

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

Standard

Change  
the  
Management



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## Intention of this session

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

## Tools of this session

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

## Goal image of this session

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

# The flow of this session

~Asian PM / Western PM ~Global standard vs. Local practice~

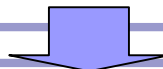
## 1) Introduction & Outline Presentation : 25min

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



## 2) Round Table Discussion : 40min

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

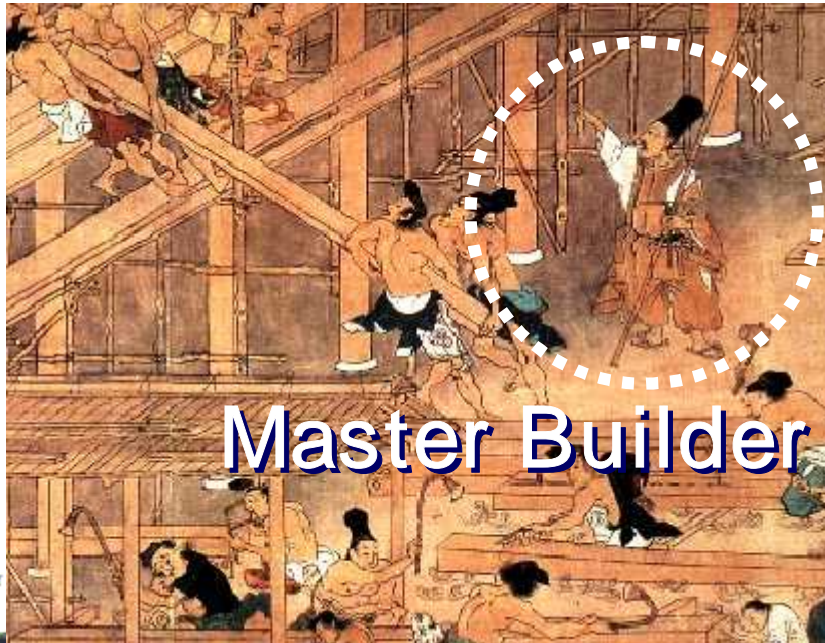


## 3) Closing : 10min

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

# Historical characteristics of PM approaches in JAPAN

TORYO  
棟梁



400 years old

Revolution  
of 60years



Design

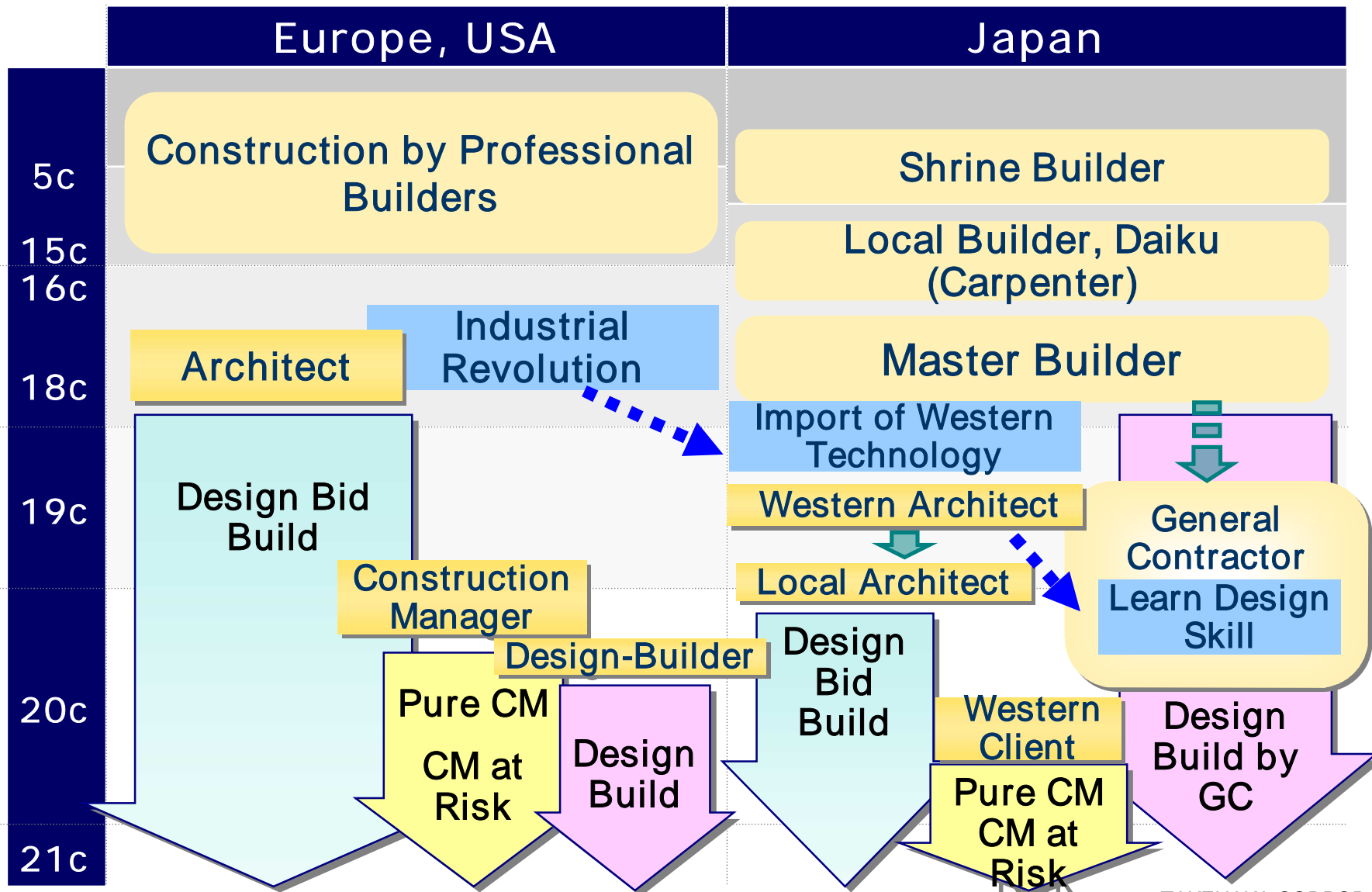
Collaboration  
between  
Western  
technology  
and Japanese  
tradition

Western  
Culture



Construction

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



TAKENAKA CORPORATION

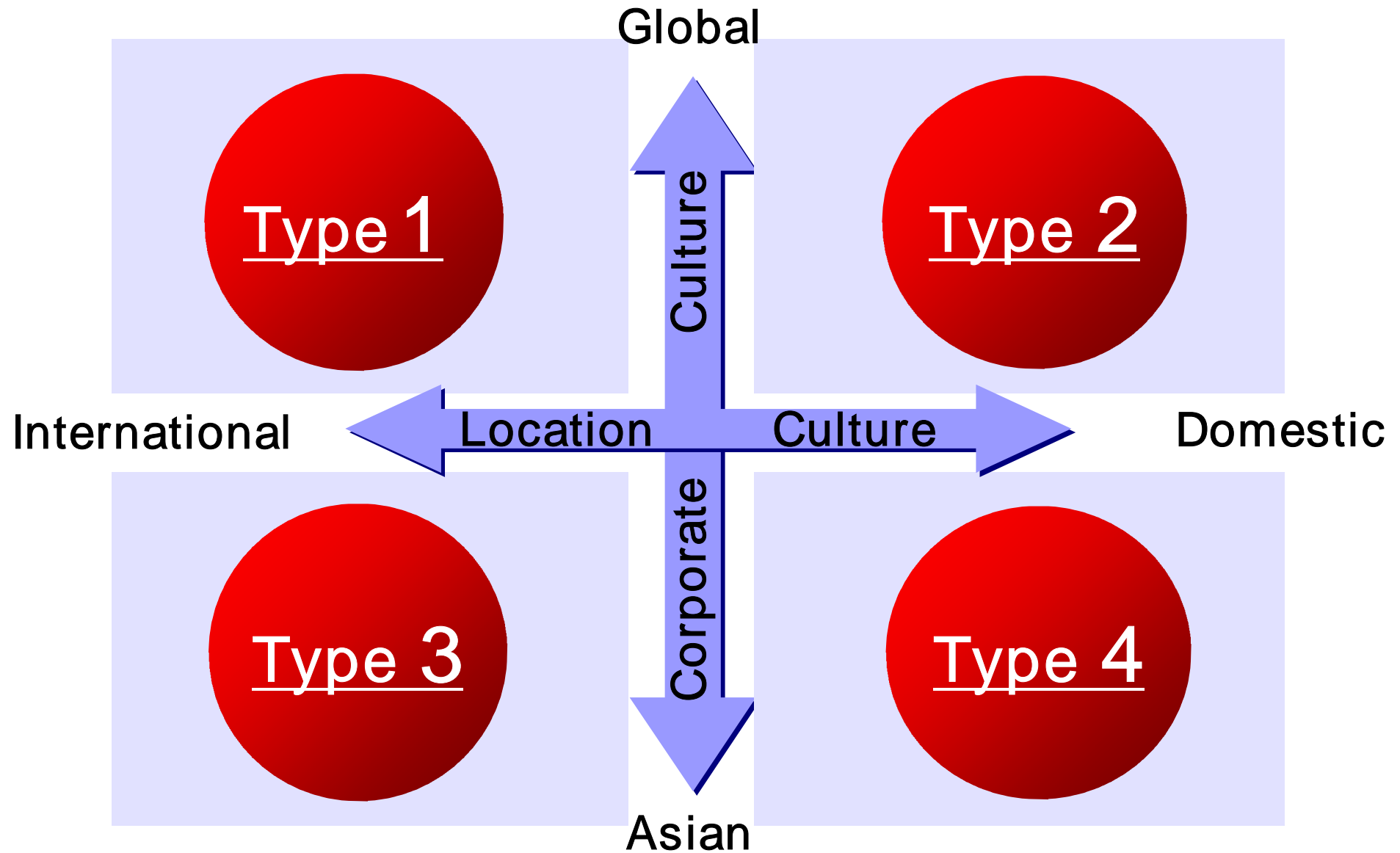




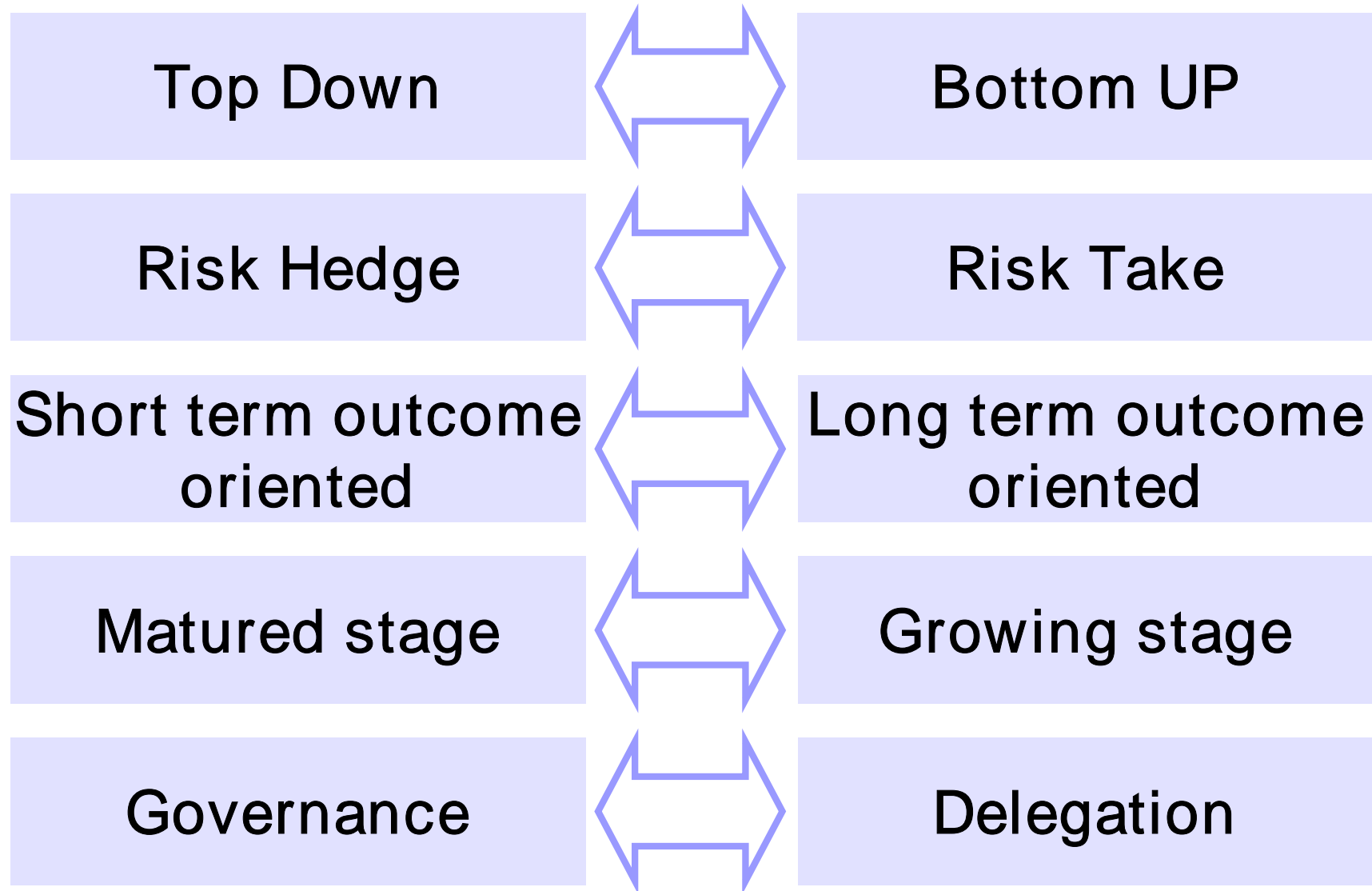
# PM Organization Establishments in Europe/America/Asia

1965	Europe	<b>IPMA</b>	(International Project Management Association)
1970	USA	<b>PMI</b>	(Project Management Institute)
1972	Europe	<b>APM</b>	(Association for Project Management)
1976	Australia	<b>AIPM</b>	(Australian Institute of Project Management)
1978	Japan	<b>ENAA</b>	(Engineering Advancement Association of Japan)
1991	Russia	<b>SOVNET</b>	(Russian Project Management Association)
1991	Korea	<b>PROMAT</b>	(Korean Institute of PM and Technology)
1993	India	<b>PMA</b>	(Project Management Associates)
1998	Japan	<b>JPMF</b>	(Japan Project Management Forum)
1998	Japan	<b>PMI Tokyo, Japan Chapter</b>	
1999	Japan	<b>SPM</b>	(Society of Project Management)
2002	Japan	<b>PMCC</b>	(PM Professionals Certification Center)
2005	Japan	<b>PMAJ</b>	(Project Management Association of Japan)

# PM Culture Matrix in Asian Countries



# Corporate culture





# Location Culture (Example)

## USA/Europe (American)

Clear Explanation

Dry / Logic

Documentation

Independent



### Pure PM (simple)

Written Mission & Stand point

Accountability & failure risk hedge

Pure PM Fee

Pure PM Business

## Asia (Japanese)

Hidden Sense  
A^Un

Wet / Feeling

Trust Base

Joint &  
Dependence



### Mixed PM (complex)

Broad task & Wide expectation

[Trust] base & Commitment

Biased PM fee

Mixed PM Business

Compliance  
&  
Risk  
Management

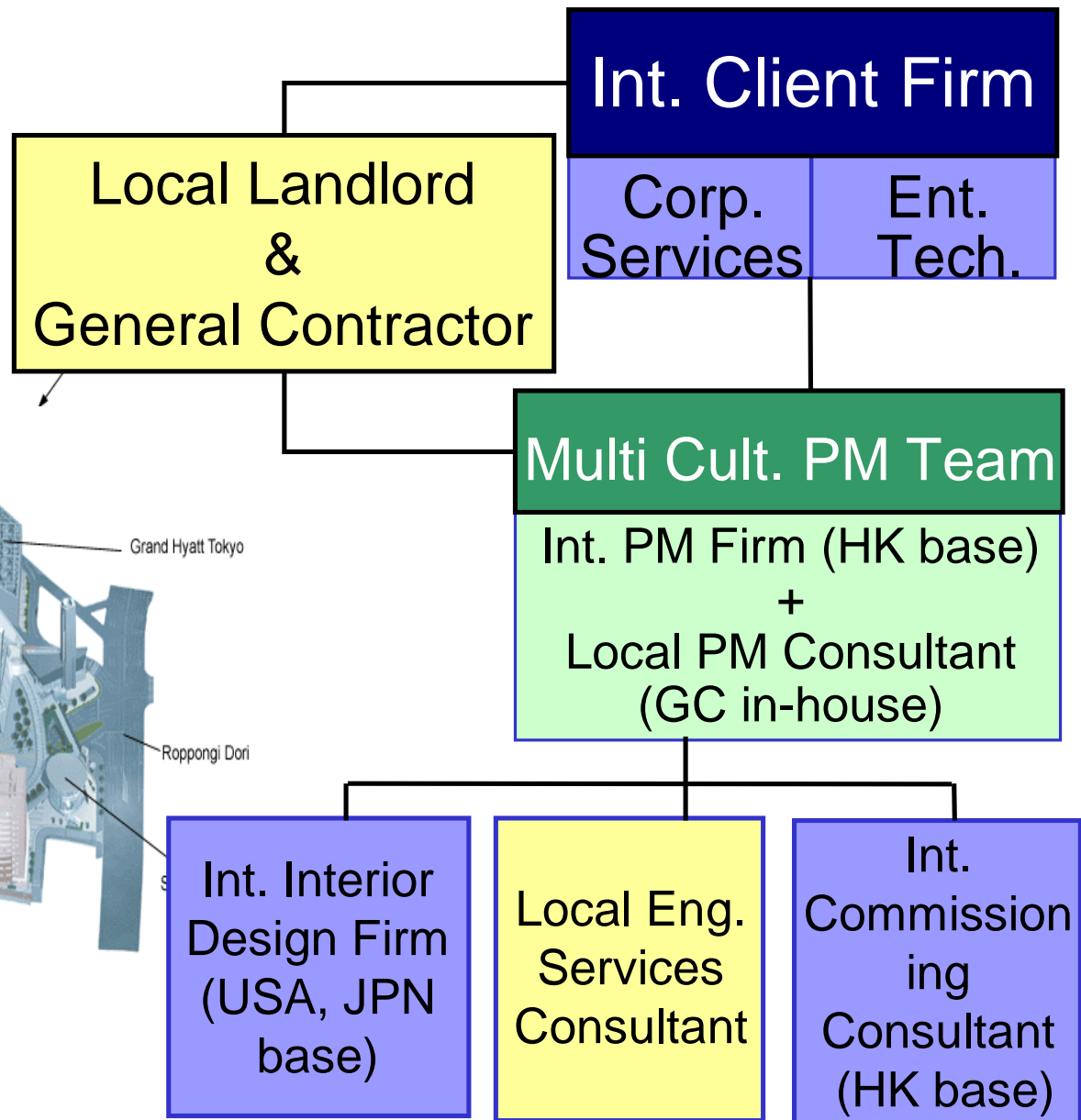
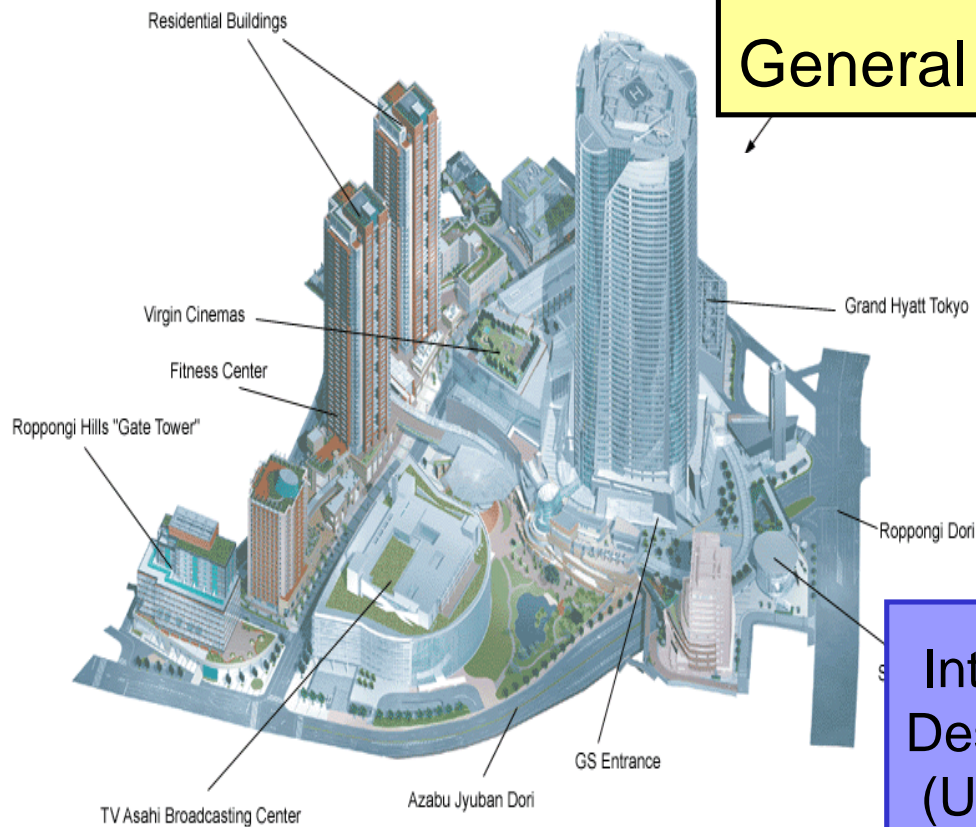
# Case Study 1 : US based Security firm

Corporate Culture : Global  
Location Culture : International



# Big Office Relocation Project in JAPAN

Place: Tokyo, Roppongi



Poor Integration among international consultants



Integrated Drawing Management

Commissioning standard difference between international consultants and domestic vendors



Engage international knowledge-full domestic M/E engineering consultant

Hard to justify the fair price with client and local vendors



Mobilize domestic independent cost consultant as a member of PM team

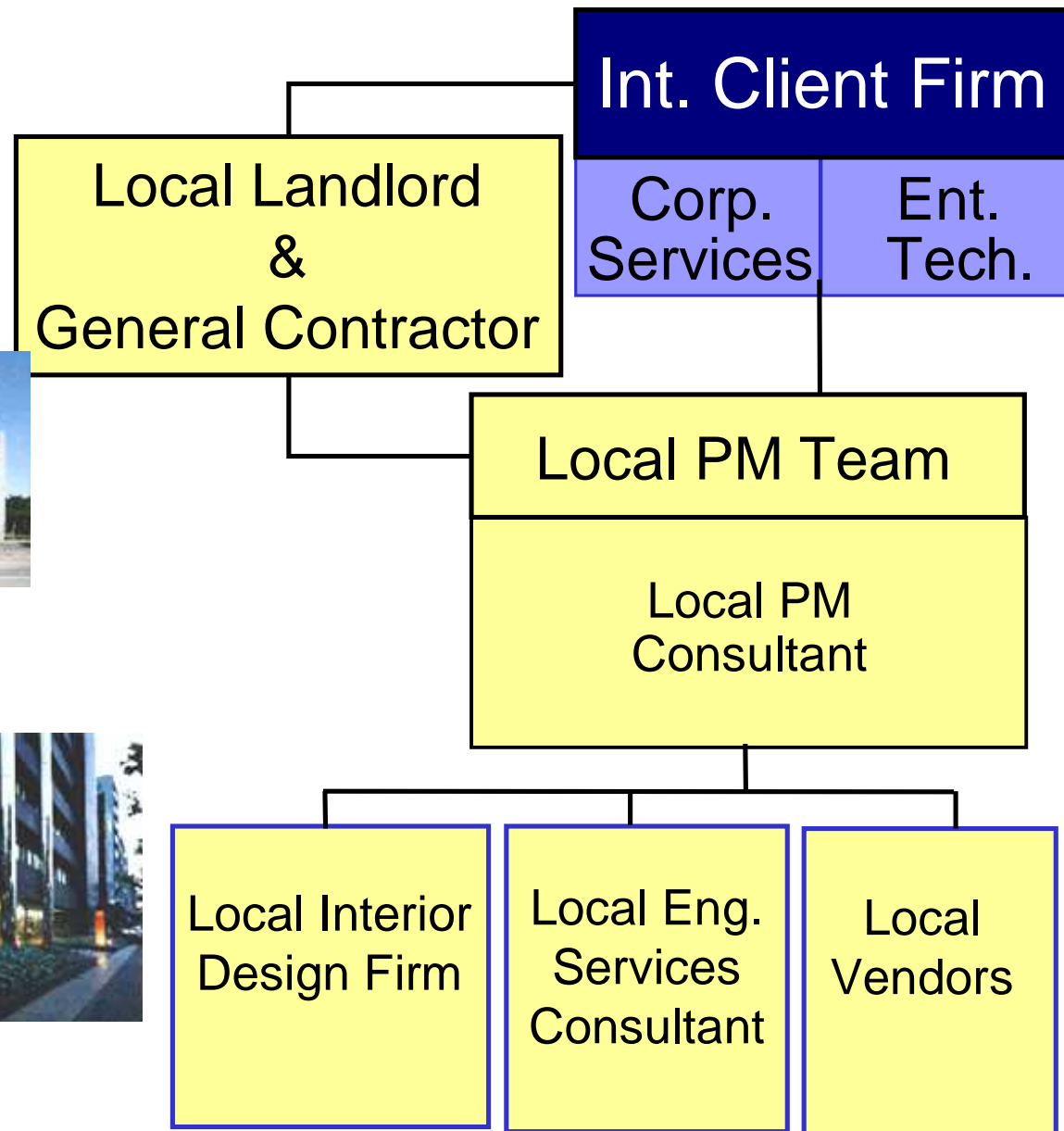
# Case Study 2 : US based IT firm

Corporate Culture : Global  
Location Culture : Domestic





# Several Facility Projects in JAPAN





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



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

Headquarters management tend to have poor understanding of local practice



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

Local architect / engineer to have poor understanding on global concept



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

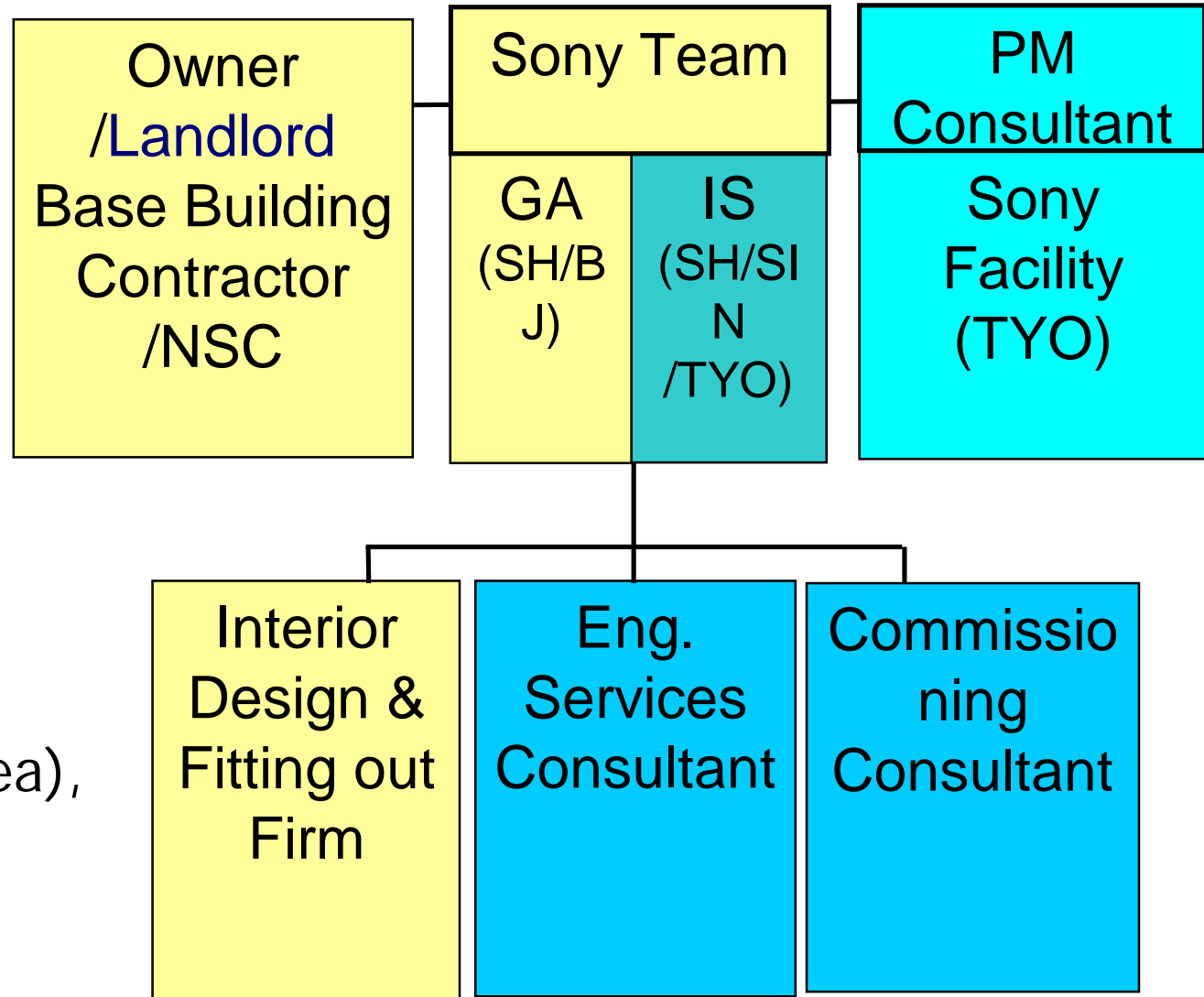
# Case Study 3 : Japan based IT firm in China

Corporate Culture : Global  
Location Culture : Domestic



# HQ Relocation Project in Greater China

Place: Beijing, China



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

## Pit holes

## Case3

## Tips

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



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

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



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

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



Understand local costing culture and keep contingency 10-50%



# Case Study 4 : Japanese Steel Manufacturer

Corporate Culture : Asian  
Location Culture : Domestic

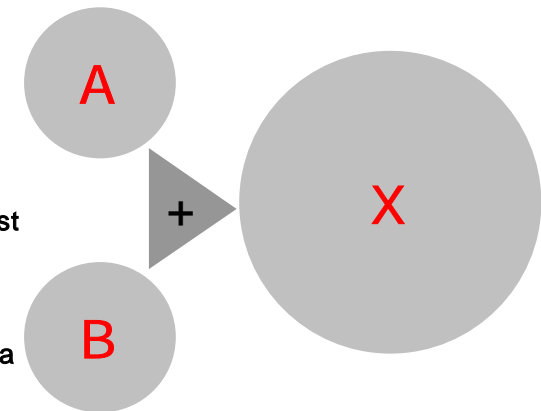
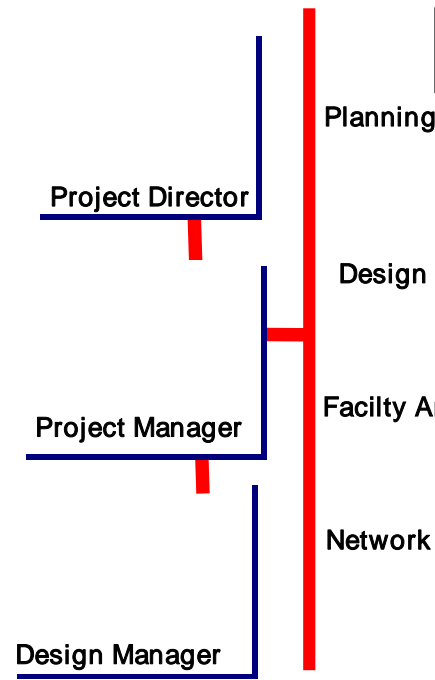
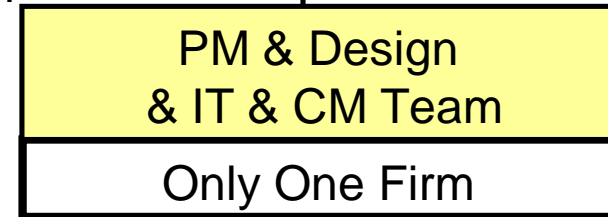
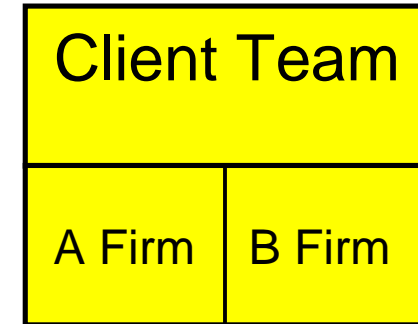


# New Office Construction Project For M&A

Place: Tokyo , Japan



Consolidation of  
head offices  
local offices  
IT systems  
Corporate brand design



CM



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



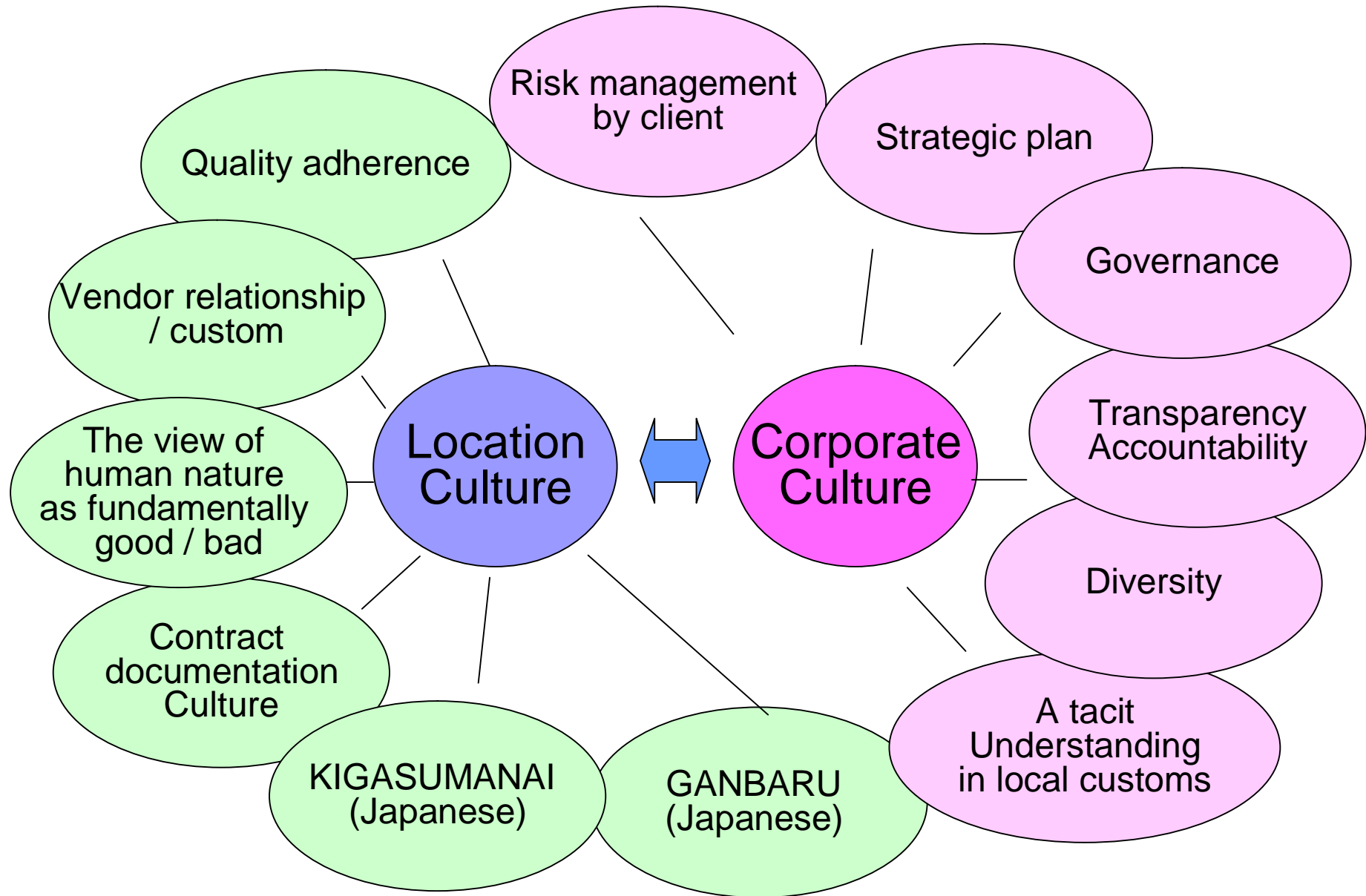
Education of client should go in parallel and process sharing by PM vendor

Corp. culture differ even in the same location culture



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

# Key Words





## Discussion theme

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

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



## Discussion theme

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

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



## Discussion theme

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

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



## +++Closing+++

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





**HARAKIRI**

Young B Kim, CFMJ



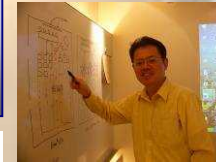
Johnson Controls Japan KK.  
Registered Architect, Japan

Specialized the Securities  
Facilities.  
Over 15 yrs In house FMer  
experience.

Various Roppongi Hills PJ  
(Goldman Sachs, Lehman Brothers)

# Project Managers Group, Asia Pacific

Akihiro Okada, CFMJ



Takenaka Corporation  
Registered Architect, Japan

Over 15yrs Service Provider  
experience.

Nissan R&D Conversion PJ

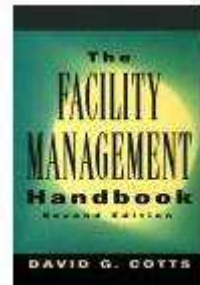
Noriaki Yamada, CFMJ



Sony Facility Management Corp.  
Registered Architect, Japan

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

Sony Computer Entertainment HQ PJ  
AP Regional HQ PJ



Yoshitake Hozumi, CFMJ



Uchida Yoko KK.  
Certificated FMer

Over 15yrs Service provider  
experience

Japanese organization M&A PJ  
(JFE Steel PJ)

Kentaro Hayashi, CFMJ



Takenaka Corporation  
Registered Architect, Japan

Over 15 yrs Service Provider  
experience.

Nissan R&D Conversion PJ

Shigeo Ogawa, PMer, passed away in 2003

## Group History:

- 2003 Facility Management Guide Book Japan
- 2003 WWP Yokohama (Outsourcing PM)
- 2005 WWP Philadelphia
- Scheduled Translation Cott's Facility Management Handbook
- FM Project Management Mook

Katsuo Kato



Global FM Lab.  
Registered Architect, Japan

Over 30 yrs experience in  
IBM Japan

IBM Tokyo Hakozaki HQ PJ  
Yamato R&D Center PJ

UCHIDA

竹中工務店



SONY

JOHNSON CONTROLS