the project outcome. However, Mr. Vilming states that when problems do occur it is usually related to communication with Asians. He said that they are more sensitive and do not want to "loose face" and that their English skills are not as good as people from Scandinavia. But, as long as the communication is clear and concise problems usually not occur. Personalities and not culture is more often the reason why the outcome of a project is affected in a negative way. However, Mr. Vilming does mention that for example Chinese people work better together when put in the same group because they have the same understanding of respect and how they communicate.

Another important thing Mr. Vilming mentioned was that results from his department shows that even though the employees are comfortable working on a multinational team, the most successful outcomes on projects are when people from the same nationality and culture work together. He thinks that this is because people with the same nationality and cultural background share the same understanding of how they work and communicate. An example he mentioned was that Norwegians are not scared to fail and when they fail something they work together to find the best and quickest solution. Asians on the other hand take things more personal when they fail and to fail means that they have lost.

Ms. Olsen stated that communication in multinational project management teams would continuously be a challenge. At the same time it can also add something to a team. Different ways to think and approach a problem can sometimes be a shortcut to a solution. "The important thing then is that the information is carried out right, so the team actually will benefit from this different mindset".

She also thinks that different cultures that are sort of similar work better together in a team than for instance two cultures that are completely different. For example western cultures in one team and Asian cultures in another. "With that said, I think we gain a lot from mixing the cultures in a project team, despite the risk of more communication obstacles".

The project outcome is in Ms. Olsen´s department is often related to how well the project team works together. She said that if a team consisting of employees with different nationalities work together and they experience poor communication this will most likely affect how the project turns out. However, she also states that the project manager often will interfere before problems go so far that it can have a negative effect on the project outcome. When the project team consist of people from similar nationality or culture the project tend to be smoother and with minor errors both in regards to the duration of the project and the outcome. Examples of cultural differences that have effected the communication negatively in a project is in Ms. Olsen´s experience when people with obvious personality or cultural differences are put on the same team. This often led to misunderstandings both internally and with customers, which in one way or another will impact the project in general. However, she said that all the employees have almost the same understanding of what their goal with projects are, which is to make the customer satisfied.

Mrs. Chen said that in her organization project manager and team member try to take into account the cultural differences that might affect the project, for example to try to get to know the other team members better on a personal level. However, their mentality is that it is just a project and that the goal is to finish it within the time frame and according to the scope. This is especially evident when the project has a short time frame, which they describe in their department as "the project is on fire".

One factor that has the biggest impact on the project outcome in Ms. Chen´s department is cultural differences. She said that the biggest challenge regarding poor communication in multicultural teams tend to be how the project is carried out and who is doing what at what time. A good example she used is that Norwegians are good at problem solving and often feel that

poor communication is due to cultural differences. The Norwegians dons not want to be blamed for a bad project outcome du to misunderstanding or poor communication because they usually always follow protocol.

Mrs. Chen experiences that Norwegians and Swedes generally work well together on a project team and usually always deliver good projects with a positive project outcome. She thinks that this is because they work in Norway and are familiar with how the Norwegian standards are. "Scandinavians tend to create groups or "clicks", and it is very difficult for others with different nationalities to take part and be accepted in these groups". She therefore prefers not to work in groups with only Norwegians or Swedes because she is often left out and are not able to contribute with her knowledge in the way that she prefers. This has been a factor that has impacted more than one project and also the project outcome in a negative manner. She therefore prefers to work with employees with the same nationality as her or similar. This also makes it more difficult to mix up the teams so that more than one or two nationalities are represented. However, she also said that almost everyone in the department appreciate her ability to allocate tasks quickly and ability to deliver "on time".

4.2.4 How can project manager's deal with cultural differences?

Mrs. Luukkonen identifies one concern in the organization, which is that the project managers have to resolve problems that occur due to cultural differences by them selves. This has resulted in project managers trying to find their own way to resolve problems or not dealing with problems at all. She personally tries to adapt to the other team members by for example not confronting people that are from a more sensitive culture or engage in small talk with cultures that appreciate this.

The organization Mrs. Luukkonen works for require their employees to attend a two day course where one of the topics focus on multinational teams. She also said that the project managers in the organization are fairly knowledgeable when it comes to cultural differences and understanding these differences. She states "the problem is not how knowledgeable people are, but whether or not they use their knowledge when problems occur".

Mrs. Luukkonen defines her selves as very knowledgeable when it comes to culture and cultural differences. She has experience working extensively with different nationalities, for example with people from China, India, France and Germany. She also said that her experience working with Norwegians is that they are from a culture where they are used to consider other peoples nationalities, which makes her feel welcome and trusted. However, young people are more thoughtful in regards to cultural differences than older people, this because they are more educated and for example have friends from different countries or have studied abroad.

There are some training provided to project managers when working with a multinational team in the organization. As Mrs. Luukkonen mentioned they have a two-day mandatory course, but the focus on this courses in not only cultural differences. She experiences this course to be ineffective and states, "the training is effective if you grew up in a bottle, but otherwise it is the same old same old". Mrs. Luukkonen would definitely like to see an improvement when it comes to training of the project managers in relation to problems that occurs because of cultural differences in the department. She mentions some preferred measures that would help her be prepared for situations that might happen. For example to create rules and regulations so everyone has the same understanding and can avoid poor communication or conflicts. Informal courses and role-play should be carried out regularly to prepare the employees for situations that most lightly are bound to happen when working in a multinational team. How the leader of the department react and take care of situations when the project management are not able to also reflects the standards in the department Mrs. Luukkonen explains, and in her experience the leader has set a bad example when it comes to resolving problems that are created du to cultural differences.

In the organization Mr. Vilming works for they have prioritized the training of project managers so that they can deal with situations where cultural differences might be an issue. The employees have a mandatory course they attend where the goal is to train the project managers so that they can gain cultural intelligence. Mr. Vilming also said that there is a department in the organization that is hired to help project managers in situations where cultural differences are the issue. The department functions as a link between the project manager and the person or group of people

that are involved in the situation. They also give advice to project managers when internal and external problems have occurred in relation to cultural differences. He said that he uses this solution on a regular basis and that in his experience other project managers also do so. Mr. Vilming also mentions that if someone in that department cannot help him or give him advice they will help him find other people internally or externally that might be able to advice him.

Mr. Vilming said that all the employees working for the organization have to attend an introduction course, but that other types of training in regards to cultural differences are provided when needed or asked for. People in the department also tend to help each other so that everyone can understand the different nationalities better. The project managers that Mr. Vilming works with is described as very knowledgeable and understanding when it comes to cultural differences, and that there is no coincident that the people that works in the department work well together. The leader of the department has a high focus on experience regarding cultural intelligence when hiring new people. Mr. Vilming stated, "It is an important factor when applying a job in this department to be up to date on international business".

When it comes to cultural knowledge Mr. Vilming describes him self as curious and willing to learn, but that he does not have a lot of knowledge regarding this subject. He said that he values the opportunities he gets to learn and gain more knowledge and that his colleagues help him every day. However, he also mentioned some measures that should be considered regarding training of project managers that work in a multicultural environment. Examples of this is more courses and internal and external training and he states "the people that thinks training is stupid are stupid" and "there is no such thing as to much training, I always learn something new and interesting that I can use".

The organization Ms. Olsen works for has offices around the world and they try to have close contact and a regular flow of communication with them. Ms. Olsen said that videoconferences are often used when communicating with other offices in the world so that there is little room for misunderstanding. Video conferencing gives the employees the ability to not only hear but see the counter part, which Ms. Olsen said improves the understanding of what is said. For her facial expression and body language are as important as talking when it comes to communication.

Project managers that works in the department are recognize by Ms. Olsen as well traveled business people with an interest for different cultures. She explained that they are usually prepared and aware of cultural differences when they work with a multinational team or in an international environment. The organization values the knowledge the project managers have and that knowledge is a way to gain respect and recognition.

Ms. Olsen said that she is very much aware of cultural differences and how they can have an impact on the project. Since she works in an international environment she consider it important to show interest in her colleagues cultures. The organization also focus on having a good work environment so that communication remain good, they do this by having regular team building activities to improve the employees knowledge about each other. Ms. Olsen stated, "If you can create an environment with trust, this will benefit the team".

However, no specific training programs are given as an option for the employees in the organization. Ms. Olsen would prefer to have other alternatives to be able to improve her cultural knowledge and be able to develop as a project manager. "As a project manager I seek to broaden my knowledge at any opportunity I get, I want to be the best that I can be at my job". Examples she gave related to this are to arrange internal or external training options. She thinks it is important to remember that every day is different, and that she probably will end up in a situation where she is uncertain of how to find a solution. By gaining knowledge and to have constant training options available should be prioritized. Ms. Olsen thinks that project managers will experience this as a positive feature in regards to working with a multinational team.

In the organization Mrs. Chen works for they highly focus on resolving conflicts related to cultural differences by confronting individuals and then try to create a solution that benefits everyone included in the problem. Mrs. Chen mentioned that they focus on team building to gain knowledge and awareness of cultural differences as well as social events where people can get to know each other on a personal basis. The human resource department also has an important role when it comes to resolving conflicts or misunderstandings, Mrs. Chen has not needed to ask the

human resource department for guidance but she said that many of her colleagues use it on a regular basis.

Mrs. Chen said that when hiring new staff, the organization focus on their English oral and written skills as well as international experience. They prioritize these factors because they want to make sure that their cultural knowledge has a high standard so that they can be comfortable working in an international environment. The organization also have a training program for new employees where they get insights on what they expect from the different roles in the organization, and also what is expected of them as project managers.

Project managers knowledge in regards to cultural differences varies a lot in Mrs. Chen´s organization. She said that project managers that have a different nationality than Norwegian tend to be more aware and knowledgeable than Norwegians. The reason for this she said might be because the organization is located in Norway and have Norwegian standards. Mrs. Chen explained that she personally has a difficult time understanding other cultures and that she should use more time gaining knowledge about her co-workers nationalities and culture. One of the reasons she does not prioritize to do so is that she does not like to involve personal life with work.

The organization offers their employees extra training in different subjects, one of them being cultural differences. An example of this is a course they can attend at the Norwegian School of Business, where they focus on educating project managers in international environments. However, this training is very broad and does not focus on cultural differences in related to communication within the team.

Mrs. Chen experience that Norwegians have developed their cultural knowledge within the 15 years she has been living and working in Norway. "Norwegians are more worldly and try to develop their cultural knowledge more now than they did 15 years ago". She also said that because project managers have gained more knowledge when it comes to cultural differences they see a positive change in how well the project teams works. An example she gives is that

they are more suited to allocate the right job for the right person and to put the right people on the same team to get the best possible outcome.

4.3 Analysis

This part of the chapter consists of a discussion and analysis regarding the empirical findings in relation to the relevant literature. The chapter is structured in four chapters with focus on the four objectives.

4.3.1 What cultural differences exist in the Norwegian oil and gas industry?

The aim of this objective is to get an overview of the different cultures represented in the Norwegian oil and gas industry. And also what cultures that are more represented than others.

Foreigners were in 2008 encouraged to work in Norway, and the amount of foreigners that work and live in Norway are anticipated to grow in the coming years (Marketline, 2012, p. 18,20). Statistics Norway states that employment will increase, and that the jobs will mostly be covered by increased migration. Representatives from the oil industry states that to easiest meet demand they will search for labor force abroad due to the lack of acceptable labor force in Norway (The Nordic page, 2011).

The interviewees had mixed impressions on whether or not the company they work for can be defined as an international organization. Both Mr. Vilming and Ms. Olsen describe their organization to have an international environment internally and that many cultures are represented. Mrs. Luukkonen and Mrs. Chen on the other hand states that the companies they work for is known as international companies, they however does not agree and strongly feel that they are working in a Norwegian environment. The companies sees and experience themselves as international, however, as Mrs. Luukkonen mentioned that the mindset of the organization is not nesesarely international. Because the official language in the Norwegian oil and gas industry is both Norwegian and English, employees of non-Norwegian background can experience the use of the Norwegian language to be a negative factor in regards to being an international organization (NAV, 2011). This is also evident from Mr. Vilming statement that the company he works for has English as their official language, and the employees use English in the internal work environment. The employees are therefore not expected to be fluent in both Norwegian and English.

However, all of the interviewees said that the majority of the employees in their organization are Norwegian. The only exception is in the company Ms. Olsen works for where 50 percent of the employees in the organization are foreign. A reason for the majority of Norwegian employees is because the Norwegian employers prefer to hire Norwegian and are reluctant to hire people with multicultural background. (Newsinenglish.no, 2013)(NAV, 2011) Another reason that Norwegians are more represented in the organization than foreigners is that the companies want their employees to be fluent in both Norwegian and English.

Another important feature to mention is that the non-Norwegian employees are of many different nationalities and cultures. As evident in the findings, all of the interviewees have colleagues from different nationalities but the number of representatives from each country is small. Mrs. Chen for example explained that she is the only employee from China in her department, and the other nationalities usually also has only a small number of representatives. Which means that when Norwegians have people from the same culture to relate to, whilst the other nationalities will have problems finding other employees with the exact same nationality and cultural background.

Mrs. Luukkonen and Ms. Olsen, which both are from Scandinavian countries, feels less cultural differences working in Norway than Mrs. Chen. Even though their countries are not highly represented in the organization, they can both relate to the Norwegian culture because the differences from their own culture are minor. Mrs. Chen on the other hand is experiencing less affiliation as a Chinese because there are few employees representing the Asian or Chinese culture. It is also evident from the findings that most of the nationalities represented in the four organizations are from European countries.

4.3.2 How does cultural differences influence the communication between international tem members?

This research objective seeks to understand the relationship between culture and communication in an international project management team. And to what extend communication in the team is influenced by cultural differences.

Communication can be defined as "A process through which information is exchanged among persons using a common system of symbols, signs, or behaviors" (PMBOK, 2013, p.354).

Cultural differences are considered in three of the four organizations represented in this research. Ms. Olsen and Mr. Vilming said that culture and cultural differences is highly prioritized in the organization they work for. Mrs. Luukkonen on the other hand state that cultural differences are not taken into consideration at any point in the organization. As a result of these different findings it is evident, as the interviewees previous stated, that the quality of communication vary. For example, Mrs. Luukkonen said that the communication between team members tend to vary, which can be a result of the lack of consideration from the organization on quality of communication. Ms. Olsen stated that they have good communication internally, which can be a reflection of that the organization highly prioritize cultural differences and communication style. Mrs. Chen identified the communication internally to be average.

The literature concludes that people with different background and nationalities can be barriers to communication. The sending and receiving of a message can for example be disturbed by national differences. (Lauring, 2011, pp.231, 241) (Kerzner, 2006, pp. 229-230) Gong (2011, p. 101) state that cultural differences affect communication more frequently due to globalization. "At present, as powerful and insidious force in communication, cultural difference often exists visibly or invisibly in intercultural business" (Gong, 2011, p. 102). This is also evident from the research findings, which confirmed the above stated.

Three of the four project managers that participated in this research are from a European country. They have similar experiences regarding working on multinational teams. Mrs. Luukkonen, Mr. Vilming and Ms. Olsen all state that they experience best communication when working with Europeans. Both Mrs. Luukkonen and Ms. Olsen also state that they prefer to work on teams consisting of Scandinavians due to the similarities in culture and communication style. The three interviewees also comment that when cultural differences affect communication negatively in a project management team it is usually because of the nationalities represented on the team. Asians have a different communication style than Scandinavians, which the interviewees all say,

tend to be the issue. Other nationalities such as Indian were also mentioned as a nationality with significantly different communication style from them.

The above statements are enhanced when looking at the empirical findings from Mrs. Chen. As a Chinese person working in Norway she stated that she experience difficulties adapting to the Norwegian culture, and that she tend to feel alienated. As mentioned earlier there are significantly more Norwegians working in the Norwegian oil and gas industry than foreigners. Mrs. Chen often feel misunderstood and state that she works best with Asians because of the similarities in communication style. All four interviewees said that knowledge and experience working in a multinational team tend to have a positive effect on communication in the organization.

The literature also states that personal interests and not nesesarely nationality can influence the communication in a project team. Szabo (2009, p. 77) states that there is a significant difference between cross-professional and cross-cultural differences. Some people might react to situations according to his personality, which might be influenced by nationality. (Fink and Mayrhofer 2009, p. 58) (Lauring, 2011, p. 249)

When looking at the empirical findings it is evident that people from Asian cultures and people from Scandinavian cultures tend to communicate significantly different. However, all four interviewees emphasize that there is often differences in personalities and not cultural differences that influence whether or not the communication in a project management team is good or poor. Mrs. Chen stated "When Challenges occur in relation to communication it is in my experience often due to personality differences and not nesesarely cultural differences".

4.3.3 To what extend does cultural differences influence the project outcome?

The main purpose of this objective is to research the relationship between cultural differences and the project outcome. And to get an understanding of how cultural differences can affect the outcome of the project.

The literature concludes that project managers working in an international environment tend to experience challenges in relation to project delivery. Knowledge and experience in cross-cultural management is therefore important in regards to project success. "Cultural difference is the major factor affecting success or failure of projects" (Zeng, Xie, Tam and Sun 2009, p. 68). (Zeng, Xie, Tam and Sun 2009, p. 68) Good communication is important and will have a positive impact on the project outcome (Kerzner, 2006, pp. 229-230).

This is evident in the empirical findings, which confirms the above statement. Mr. Vilming for examples states that project managers in the organization he works for emphasize the importance of knowledge and cultural intelligence to avoid misunderstandings. Because of this the employees experience cultural difference as a positive element in regards to communication. The project outcome therefore tends not to be influenced by poor communication. Some can see cultural differences as negative; however, others also experience it as an essential part of growth in the organization and for individuals (Zeng, Xie, Tam and Sun 2009, p. 61). However, when cultural differences do affect the communication and project outcome negatively it is often due to poor communication between employees with Scandinavian and Asian background or nationality. When communications between parties break down, the results of the project can be negatively affected. (Meng, 2012, pp. 188-198).

All of the four interviewees said that cultural differences could impact the project outcome in one way or another. Mrs. Luukkonen said that poor internal communication due to cultural differences have a huge impact on the project outcome. Ms. Olsen agrees with Mrs. Luukkonen in regards to this matter, however, in her organization project managers tend to take action before the problems are able to affect the project outcome. Mrs. Chen said that it is not communication that is most affect by the cultural differences, but rather how the project is carried out and who is doing what at what time. Mrs. Luukkonen, Ms. Olsen and Mr. Vilming´s experience that the cultural differences that might occur often include employees with Asian nationality or background. Mrs. Chen experience that the project outcome is positively affected when she is working on project team with employees with the same cultural background as her. She also said that when working with Norwegians only or people from Scandinavia the outcome have been negatively affected.

The project manager's job is to create a steady flow of communication so that different cultural background, perspectives and interests and expertise have a positive effect on the project outcome (PMBOK, 2013, p. 287). However, from the finding it is evident that when people from the same cultural background or with the same nationality work together the project outcome is usually not negatively affected. Ms Olsen state that when people with the same nationality work on a team the project tend to go smoother and therefore creates little or no errors in regards to communication in the duration and outcome of the project. Mrs Luukkonen agrees with Ms Olsen, she stated that difference is background and nationality usually means differences in communication style and that cultures with similar features working together tend to have a positive affect on the project outcome.

However, Eisenberg and Williams (20012, p. 4) argue that team performance cannot be linked with whether or not the team exists of members with cultural diversity. This is confirmed by Mr. Vilming, Mrs. Luukkonen and Mrs. Chen because they all argue that a negative project outcome is usually not influenced by cultural differences but personality differences. One reason for this is according to Mrs. Chen because of the strict rules and regulations they have to follow in the organization she works for. Lauring (2011, p. 249) also states "Even in well-trained groups of international managers, mistrust and pursuit of personal interests may hinder intercultural understanding".

4.3.4 How can project manager's deal with cultural differences?

The final objective seeks to identify skills that project manager should adopt when working with an international team. And how gaining knowledge about cultural differences can affect the project team.

The literature concludes that there is no specific framework for project mangers when working internationally (Larson and Gray, 2011, p. 533). However, Knowledge, performance and personal skills are competences that are required for a project manager (PMBOK, 2013, p. 17). Zeng, Xie, Tam and Sun (2009, p. 61) states that cultural diversity is one important factor to

international project management, and that there is therefore also important for project managers to implement cross-cultural management. Zen, Xie, Tam and Sun (2009, p. 62) also define that "Cross-cultural awareness facilitates successful performance of a set task".

Mrs. Luukkonen and Ms. Olsen are both aware of the cultural differences that exist in the organizations they work for. They therefore focus on adapting to the other team members and show interest in their culture. Mr. Vilming on the other hand defines himself as less knowledgeable about cultural differences, but focus on the training provided. Mrs. Chen does not want to prioritize using time on training or getting knowledge regarding cultural differences, and prefers to work with cultures she is familiar with.

The project managers in Mrs. Luukkonen, Mr. Vilming and Mrs. Chen´s organizations have to attend a mandatory training course when they are hired. The quality and focus on the training vary but they all provide some sort of cultural difference awareness. Mr. Vilming experienced the course to be beneficial because of the focus on creating cultural intelligence and awareness. Even though Ms. Olsen was not provided a training option she said that the organization focus on cultural awareness on a day to day basis, with focus on creating a good work environment and have regularly team building activities. Ms. Olsen stated, "If you can create an environment with trust, this will benefit the team".

Mr. Vilming and Mrs. Chen said that there is a department in their organizations that are hired to deal with problems and misunderstandings in regards to cultural differences. They provide the employees with knowledge and information, and also help them deal with issues that have occurred. Mr. Vilming use this information channel on a regular basis, Mrs. Chen on the other hand does not. However, both interviewees agree that this support function is positive when dealing with cultural differences.

It is also evident from the empirical findings that all of the four organizations provide some sort of support, training or awareness in regards to cultural differences. However, all of the interviewee participants agree that more measures should be taken into consideration. Continuous internal and external training with focus on cultural differences and issues related to this is mentioned by three of the interviewees as a necessity when working in a multinational

environment. Mrs. Luukkonen would also like for the organization to create rules and regulation that can help avoid problems to occur in regards to cultural differences and misunderstandings. This measure has been proven effective in Mrs. Chen's department, and has had a positive affect on the multinational teams.

A manager should have international and cultural leadership skills and knowledge because people's behavior will be strongly influenced by culture (Javidan et al., 2006, p. 67). Javidan et al. (2006, p. 68) states that many business managers have little or no knowledge on how to handle international teams due to the lack of adequate information about cultural challenges.

The four interviewees emphasize the importance of cultural intelligence. They all stated that the employees in their department are highly professional, with general cultural knowledge and with good written and oral English skills. However, Mrs. Luukkonen stated "the problem is not how knowledgeable people are, but whether or not they use their knowledge when problems occur". It is also important for managers to understand that management techniques that are appropriate in one culture will not necessarily be applicable in another (Hofstede, 1984, p. 81).

5. Conclusion

5.1 What cultural differences exist in the Norwegian oil and gas industry?

The aim of this objective is to get an overview of the different cultures represented in the Norwegian oil and gas industry. And also what cultures that are more represented than others.

It can be concluded that a majority of the individuals working in the Norwegian oil and gas industry is Norwegian. However, it is also evident that many nationalities are represented but that the amount of people representing each nationality is small. European countries are more represented in the industry than other nationalities such as Asian. This is because Norwegian employers are reluctant to hire individuals with multicultural background or nationalities that differs significantly from Norwegian. This also shows that Norwegians have more individuals to relate to because of similarities, and that other nationalities will have difficulties finding individuals to relate to with the same nationality and cultural background.

5.2 How does cultural differences influence the communication between international tem members?

This research objective seeks to understand the relationship between culture and communication in an international project management team. And to what extend communication in the team is influenced by cultural differences.

It can be concluded that quality of communication vary in the different organizations. It is evident that when the organizations prioritize good quality in relation to cultural differences it has a positive affect on communication. Moreover, when cultural differences and communication is not prioritized it has a negative affect on how well the communication is internally, and it therefore tends to be average or poor.

It is also evident that communication varies depending on the nationalities represented in the project team. Individuals with European background tend to communicate relatively good

together. Individuals working in the Norwegian oil and gas industry prefer homogenous project teams, for example that employees with Scandinavian nationality prefer to work with people from Scandinavia due to the similarities in communication style. It can also be concluded that communication tend to be negatively affected when the project team consist of a mix of Scandinavians and Asians. It can therefore also be concluded that when the individuals in a project team has significantly different culture it will effect the communication between team members negatively.

It is therefore evident that cultural differences does influence the communication between international team members and that project managers in the Norwegian oil and gas industry prefer to work with individuals with the same national and cultural background as themselves.

However, it was clear that cultural differences not were the biggest issue in regards to communication. It is evident that cultural knowledge and experience have a positive effect on communication in an international team, and that the communication errors that occur are more often related to individuals personality and not cultural differences.

5.3 To what extend does cultural differences influence the project outcome?

The main purpose of this objective is to research the relationship between cultural differences and the project outcome. And to get an understanding of how cultural differences can affect the outcome of the project.

It can be concluded that poor communication due to cultural differences has a negative impact on the project outcome. The project outcome is usually not effected negatively when individuals with the same cultural background or nationality work on the same project team. When the project team consist of people with similar cultural background and nationality the project tend to go smoother and it therefore creates little or no errors in regards to the duration and outcome of the project.

Cultural differences usually also indicates differences in communication style, especially when the cultures are significantly different. It is evident from the research and analysis that when individuals with similar cultural background work together it has a positive effect on the project in general. In relation to the cultures represented in this research it is evident that when individuals from China and Scandinavia works together it tend to create issues. These issues often have a negative impact on the project outcome; this is due to the fundamentally different ways to communicate and also how they relate to each other in the project team.

The research proves that it is not beneficial to have Scandinavians and Asians working on the same project team. The cultures have central differences in regards to communication that usually impact the project outcome in a negative manner. Therefore, how the project team is put together in regards to nationality and cultural difference will impact the project outcome one way or another.

Cultural knowledge and intelligence is key when working in an international environment to avoid misunderstandings that can affect the project negatively. However, it is again evident that cultural differences are not the only factor that has influence. Personality differences are usually the main factor that will have a negative affect on the project outcome.

5.4 How can project manager's deal with cultural differences?

The final objective seeks to identify skills that project manager should adopt when working with an international team. And how gaining knowledge about cultural differences can affect the project team.

It can be concluded that organizations in the Norwegian oil and gas strives to create awareness in regards to cultural differences. They create awareness for example by providing training for the employees or team building activities. It is evident from the findings that the mandatory training provided creates awareness in relation to cultural differences. These activities improve project managers skills when dealing with international project teams.

It is also evident from the findings that an organization that have a department, such as human resource, that deals with issues regarding cultural differences proves to be beneficial. The department are able to assist project managers when experiencing issues related to cultural differences so that the project are not negatively affected. This type of support function has the appropriate knowledge and understanding of cultures and their differences. Project managers with less knowledge and skills in relation to cultural differences should use this type of department on a regular basis, especially when they find themselves in situations with issues they are unable to solve.

It can also be concluded that project managers in the Norwegian oil and gas industry strongly believes that more measures should be taken by the organization in relation to cultural differences. Continuous internal and external training with focus on cultural differences should always be provided to project managers when working in an international environment. Clear rules and regulations were also proven beneficial in regards to prevent cultural differences to affect the project negatively.

Project managers should therefore always take advantage of the training provided by the organization and also external training options. They should improve their skills on a regular basis and make sure that their cultural intelligence has a positive affect on the project team.

It is evident that the project managers that work in the Norwegian oil and gas industry are professionals with knowledge and experience on cultural differences. The main issue is therefore often not whether the project manager has the appropriate skills in regards to cultural differences, but whether or not they are trained to use the skills when problems occur.

5.5 Key Findings

It is evident from the research findings that not only cultural differences have an impact on the project team, communication and the project outcome. It can be concluded that individual's personality also has an impact on the project outcome, and also how the project team communicate. Issues or poor communication that can influence the project negatively is often influenced by individual's personality differences.

Another important finding was that the project managers in the Norwegian oil and gas industry are highly professionals with experience and knowledge in relation to cultural differences. The issue is therefore not related to the amount of skills and knowledge the project managers have but whether or not they are trained to use these skills.

5.6 Implication for further research

As above mentioned, personality differences can have a negative affect on the project and the project outcome. Additional research is recommended to get a deeper understanding on how personality differences also in relation to cultural differences can impact a project, and how project managers can deal with these differences when problems occur. Further research should also represent other nationalities that are represented in the industry, which can result in different findings than what is found in this research.

One limitation to this research is that the interviewee participants tend to generalize Asians as one culture. It should therefore be further research on the specific Asian cultures, without generalizing them as Asian. It is important to understand that the different nationalities represented in Asia have different cultural values.

6. Self Refelction

6.1 Introduction

The self reflection chapter will reflect on the researchers experiences, personal developments and learning from the dissertation process. The chapter will start with a reflection of the dissertation process then continue with a reflection of the sources and dissertation formulation and ends with a reflection on learning and learning styles.

6.2 Reflection on Process

The dissertation process started with a deep research of the literature of my MBA stream, project management. A proposal was created based on the literature researched and also my topic of interest. The proposal was focused on project management and cultural differences, and was then narrowed down to more specific areas. I realized that my topic was of importance due to the constant globalization and development of the Norwegian oil and gas industry. However, I did not know what cultures that would be able to participate in the research, and therefore could not focus on particular cultures in the literature. The literature review was therefore focused on cultural differences in general.

Cultures and cultural differences in relation to business have always been of great interest to me. The aim of the dissertation has therefore always been to include the cultural aspect in one way or another. When researching the literature I quickly understood that cultural differences and working in an international environment in relation to project management was an area that had been given little focus. Even though the cultural aspect has been researched for many years, it was usually not put in relation to project management.

I have experienced how cultural differences can affect project management when working as a project planner, it was therefore of my interest to focus the research area to the Norwegian oil and gas industry. I also new that I could ask my former colleagues to participate in the research and that I have appropriate contacts in the industry that also would be open to participate. The

research proposal was put together based on the areas of interest, literature provided in this area and also discussion with the research professor.

When doing research for the dissertation proposal I used the DBS Library sources and online sources to find the appropriate literature for my topic. However, the library has not all of the appropriate books and articles in regards to cultural differences, so I also had to widen my search by using other academic tools. This made the process of finding appropriate literature more challenging and time consuming. My strategy was to use the knowledge I already had regarding the topic, which I have developed on my postgraduate studies. I was already familiar with the scholars of importance in regards to culture and cultural differences. However, I needed to update my knowledge with recent articles and publications. The project management literature was new to my knowledge and I therefore spent more time on this area when researching literature to find the appropriate information. It was challenging to find literature on project management that was in relation to cultural differences internally in an organization, however, this therefore quickly become part of what I wanted to include in my research objectives.

My desire to combine my area of interest and experience with project management was a priority so that I could develop appropriate knowledge and understanding of the topic. It was important to be able to create a dissertation that would provide new information to the researcher that I could benefit from in regards to my further career.

6.3 Reflection on Sources

When researching cultural differences in regards to project management I quickly realised that there was not a huge selection of articles and book related to this topic. This was not the assumption that I had because the cultural aspect has been researched by scholars for many years. I therefore had to switch my focus from searching on the topic in relation to each other and research them seperately. The challenge then was to compare the topicks, and also implement the industry. I also realised that even though the area of culture is widely researched, the articles and books on this topic referes to research done in the 1980´s.

I also experienced that when researching for literature on project management it was more time consuming and challenging than I assumend. The project management topic is being reaeasrched by scholars rapidly and new articles are published frequently. However, the challenge for me was that there are few of these articles where the content can be related to challenges interally in the organization. I realised that I had to look at articles that was outside the industry or related to culture and cultural differences when researching for literature regarding project management.

As a person I like to have a plan of what Im doing at what time, and how much time I have to reach the goal. I prefer to work efficient and get streight to the point, it was therefore a challenges for me when searching for literature. I had a good idea of what I was looking for in regards to culture and there was plenty of new and relevant information on the Norwegian oil and gas industry. Marketline for example provides a country report on Norway, which was of great benefit for my research. However, the frustration was related to the project management theory which was more difficult to research. I therefore deisded to spend more time focusing on this particular area so that I could get an overall understanding.

At the begining stages of the research I was not particularly dispiplined when it comes to recognicing what aricles and books that were appropriate to my research area.However, when the objectives started to take form the litterature was more limited and easier to detect. Many of the sources selected at the beginning of the process was therefore not nessesarily of importance or interest when the proposal and dissertation was written. I learned that I had to go out of my comfort zone and be patient when searching for sources so that the once I desided to include in the dissertation were appropriate and of particular relevance in regards to my research question and objectives.

6.4 Reflection on Dissertation Formulation

The sources I used in my dissertation provided appropriate information in regards to my disseration topic. The sources support why I have chosent the specific gaps, and what areas that could be researched further by me. Furthermore, some of the sources also provide information

regarding the background, which does not nessesarily affect the content of the dissertation. However, it provides an underlying understanding of the topic in general.

I found it difficult in the beginning to outline the gaps of the literature related to my topic. However, by getting guidance from my professor and having discussions I realised that I had to look beond the articles and also look at how research was conducted earlier. I found that one of my gaps was the way I choose to collect data, I was then able to compare my research findings with literature based on different research methods.

When conducting the research I had assumptions on what the result was going to be, my assumptions was based on my experience and also the research I had done in the literature. However, I learned that my assumptions were not entirely correct. It surprised me to learne that my findings would result in key findings that I could not have anticipated. The findings also proved some of aspects concluded in previous literature but also provided new information, especially in regards to research objective four.

My findings were analysed and compared with the already existing literature. I antisipated that some of my findings would be similar to the literature and that it would prove the conclusions drawn from the literature. It surprised my that the interviewees answered the questions differently than I antisipated, which also affected the outcome of the research findings. Even though some of the findings were similar to the literature, I also gathered findings that were significatnly different. A good example is that the project managers that were interviewed had more knowledge on culture and cultural differences, and that they often experience personality differences to be the big issue and not cultural differences.

6.5 Reflection on learning

Kolb defines learning as "the process whereby knowledge is created through the transformation of experience. Knowledge results from the combination of grasping and transforming experience"(Kolb 1984, p. 41). Furthermore, learnings can described as an event that happens when people can show that they have gained knowledge about something that they dident have

66

before, and/or when they are able to do something they could not previously do (Mumford, 1999, p.3). Kolb (1984, p. 27) also states that "knowledge is continously derived from and tested out in the experience of the learner".

Kolb and Kolb (2005, p. 194) state "Experiential learning is a process of constructing knowledge that involves a creative tension among the four learning modes that is responsive to contextual demands". The process of learning is described as a learning cycle where four areas are represented; experiencing, reflecting, thinking and acting. The learning cycle can begin at one of the four areas, and that the process usually begins with a person doing a particular action and experiencing the effect of the action that was carried out. (Kolb and Kolb, 2005, pp. 194-195) Kolb and Kolb (2005, p. 194) also state "Immediate or *concrete experiences* are the basis for observations and *reflections.* These reflections are assimilated and distilled into *abstract concepts* from which new implications for action can be drawn. These implications can be *actively tested* and serve as guides in creating new experiences".

"The concept of learning style describes individual differences in learning based on the learner's preference for employing different phases of the learning cycle" (Kolb and Kolb, 2005, p. 195). A persons genetic predisposition, experiences and environment affects the position a person undertake in the learning cycle. (Kolb and Kolb, 2005, p. 195)

Honey and Mumford developed a learning cycle based on Kolb´s learning style and learning cycle theory. The learning styles they developed are consistent with the four factors of the learning cycle. Mumford states, "The learning sequence can be set out as a learning cycle because we learn mostly by doing things and then thinking about how we have done them"(Mumford, 1999, pp. 9,13). The four stages of the learning cycle, as can bee seen in the picture below, are defined as: Activist, Reflector, Theorist and Pragmatist. The learning cycle focus on learning from activity or experience and continue in a logical order. One person might not pay attention to each of the stages, which is because the specific learning does not apply to them. (Mumford, 1999, pp. 9,13)
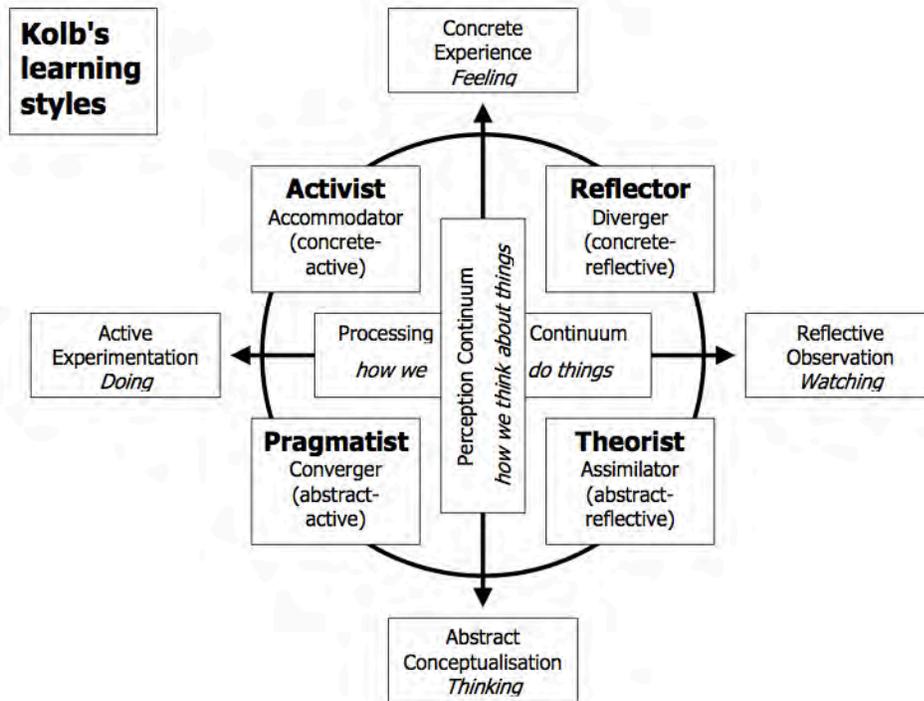
Kolb's learning styles

Concrete Experience
Feeling

Activist
Accommodator
(concrete-active)

Reflector
Diverger
(concrete-reflective)

Active Experimentation
Doing

Processing
how we

Perception Continuum
how we think about things

Continuum
do things

Reflective Observation
Watching

Pragmatist
Converger
(abstract-active)

Theorist
Assimilator
(abstract-reflective)

Abstract Conceptualisation
Thinking

Figure 4: Kolb´s Learning Styles

Source: The Banff Centre (1993) "The Kolb Learning-Style Inventory©" Available at: http://www.banffcentre.ca/leadership/assessment_tools/kolb/ (Accessed: 1 August 2013)

I define my learning style as pragmatist, abstract-active. I tend to prefer to practice ideas and theories and work according to model and guidelines. An individual with a pragmatist character tend to get straight to the point and act on ideas with confidant. As can be seen in the model above, a pragmatist is a person who can be defined as a thinker and a doer. However, the dissertation process has required me to practice more than one learning style.

When preparing for the interviews that need to be conducted, I did research in regards to the specific topic so that I could create a plan and guidelines. It was also important for me to have a set plan of what to do when and with a time frame so that I knew that the dissertation would be finished in good time before the deadline.

I have previously written a bachelor thesis and was therefore familiar with the concept of writing a master dissertation. However, I have never written a paper of this size on my own. I found that my personal management skills were an advantage in this type of research. However, as a

researcher I have developed important skills in regards to problem solving and communication. I enhanced my communication skills when I prepared and conducted interviews. It is important to send of the right message so that the information given back to me was appropriate in relation to my research area. I experiences that my learning skills were improved in regards to interaction with the project managers with different nationalities. I found it beneficial to meet the interviews face to face because I could experience the culture myself and also understand the cultural differences they were expressing.

As a researcher I still have learning skills that should be considered and adopted. I should for example try to be more theoretical and develop my theoretical skills. I should also develop my interpersonal skills, even though this aspect worked out good when conduction research, I still think that I have more to learn. The dissertation process was an interesting experience for me where I was not only able to use the skills I already poses but also learn new skills. However, if I were to do the process again I would have chosen to interview more project managers and preferable also have a focus group. The focus group would be interesting because then I would be able to observe how the different cultures interact with each other and how this affect the group dynamic.

7. Bibliography

Allen-Meares, P. & Lane, B. (1990) "Social Work Practice: Integrating Qualitative and Quantitative Data Collection Techniques", Social Work, 35 (5) pp. 452-458, Academic Search Complete, EBSCOhost, (Accessed: 20 March 2013).

An introduction to codes and coding (2008), available at: http://www.sagepub.com/upm-data/24614_01_Saldana_Ch_01.pdf (Accessed: 21 March 2013).

Anantatmula, V.S (2010) "Project Manager Leadership Role in Improving Project Performance", Engineering Management Journal, 22 (1) pp. 13-22, Academic Search Complete, EBSCOhost, (Accessed: 27 February 2013).

Bass, B.M. (1997) "Does the Transactional-Transformational Leadership Paradigm Transcend Organizational and National Boundaries?" *American Psychologist*, 52(2), 130 –139. (Accessed: 21 February 2013).

Boyce, C and Neale, P (2006) "CONDUCTING IN-DEPTH INTERVIEWS: A Guide for Designing and Conducting In-Depth Interviews for Evaluation Input" Pathfinder International tool series, pp. 2-12 (Accessed: 18 March 2013).

Braun, V. and Clarke, V. (2006) "Using thematic analysis in psychology". Qualitative Research in Psychology, 3 (2). pp. 1-41. (Accessed: 18 March 2013).

Brouthers, K.D and Hennart, J. (2007). "Boundaries of the Firm: Insights From International Entry Mode Research". *Journal of Management*. 33 (3), p. 416. EBSCOhost, (Accessed: 15 July 2013).

Bryman, A. and Bell, E. (2007) Business research methods. 2nd edn. Oxford: Oxford University Press.

Den Hartog, D, House, R, Hanges, P, Ruiz-Quintanilla, S, and Dorfman, P (1999) "Culture specific and cross-culturally generalizable implicit leadership theories: are attributes of charismatic/transformational leadership universally endorsed?", Leadership Quarterly, 10 (2) p. 219, Business Source Complete, EBSCOhost, (Accessed: 21 February 2013).

Douglas, D. (2003) "Inductive theory generation: A grounded approach to business inquiry" Electronic Journal of Business Research Methods, 2 (1) pp. 47-54 (Accessed: 8 March 2013).

Eisenberg, J. and Williams, G. (2012) "The Effects of Cultural Intelligence on Multicultural Teams' Project Performance" (Accessed: 27 June 2013)

Eisenhardt, K.M (1989) "Building Theories from Case Study Research" Academy Of Management Review, 14 (4) pp. 532-550. Business Source Complete, EBSCOhost (Online), (Accessed: 7 March 2013).

Ernst and Young (2012) "The Norwegian oil field service analysis 2012" Available at:

http://www.ey.com/NO/no/Industries/Oil---Gas/The-Norwegian-oil-field-service-analysis-2012 (Accessed: 21 February 2013).

Fatima Oliveira, M (2013) "Multicultural Environments and Their Challenges to Crisis Communication", Journal Of Business Communication, 50 (3) pp. 253-277, Business Source Complete, EBSCOhost, (Accessed: 9 July 2013).

Fink, G. and Mayrhofer, W. (2009). "Cross-cultural competence and management – setting the stage". *European J. Cross-Cultural Competence and Management*. 1 (1), p. 58. Academic Search Complete, EBSCOhost (Accessed: 20 June 2013).

Gong, K. (2011) "Cultural Difference Effects on Business: Holding up Sino-U.S. Business Negotiation as a Model", Cross-Cultural Communication, 7 (2) pp. 101-104, EBSCOhost (Accessed: 20 June 2013).

Gotonorway.org (2012) available at: http://www.gotonorway.org/Working-here/types-of-jobs.html (Accessed: 11 July 2013)

Harzing, A. (2001). "WHO'S IN CHARGE? AN EMPIRICAL STUDY OF EXECUTIVE STAFFING PRACTICES IN FOREIGN SUBSIDIARIES". 40 (2), pp. 144,153. (Accessed: 27 June 2013)

Horwitz, S.K. and Horwitz, I.B. (2007). "The Effects of Team Diversity on Team Outcomes: A Meta-Analytic Review of Team Demography". *Journal of Management*. 33 (6), p. 1009, EBSCOhost (Accessed: 22 June 2013).

Hofstede, G. (1984). "Cultural Dimensions In Management And Planning." *Asia Pacific Journal of Management* pp.81-99. (Accessed: 9 February 2013).

Hofstede, G. (1993) Cultural constraints in management theories. *Academy of Management Executive* 7 (1), p.81-94. (Accessed: 9 February 2013).

Hofstede, G. (2006). "What did GLOBE really measure? Researchers' minds versus respondents minds". *Journal of International Business Studies*. p. 882-896. (Accessed: 15 February 2013).

Holden, M.T and Lynch, P. (2004) "Choosing the Appropriate Methodology: Understanding Research Philosophy", Marketing Review, 4(4), pp. 1-18. Business Source Complete, EBSCOhost (Online), (Accessed: 7 March 2013).

Huib, W., H., Lanzer F., and Fadrhonc T. (no date) "How to improve efficiency in your capital", Available at: http://geert-hofstede.com/index.php, p. 1-7. (Accessed: 6 March 2013).

Hong, J.F.L., Snell, R.S., Easterby-Smith. M,.(2006) "Cross-cultural influences on organizational learning in MNCS: The case of Japanese companies in China" Journal of International Management 12, p. 408-429, Academic Search Complete, EBSCOhost,

(Accessed: 10 July 2013)

House, R, Quigley, N, & de Luque, M (2010) "Insights from Project GLOBE", International Journal Of Advertising, 29 (1) pp. 111-139, Business Source Complete, EBSCOhost, (Accessed: 27 February 2013).

Javernick-Will, A. and Scott, W. (2010) "Who Needs to Know What? Institutional Knowledge and Global Projects", Journal Of Construction Engineering & Management, 136 (5) pp. 546-557, Academic Search Complete, EBSCOhost, (Accessed: 5 March 2013).

Javidan, Dorfman, Sully de Luque, and House. (2006). "In the Eye of the Beholder: Cross Cultural Lessons in Leadership from Project GLOBE." *Academy of Management Perspectives*. , p.67-90. (Accessed: 15 February 2013).

Kerzner H. (2006). *Project Management, A systems approach to planning, scheduling and controlling*. 9th edn. Hoboken: Jhon Wiley and Sons, Inc.

Kolb, D.A. (1984) Experimental learning: experience as the source and development, Hemel Hempstead: Prentice Hall International

Kolb, A.Y. and Kolb, D.A. (2005) "The Kolb Learning Style Inventory—Version 3.1 2005 Technical Specifications", pp. 195-195 (Accessed: 1 August 2013)

Lauring, J. (2011) "Intercultural Organizational Communication: The Social Organizing of Interaction in International Encounters", Journal Of Business Communication, 48 (3) pp. 231-255, Business Source Complete, EBSCOhost, (Accessed: 20 June 2013).

Larson, E.W. and Gray, C.F (2011) *Project Management: The Managerial Process.*5th edn. New York: McGraw Hill.

Marketline (2012) "Country Profile Series: Norway In-depth, PESTLE insights" MarketLine Advantage: Marketline (Online), (Accessed: 7 February 2013).

Meng, X. (2012). The effect of relationship management on project performance in construction. *International Journal of Project Management*. 30 (2), pp 188-198.

Mack, N., Woodsong, C., MacQueen, K.M, Guest, G., Namey, E. (2005) Qualitative Research Methods: A Data Collector's Field Guide. North Carolina: Family Health International.

Mumford, A. (1999). "*Effective learning*". London: Chartered Institute of Personnel and Development. pp. 3,9,13.

NAV (2011) "Working in the Oil and Gas industry in Norway" Available at: http://www.nav.no/94094.cms (Accessed: 11 July 2013)

News in English.no (2013) "Few firms willing to hire foreigners" Available at:
http://www.newsinenglish.no/2013/05/31/few-firms-willing-to-hire-foreigners/ (Accessed: 15
June 2013)

Norwegian Petroleum Directorate (2010) "Research, technology and industrial development"
Available at: http://www.npd.no/en/Publications/Facts/Facts-2010/Chapter-8/ (Accessed: 7
February 2013).

Ponterotto, J.G (2005) "Qualitative research in counseling psychology: A primer on research
paradigms and philosophy of science", Journal Of Counseling Psychology, 52 (2) pp. 126-136,
PsycARTICLES, EBSCOhost, (Accessed: 21 March 2013).

Project Management Institute (PMI) (2013) *A* guide *to the project management body of
knowledge (*PMBOK guide*)*. 5th ed. Pennsylvania: Project Management Institute.

Sagiv, L. and Schwartz, S.H. (2007). "Cultural values in organisations: insights for Europe".
European J. International Management. 1 (3), p. 177. EBSCOhost, (Accessed: 30 July 2013).

Saunders, M., Lewis, P. and Thornhill, A. (2007). Research Methods for Business Students. 4th
edn. Harlow: Pearson Education Limited.

Saunders, M., Lewis, P. and Thornhill, A. (2009). Research Methods for Business Students. 5th
edn. Harlow: Pearson Education Limited.

Saunders, M. and Lewis, P. (2012) Doing research in business & management, an essential guide
to planning your project. 1st edn. Harlow: Pearson Education Limited.

Sasson, A. and Blomgren, A (2011) "Knowledge based oil and gas industry", Available at:
http://web.bi.no/forskning/papers.nsf/0/f025a647fbc5759dc1257871004ae50e/$FILE/2011-03-
Sasson&Blomgren.pdf (Accessed: 21 February 2013).

SIGGELKOW, N. (2007) "PERSUASION WITH CASE STUDIES", Academy Of Management
Journal, 50 (1) pp. 20-24, Business Source Complete, EBSCOhost (Online), (Accessed: 8 March
2013).

Tips for Analyzing Qualitative Data (2007), available at:
http://www.insites.org/CLIP_v1_site/downloads/PDFs/TipsAnalzQualData.5D.8-07.pdf
(Accessed: 22 March 2013).

The Banff Centre (1993) "The Kolb Learning-Style Inventory©" Available at:
http://www.banffcentre.ca/leadership/assessment_tools/kolb/ (Accessed: 1 August 2013)

The Hofstede Center (no date) Available at: http://geert-hofstede.com (Accessed: 15 February, 9
July 2013).

The Nordic Page (2011) "Norway Needs More Foreign Workers" Available at:
http://www.tnp.no/norway/economy/2333-norway-needs-more-foreign-workers (Accessed: 7
February 2013).

Wahyuni, D. (2012) "The Research Design Maze: Understanding Paradigms, Cases, Methods
and Methodologies", Journal Of Applied Management Accounting Research, 10 (1) pp. 69-80,
Business Source Complete, EBSCOhost, (Accessed: 1 April 2013).

White, M.S. (2010). "Academic Globalization: Universality of Cross-Cultural and Cross-
Disciplinary LMR Perspectives". *SYSTEMICS, CYBERNETICS AND INFORMATICS*. 8 (5), 77-
82. Business Source Complete, EBSCOhost, (Accessed: 10 July 2013).

Yukl, G. (1998). Leadership in organizations. (4th ed.). Englewood Cliffs, Prentice-Hall.

Zeng, S, Xie, X. Tam, C, & Sun (2009) "IDENTIFYING CULTURAL DIFFERENCE IN R&D
PROJECT FOR PERFORMANCE IMPROVEMENT: A FIELD STUDY", Journal Of Business
Economics & Management, 10 (1) pp. 61-70, Business Source Complete, EBSCOhost,
(Accessed: 10 July 2013)

Appendix

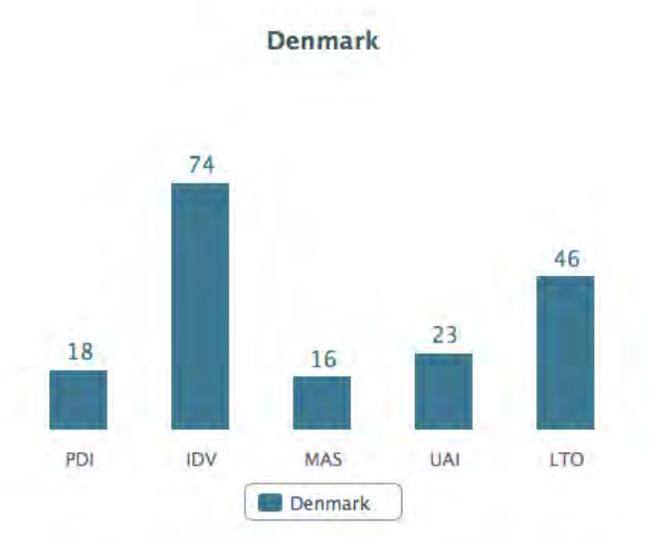## Appendix 1: Danish culture and a comparison of Danish and Norwegian culture

Denmark

Figure 5: Danish culture
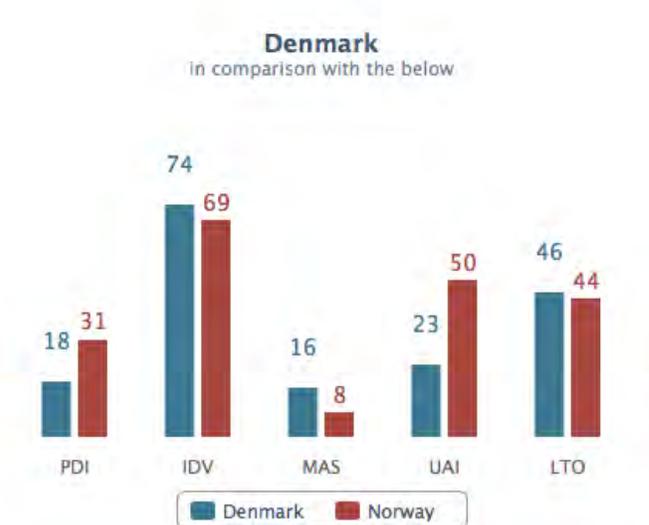
Source: The Hofstede Center (no date) Available at: http://geert-hofstede.com (Accessed: 17 July 2013).

Denmark
in comparison with the below

Figure 6: Danish culture in comparison to Norwegian culture

Source: The Hofstede Center (no date) Available at: http://geert-hofstede.com (Accessed: 17 July 2013).

Appendix 2: Finnish culture and a comparison of Finnish and Norwegian culture

Figure 7: Finish culture, The Hofstede Centre No date)
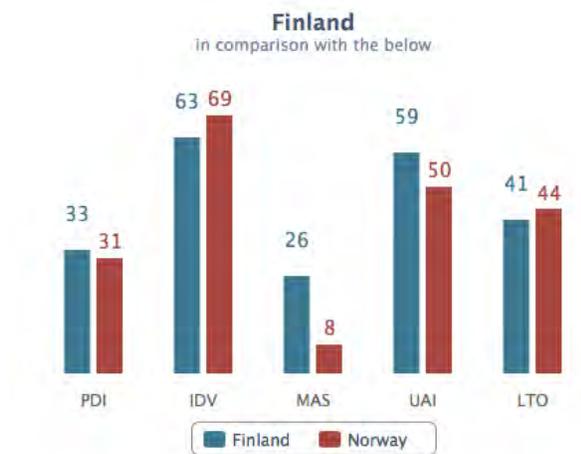
Source: The Hofstede Center (no date) Available at: http://geert-hofstede.com (Accessed: 17 July 2013).

Figure 8: Finish culture in comparison to Norwegian culture

Source: The Hofstede Center (no date) Available at: http://geert-hofstede.com (Accessed: 17 July 2013).

Appendix 3: Chinese culture and a comparison of Chinese and Norwegian culture

Figure 9: Chinese culture
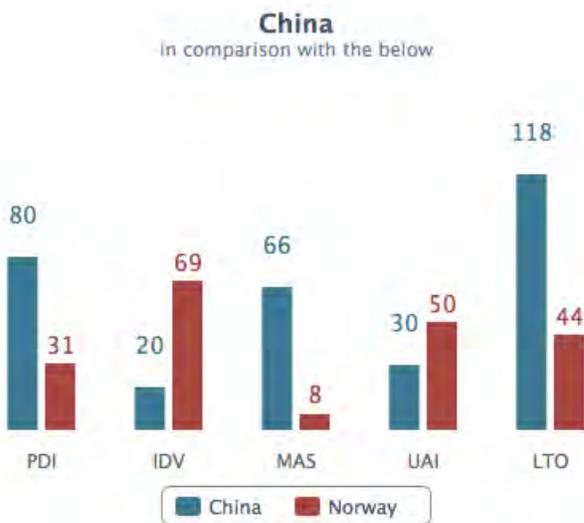
Source: The Hofstede Center (no date) Available at: http://geert-hofstede.com (Accessed: 17 July 2013).

Figure 10: Chinese culture in comparison to Norwegian culture

Source: The Hofstede Center (no date) Available at: http://geert-hofstede.com (Accessed: 17 July 2013).

Appendix 4: Interview Guide (Finish, Danish and Chinese nationality)

Name (optional):
Age:
Gender:
Nationality:
Job position:

1. For how long have you been living in Norway?

2. How long have you been working in the Norwegian oil and gas industry?

3. What culture does the organization have?

    a. International? Norwegian?

4. How many employees in the organization have the same nationality as you?

5. What nationalities can be found in your department?

    a. How many of each nationality?

6. How does the company relate to cultural differences in an international project management team?

    a. If not, should it be considered?

    b. Are the measures effective?

    c. Why?

    d. Examples?

7. How well does your culture adapt to the Norwegian business culture?

    a. Why?

8. What measures did you have to take when you decided to work in a Norwegian organization?

9. How is the communication between tem members in general in your company?

10. Which cultures/nationalities do you communicate best with?

    a. Why? / Please explain / examples

11. Which cultures is represented in the organization communicates significantly different from you?

    a. Why?

    b. Examples?

12. To what extend to you feel that cultural differences have an impact on communication in a project management team?

    a. Why?

    b. Examples

13. How does project managers in the company relate to cultural differences?

14. What cultural differences might have an impact on the project outcome?

    a. Why?

15. Which cultures/nationalities have a bigger impact on the project outcome than others?

16. What cultural differences in relation to the project outcome might impact the customers?

    a. Examples

17. What combination of cultures/nationalities work better as a team then others?

    a. Why?

18. Which cultures are more suitable with your culture when working in a team?

    a. Why?

    b. Examples?

19. What tools and techniques do project managers in the organization use when dealing with cultural differences use?

    a. Which?

20. What measures have the organization done to prepare the employees regarding cultural differences?

21. How knowledgeable are the project managers in relation to understand cultural differences?

22. How knowledgeable are you about cultural differences in the organization?

23. What training is provided for project managers in relation to understand and deal with cultural differences?

    a. Is the training effective?

    b. Do the project managers adopt their knowledge in the work environment?

Appendix 5: Interview Guide (Norwegian nationality)

Name (optional):
Age:
Gender:
Nationality:
Job position:

1. How long have you been working in the Norwegian oil and gas industry?
2. Have you any experience working internationally?
   a. What did you experience in relation to cultural differences?
3. What culture does the organization have?
   a. International? Norwegian?
4. How many employees in the organization have the same nationality as you?
5. What nationalities can be found in your department?
   a. How many of each nationality?
6. How does the company relate to cultural differences in an international project management team?
   a. If not, should it be considered?
   b. Are the measures effective?
   c. Why?
   d. Examples?
7. How well does your culture adapt to the other cultures represented in the organization?
   a. Why?
8. What measures did you have to take when you decided to work in a Norwegian organization?
9. How is the communication between tem members in general in your company?
10. Which cultures/nationalities do you communicate best with?
    a. Why? / Please explain / examples
11. Which cultures is represented in the organization communicates significantly different from you?
    a. Why?
    b. Examples?

12. To what extend to you feel that cultural differences have an impact on communication in a project management team?
    a. Why?
    b. Examples
13. How does project managers in the company relate to cultural differences?
14. What cultural differences might have an impact on the project outcome?
    a. Why?
15. Which cultures/nationalities have a bigger impact on the project outcome than others?
16. What cultural differences in relation to the project outcome might impact the customers?
    a. Examples
17. What combination of cultures/nationalities work better as a team then others?
    a. Why?
18. Which cultures are more suitable with your culture when working in a team?
    a. Why?
    b. Examples?
19. What tools and techniques do project managers in the organization use when dealing with cultural differences use?
    a. Which?
20. What measures have the organization done to prepare the employees regarding cultural differences?
21. How knowledgeable are the project managers in relation to understand cultural differences?
22. How knowledgeable are you about cultural differences in the organization?
23. What training is provided for project managers in relation to understand and deal with cultural differences?
    a. Is the training effective?
    b. Do the project managers adopt their knowledge in the work environment?