

***Project Business Management*¹**

Culture Clashes and Speed Of Change in Project Environments: Can Agile Transformations Be Forced?²

Antje Lehmann-Benz

In May 2016, the US Department of Homeland Security started a new method of conducting their IT procurement processes. They wanted to be more agile and have less administrative overhead when finding and contracting sellers for the software they needed.

No other than a former Google employee actually helped design the new method and together with his team, they coined the new program “FLASH” (FLexible Agile Support for the Homeland). Eric Hysen wrote about the entire experience from his perspective in an insightful article on [Medium](#).

As it turned out, FLASH really was something new and direly needed in a government office like the DHS. Like any other government institution probably all over the world, they were experiencing delays and long waiting times in their projects including procurements, due to security regulations, regulations, protocols, and last but not least, democratic processes to be followed.

Because expertise is mostly found in private companies, IT projects for government branches are usually answered with ‘buy’, not with ‘make’ decisions³.

Procurement processes can be tedious and complicated, like in many larger organizations in the private sector as well.

In contrast to those, government institutions have an additional problem: They have to be transparent and as democratic as possible in their work. This means, if sellers are unhappy about not having been chosen after bid submission, they can file an official protest, thus forcing everyone involved to investigate and reconsider the decision.

Of course, this is actually a good thing. To a degree, it prevents companies from being chosen as contractors in projects where the decision is already made before the bidding process even starts. It is meant to ensure a fair competition. Like many aspects of democracies, it can be misused.

¹This article is one in a series based on the book “[Situational Project Management: The Dynamics of Success and Failure](#)” (ISBN 9781498722612), by Oliver Lehmann and published by Auerbach / Taylor & Francis in 2016.

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³ Find more on the concept of make-or-buy decisions [here](#)

Companies can file protests because they think something was intransparent or unfair, as is the actual intention behind this kind of action

They can also file protests if they are incumbents, however, to gain more time and more income as active contractors until they are released from their contracts and replaced by others. Lastly, they can file protests in an attempt to get into a project this way after all, no matter what.

The FLASH program saw a number of such protests, so much so that it caused a significant slow-down of progress and ultimately, overall project cancellation. Understandably, this caused a lot of frustration in the team that had done a lot of work with the intention to turn these new procurement and software development processes into reality.

Culture Clashes And Speed Of Change As Sources Of Problems In Projects

In this case story, there are two major factors at play that cause difficulties in projects all the time:

1. **Culture clashes.** In the case of FLASH, startup company cultures clashed with those of larger government contract incumbent organizations and with the culture within public offices itself. More importantly: companies striving for a quickly adapting and innovative, flexible, and people-centric agile culture within their organizations clashed with much more traditional and mindsets in the companies they were trying to collaborate with, and with rules and regulations that mandate a dedication of time and effort to them.
2. **Speed of change.** If one department in a larger organization within a regulated environment or one party in a joint undertaking is moving forward too quickly for some of the given circumstances around them, this can cause unforeseen problems. In the case of FLASH, the regulations were there to ensure government integrity in the procurement process toward the public. To call them unnecessary overhead or “waste” would be too easy.

When we read about the importance of adopting more agile mindsets⁴, emphasis is often on having to be open for change, no matter what. Innovations against traditional management styles, even rebellious attitudes, are encouraged: change by disruption. In order to change how a market or an industry works, disruption is seen as a key element for innovation. After all, the competition does not sleep either.

⁴ Often coined as “the agile mindset”, which to my opinion does not account enough for the fact that the world is diverse and not every type of organizational agility needs to be exactly the same as the next

This is not in itself wrong. However, it may disregard the fact mentioned above that rules and regulations are not necessarily there to annoy those who have to adhere to them. Instead, they might exist for a good reason that we just do not always see immediately.

Project Supply Networks Making Agile Transitions More Complex

Another factor is often overlooked, maybe because it is already so normal for us that we do not realize how much it affects us: As globalization progresses and the world is growing less and less apart, more and more companies start working together. More companies are outsourcing a lot or all of their project work. The FLASH program is an example of this as well.

In the process, whole project-specific networks of contractors and subcontractors develop that can be referred to as Project Supply Networks (PSNs⁵) and are often quite complex. What happens if company cultures inside that network differ so much that they clash? Can these companies still reach common goals together or might they instead start battles across company borders—but still project-internal?

Unfortunately, reality shows that the latter is more often the case than we would like to admit. Many cross-company project teams are dealing with serious conflicts, harming the progress of the work they should all be doing together. Along the [five levels of team conflicts by Speed Leas](#), this can go as far as “World War”. But even Leas’ levels 3 and 4 can be difficult to handle over a longer period of time.

Conflict Between Departments Can Slow Down Project Progress



To understand the potential effects of such issues, let us look at one organization only at first: No one would probably deny the fact that if departments within an organization work against each other instead of collaborating for the sake of company goals, this can cause significant damage to said company.

This is especially true for larger organizations, where agile transitions sometimes affect only one department or business area, or happen only in selected subsidiary companies (often those with IT focus).

It might not be a problem as long as different areas have differing needs and goals and do not have to collaborate with more agile teams in their organization on a regular basis. It can

⁵ Read more about this topic in articles on [Project Business Management](#)

turn into an issue when that kind of collaboration is needed and instead, different department cultures clash, causing conflict and damaging progress.

Conflict Between Companies Can Slow Down Project Progress

If we go one step further and replace “departments” with “companies” – why should the effect be any different? In fact, external conflicts can be even more dangerous for a company than internal ones, due to one major reason: They are often settled only in court, a costly and tedious procedure that in addition to stalling work results can also harm the involved parties’ reputation. While internal struggles can maybe still be covered up, cross-company conflicts become visible to the public eye almost always.

What does this mean for a company that is undergoing agile transitions in one way or another?

- **Contractor or subcontractor side:** Companies that provide project management services to others or contract out staff to be a part of a customer organization’s project teams – they should be aware and prepared that frustrations stemming from different company cultures are not uncommon. Possible consequences are project failure or the realization that original goals have been significantly watered down. When working as part of a larger PSN, for a customer on one side and with sub-contractors on the other, this can quickly get even more complex.
- **Customer side:** Companies that are executing projects with teams from various organizations or outsourcing project management or certain aspects of it to contractors should make sure everyone understands the commonalities and differences of corporate cultures involved.

Note: This cannot mean simply mandating an agile approach top-down, as is often the case. Instead, it means making sure everyone involved in the project shares an understanding of the common mission, vision, goals, and success criteria for the project, but also an awareness of the risks.

Some Ideas for Agile Teams Working Across Company Borders

An awareness of the issues described above might already be a great starting point for continuous improvement in projects.

Here are some ideas for action, broken down for various agile approaches:

- When looking at **agile leadership** for project teams, we always have to take into account the importance to lead with a positive attitude and example *not only within company borders*, but within the entire project team. Even with a contract in-

between, collaboration should be key – just like the third principle of the [Agile Manifesto](#) postulates. While it might seem relatively intuitive, reality shows this is often not the case. If you are a leader of project teams involving people from various companies, ask yourself if you are really treating them like one team working for one common goal.

- **Contract negotiation** should not be favoring one party over the other to a degree that causes frustration. To put common project success as a number one goal necessitates fair and situationally appropriate contracting.⁶
- **Change and innovation** are hard enough to establish in one company. It requires dedication and perseverance, as well as the ability to handle the occasional backlash. When several firms are involved, it can get even worse and often feels like success already achieved is rolled back again. Active listening to those who might have uncovered new ways of working together that can benefit your own company culture can be key in such situations. As mentioned above, sharing common project goals and visions to unleash creativity and innovative abilities is a way to spark innovation with a long history of success in Japanese companies. It can be enhanced by giving the team a metaphor or analogies to work with.
- **Procurement processes** need to show consideration both for the desire to make progress in the project and to actual given circumstances in reality. The realization that change might not come as quickly as hoped might cause frustration, but in the end, every backlash can be a moment of learning. Learning from experience is one of the cornerstones of agility after all.
- **Colocation ideals**, popular in agile approaches, can improve project outcomes. They can turn out to be close to impossible to put in practice in global project supply networks. Then, the only solution is to use communication technology that makes the interaction experience as close to real-life situations as possible.
- Well-understood and carefully set up **project roles** is one of the key factors for team member interaction. Various agile frameworks offer some inspiration on how this can be done:
 - **Scrum**: An idea to consider might be striving for a team setup with no company border separating the roles of Product Owner and Development Team. The Scrum Framework has designed these two roles to interact tightly

⁶ Refer to <https://www.linkedin.com/pulse/contracting-agile-times-what-pitfalls-antje-lehmann-benz-ma-pmp/> for ideas for contracting approaches in agile projects

with each other, with the Product Owner being a servant-leader and a kind of “workload manager” for and protector of the Development Team. This way, the Product Owner can try to make sure they are neither over- nor underwhelmed by incoming requirements from the outside, or confused by contradicting ones. This also means managing expectations of stakeholders from other companies. If a Product Owner is from, say, the same company as a stakeholder with high demands, but the Development Team from another one, chances of this setup working as intended might be lowered.

In contrast, a Scrum Master can be regarded a kind of team facilitator and consultant who, regardless of having to look into the culture of a company they work for, might also bring new impulses by coming from outside.

- **Extreme Programming:** One of the XP principles is having a role called “Customer on Site”. This owes to the fact that often enough, teams working on the realization of project goals for other companies do not hear from those customers often enough, or even not at all until the end. Consequently, they feel detached and have to deal with misunderstandings and rework. The imperative that a customer representative (or in larger projects a “proxy” person within the own company) has to be available at all times, even works with the team at the same location, can be a solution to this dilemma. Never forget reality checks: Implementing roles as suggested by these frameworks has to be possible in a given environment. If this is not the case, there is probably no way of forcing it, and everyone instead has to do their best to work with the circumstances at hand.

Conclusion: Mission Success First

Summing up and getting back to the original two problems, there are possible takeaways from the cases described for each of them:

1. **Culture clashes:** Teams have to consider themselves as teams that share a team culture especially across company borders. Team charters or agreements or mission and vision statements along with empathic leadership might help in this process.
2. **Speed of change:** In more regulated environments, it may be harder to bring about change. But looking at the reasons of why those regulations exist, maybe new chances can be discovered to make the change more fitting to the actual environment at hand, rather than forced on it. In any case, problems arising in agile teams with members from various companies are often as complex as the networks they are acting in. They can probably not be answered with easy or even one-size-fits-all solutions. Instead, they require more thoughtful and creative approaches that shouldn't stop where the own company ends.

Japanese organizational theory and practice, a source for inspiration for agile approaches, support this view. It comes with the firm belief that an innovative attitude has to [permeate entire organizations](#) and not be limited to a dedicated department in order to be really effective—a driving force that positively affects people involved.



Projects are unique undertakings. When people have the feeling that failure is accepted as a source of learning (instead of making the same mistake over and over again), they will explore their options with much more confidence. This is even more true when assumptions are used as the basis for actions that at some point turn out to have been false.

Any attempt to turn such a positive, “Mission Success First”⁷ attitude into reality across several organizations has to be come with the acknowledgement that even more time, patience, situational intelligence, and flexibility are required than within one and the same organization.

As the Department of Homeland Security moves on to start [Flash 2.0](#), one can only hope that with the first attempt, the ground has been prepared enough to really join customer and vendor forces in an effort to pursue common goals for society and the greater good.

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⁷ Read more on this principle coined by NASA at <https://tfaws.nasa.gov/files/Thermal-Workshop-Aug-6-2014-REV-A.pdf>

About the Author



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Antje Lehmann-Benz, MA, PMP, PMI-ACP, PSM is a project management and agile training professional for Oliver F. Lehmann Project Management Training, working with various training providers. Recent experience includes:

- Since 2017: Lecturer at the Technical University Munich, teaching Scrum Fundamentals to PhD candidates in Informatics
- 2017: Agile training for a US military institution in Germany
- 2018: Online PMP preparation training sessions for a global telecommunications company
- Since 2018: Scrum trainer for a German car manufacturer
- Since app. 2009: Project management and Scrum practitioner, consultant in the semiconductor and IoT industries (Atlassian JIRA / Confluence implementations)

She is also active as a volunteer for the Project Management Institute Southern Germany Chapter e.V. (Editor-in-chief, chapter magazine "PMI SG Live"; Director at Large for English Speaking Meetings in Munich). Active in 2016-2017 for PMI International as Subject Matter Expert regarding specific industry experience.

Magister Artium in linguistics, (M.A., LMU Munich), Antje holds the following certifications: PMI-ACP, PMI Agile Certified Practitioner (<http://www.pmi.org>); PSM, Professional Scrum Master (<http://www.scrum.org>); PMP Project Management Professional (<http://www.pmi.org>)

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