

# International engineering project management under the Belt and Road Initiative

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**Abstract:** The “Belt and Road” strategic policy focuses on strengthening exchanges and cooperation between countries, establishing a comprehensive, multi-level and composite network system, and better realizing independence, diversity and balance. Under the background of “One Belt and One Road”, the construction of engineering projects also ushered in a new development opportunity. In the face of the complicated international situation, there are higher requirements for the management level of enterprises, which requires enterprises to strengthen management capabilities and better promote the sustainable development of enterprises. Based on this, the article analyzes and studies the international engineering project management under the “Belt and Road”, expounds the connotation of project management, analyzes the challenges of overseas engineering projects, and on this basis puts forward the requirements of international engineering project management under the background of “Belt and Road” for reference.

**Key words:** One Belt and One Road; International project; Project management

## 1. Overview of project management

Project management is to better achieve the project objectives set up the organization management system, and build an integrated project management mechanism, establish the corresponding rules and regulations, so as to clearly divide the job responsibilities, levels and post authority. In the project management, the manager should do a good job in the organization, improve the efficiency of problem solving. Risk management refers to how to minimize the possible adverse effects in the risky environment of the project or enterprise. It involves the measurement, evaluation and response of risks. Risk management as an important link of project management, it can take the way of risk identification under a certain economic unit, the use of appropriate economic and technical means to carry out assessment, so as to do the corresponding decision-making work, to solve the problem in the actual work. In the project management, we should strengthen the avoidance of all kinds of risk problems, and adopt reasonable ways to control risks, so as to better deal with practical problems and ensure the smooth realization of the expected project objectives.

At present, the status quo of international project management is as follows:

First, the demand is variable. The international market has great flexibility in the demand for projects, which also directly affects the world economy and the economic development of other countries. In addition, the political relationship with our country has a direct effect. However, the overall development trend is in a stable period, the demand for engineering construction is high. When there is a financial crisis, the demand for international construction will drop significantly.

Secondly, the international engineering market is highly competitive. In the international market, the comprehensive competitiveness of China’s project contracting enterprises will be inferior to that of developed countries. At present, the competitiveness of the international engineering market is too fierce.

## 2. The challenge of overseas engineering projects

### 1. Safety issues

At present, many domestic and foreign companies in the process of carrying out project tasks in overseas developing countries, although there are certain development opportunities, but also prone to some security management problems, these problems will directly lead to the emergence of employee safety problems. The key purpose of social security work is to eliminate personnel safety accidents and avoid problems arising from social security management. Therefore, before all new overseas projects are carried out, engineering companies should strengthen the assessment of safety risks, prepare a complete wind direction assessment report, and do a good job of the corresponding review and approval. To carry out the social security risk assessment work, we should pay attention to the effective protection of assets, standardize the content of work, and understand the information of enterprise personnel.

### 2. Labor problems

#### (1) Hire out-of-town staff

During the construction process, domestic engineering companies will hire local employees due to factors such as language barriers and unfamiliarity with laws and regulations. During the recruitment process, in addition to considering the professional level, language ability and responsibility of the employees, it is also necessary to understand their opinions about Chinese companies and Chinese people, and find out whether they are honest and trustworthy. List the company’s policies and standards in advance to avoid internal labor disputes.

Before the employment of foreign employees begins, local enterprises and employees of the same type should be assigned to work out the corresponding salary system. Among them, the salary level of foreign employees should fully take into account the content of technology, the importance of the work and the size and difficulty of the workload. For example, in Venezuela, it is required to work no more than 10h a day, no more than 10h of overtime a week, and no more than 100h of overtime a year. This requires the enterprise to establish a

compensation mechanism for foreign employees according to the actual overseas situation, so as to avoid the problem of construction delay caused by more labor costs.

#### (2) Introduce Chinese construction personnel

It is necessary to consider not only the establishment of recruitment and salary system, but also the protection of workers in the project, and whether Chinese construction personnel can be introduced. The Saudi government, for example, has established the relevant Saudiization employment system and guaranteed the standards achieved by private enterprise projects. According to the laws and regulations issued by the labor ministry this year, some departments should incorporate recruitment conditions into their laws and regulations, and require the recruitment of Saudi nationals, and specify the positions that Saudi nationals can work in. Therefore, companies also need to take into account the overall cost of construction during overseas recruitment.

#### 3. The problem of difficult procurement

International engineering project procurement is generally based on the specific requirements of the project, combined with the actual situation of the project construction plan, which requires a reasonable choice of suppliers to ensure that the count, requirements and quantity to meet the actual requirements. To ensure that the project can be carried out smoothly, in accordance with the contract to receive goods. After the signing of the international construction project contract, the contractor of the project will bear the exchange rate risk within the project contract and take corresponding measures to avoid the foreign exchange risk. Only through a wide range of channels to collect information, pay attention to the supplier's equity change problem, should be combined with the actual situation of the market to adopt a flexible way of procurement, in the market to understand the needs of multiple parties, do a good job of the corresponding procurement, to avoid the subsequent delivery of difficult problems. At the same time, enterprises can avoid financial risks as much as possible by insuring foreign exchange.

#### 4. Cross-cultural conflict

Cultural diversity is the background of the current era. In overseas engineering projects, due to different beliefs, language, culture, food taboo, etc., the information expectation value is also different. The difference of these contents will directly affect the development of the transnational project process. When faced with different cultural customs and religious beliefs, enterprises should do a good job of research, truly understand and respect, so as to avoid other conflicts and carry out the project plan more smoothly.

The emergence of the above problems is likely to lead to an increase in costs, which will lead to the extension of the construction cycle.

### 3. The “Belt and Road” under the international project management requirements

With the promotion and application of enterprises' overseas strategies, overseas projects are faced with the problems of complicated external environment and simple management methods. In the face of these problems, how to ensure that the business projects of enterprises reach the expected objectives and avoid the risks of overseas projects has become an important content of the current international engineering project management. Under the background of “One Belt and One Road”, international engineering project management should pay attention to the following aspects:

#### 1. Conform to international standards

In the context of the “Belt and Road” market, enterprises should be in line with international standards to ensure that the project work can meet the requirements of internationalization. This is also the “ticket” for foreign contractors to go overseas, which requires enterprises to take it seriously and strengthen their understanding of this aspect. At the same time, under the influence of the trend of green development and the concept of “people-oriented”, the environmental protection standards of various countries have been raised year by year. The management of overseas engineering projects is faced with the problem of environmental pollution, which requires a good risk control work, understanding and mastering the relevant environmental protection standards of the host country combined with the requirements of overseas projects to reduce the probability of pollution as far as possible. Avoid safety accidents caused by environmental pollution, and better deal with labor disputes.

#### 2. Attach importance to risk assessment of engineering projects

The purpose of risk assessment is to find out the risk factors in the project, so as to carry out the project management. The fierce market competition easily leads some foreign engineering enterprises to begin to transform to investment-driven contracting. Compared with the simple contract project in the past, the operation structure of investment projects is more complicated. In this case, enterprises should change the thinking of risk prevention and control, adjust the way of risk prevention and control, and better evaluate the problems existing in the project work. First of all, the enterprise should fully understand the contents of the tender, and analyze the conditions related to project inspection, project change, project advance payment and so on. At the same time, it is also necessary to understand the local policies and terms to avoid problems such as late fines and exchange rates. It is necessary to understand local laws and policies, finance and taxation as much as possible, fully understand the construction situation, and formulate preventive measures according to the assessed risk and harm degree.

#### 3. The core of international project management is contract management

During the implementation of a project, the project management should be carried out effectively according to the information agreed by both parties in advance. This stage also directly affects the effectiveness of the project. The narrow sense of contract management refers to the contract documents after the signing of the project, do the corresponding preparatory work, including draft documents and bidding documents, clear project terms, do a good job in the early stage of negotiations. For the claims and disputes of engineering projects, it is

necessary to carry out an overall evaluation in the process of project contract negotiation, including improving the mechanism for handling claims and disputes.

#### 4. Cultivate interdisciplinary talents to deal with risks

The key to deal with risks lies in the correct understanding of risks. Therefore, under the background of “The Belt and Road Initiative”, enterprises need to pay more attention to risks and hidden dangers and strengthen internal management. Enterprises should strengthen the management of professional teams and improve the corresponding management mechanism according to the regulations and needs of the business. The team should recruit a group of experienced experts and scholars, so as to ensure the overall situation of project implementation and clarify the responsibilities of management representatives of each department. The management process should be from the early stage of the project bidding to the late delivery, optimize the work content, and fully analyze. Only by strengthening the construction of risk management supervision mechanism can we better deal with the problems in the follow-up work. Project risk management is not a one-time work, it still needs to carry out the work in a cycle, only do a good job of effective management and supervision of the project, take effective measures to solve the problem, in order to improve the quality of the project as much as possible, reduce the probability of risk. At the same time, during the period of risk management, enterprises also need to train talents according to their own actual conditions, organize and carry out various types of training activities, and improve the quality and ability of employees, so that they can better put into the work and deal with practical problems.

#### 5. Properly handle the relationship with all parties

In order to better let the enterprise understand the local labor law and be familiar with the content of the law, the local trade union organization should be involved in the operation and management, and determine how to build the trade union organization according to the actual situation of the enterprise. During this period, the enterprise should strengthen the construction of the area, strengthen the coordination with the trade union organization, ensure that the welfare benefits of the employees are guaranteed, so as to actively resolve the conflict after encountering problems. If disputes arise among employees employed, they need to proactively deal with the problem and avoid further escalation of the situation. Employees should respect the customs and beliefs of local residents, and avoid various religious issues while understanding local cultural taboos. During the management of local employees, enterprises should do a good job of humanized management. Only by strengthening the construction of recruitment mechanism and strengthening training can they better improve the effectiveness of management.

#### 6. Do a good job in safety and health management

The industrial and agricultural level of the countries along the Belt and Road is not high, the income level of the people is relatively low, and the dependence on other countries is relatively high. Under the current circumstances, there are problems in public order. Extortion and robbery are frequent in the region. Companies should hire security companies that know the local situation to protect the safety of the project and the employees themselves. At the same time, employees need to step up their own security efforts and try to travel in groups rather than at night. In case of extortion or robbery, they should hand over their money as soon as possible to protect their personal safety. Some countries along the “Belt and Road”, involving India, the Philippines and other regions, infectious diseases are frequent, AIDS, dengue fever and other diseases are more common, which requires enterprises and employees to pay more attention to health.

## Epilogue

To sum up, under the background of “One Belt and One Road” strategy, a good development environment has been created for engineering enterprises, which also puts forward new requirements for engineering project management. Foreign engineering enterprises should strengthen the cultivation of talents, cultivate a project management team with strong practical experience, strengthen their own learning, constantly improve personal business ability, adapt to the development and change of the new era, and put more efforts.

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