

Suitable hr strategy for daimler chrysler business essay

Business



As discussed by P. Caligiuri & D. Lepak & J. Bonache (2010; p21) in order to achieve the alignment of strategic human resource management practices with the goals of a multinational firm, it is important to understand the strategic capabilities most multinational firms seek as they expand and compete globally. Global integration of the firm's operations in order to take advantage of different national factors of production, to leverage economies of scale in all activities and to share costs and investments across different markets and business units. Developing an innovation and a learning organization, this requires that different units learn from each other. Daimler Chrysler needs to implement changes to adapt its new strategy to the local and global or international scenario; such changes will have to ensure global competitiveness at all levels of its business. According to Bateman and Nell (2009: 223-227) one of the critical tasks of an international manager faces is to identify the best strategy for competing in a global marketplace. To approach this issue managers can make use of an integration-responsiveness grid as displayed below. The vertical axis displays measures pressures for global integration, and the horizontal axis measures pressures for local responsiveness. Organizational Models: Source Robbins (1998: 223)

Pressure of Local Responsiveness

Bateman and Nell (2009: 224) stresses that; in some circumstances manager's needs to make sure that companies are able to adapt to different needs in different locations and differences in distribution channels and sales practice. The high of this model emphasize that a Multinational company that has several subsidiaries operating a stand-alone business units in multiple countries has the capacity to ensure that the transition in such

subsidiaries or facilities permit local responsive and accommodating all complexities associated with the coordination mechanisms to provide global integration.

Pressure for Global Integration

Bateman and Snell (2009: 224) mention that " managers may have several reasons to need a common global strategy rather than one tailored to individual market. These factors include the existence of universal needs, pressures to reduce costs or the presence of competitors with a global strategy. Mr. Dieter Zetsche view is that DC business as a single world market and that certain operation needs to be centralized in the new head quarters Stuttgart-Unteruerheim. The biggest challenge now as the HR Director for Daimler Chrysler (DC) is to develop a suitable HR strategy and implement a workable new organizational structure.

Understanding of the situation at Daimler Chrysler

Evaluating the case of Daimler Chrysler it is understood that the reputation of the company has dramatically declined and this was derived from their drop in consumer rankings and loyalty. Internal concerns that is picked up is the decline in their manufacturing efficiency, quality problems and high cost as there has been excessive production capacity for years. With this concern of low quality, their advance technology is also being disputed. We then conclude that the problematic areas in Daimler Chrysler are the following: Decline in manufacturing efficiency. Excess production capacity for years- (many low cost employees)Higher production costs than competitors. Their technological prowess is being disputed. Loss encountered by Merc

group Exorbitant payments for companies which didn't fit in their organization structure. Lost competitive advantage. Lack of good quality due to increase of high demand of services which has caused DC to lose some of its loyal customers. Manufacturing efficiency has declined, while costs are relatively high. Unable to cope with the market demand to provide the service to its customers and also failure to perform according to minimum standard of delivery. Unreliability of DC to its customers and the mismatch of the target market have caused them a lot because they have missed the focus. Slowdown in consumer ranking and loyalty. DC has failed to build a strong customer base to keep the loyal customer happy by providing good quality services, and to ensure that there is continuous improvement. Lack of competent staff in the key positions to drive the organisation to the higher level and produce quality results.

Reasons for the new Organizational Structure

Organisational development or renewal is a series of techniques and methods that managers can use in their actions research to increase the adaptability of the organization. Jones (2010: 315). In Robbins (1998: 478) organizational structure is defined as how job tasks are formally divided, grouped and coordinated; whereas Noe, Hollenbeck et al... (2010: 155) refers to the organizational structure as the relative stable and formal network of vertical and horizontal interconnections among jobs that constitute the organization. An emphasis is made by Nel, Werner Poizat et al... (2011: 476-478) that " Strategic Human Resources Management is a process or an approach that address the competitive challenges an organization faces."

The Daimler Chrysler (DC) Group Chief Executive Mr. Dieter Zetsche

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emphasized that; the company continued to drag around excess production capacity and its costs were significantly higher than those of their best competitors and changes are necessary. The Supervisory Board of DC also agreed to the realignment within the Board of Management. Changes will reduce and remove management layers and consequently cutting of 8500 jobs. In essence DC has identified key reasons for change which are:"

Integration leads to organization that is faster, more flexible, leaner and more efficient." Among structural changes is a consolidation and integration of G&A functions, such as Finance and Controlling, Human Resources and Strategy. These areas will be centralized to report to the respective head of that function throughout the entire company. Redundancies between staff functions at the corporate and operating levels will be eliminated, thereby reducing the complexity of the organization. A more integrated G&A organization will result in more consistent processes, and reporting and decision-making will become shorter faster and more efficient." The divisions to concentrate on the automotive core processes - development, production and sales, that will create new streamlined processes and a more agile structure

To reduce the cost of administrative functions at DaimlerChrysler, in an effort to reach benchmark levels" Due to the elimination of redundancies, consolidation of staffs and optimization of processes, headcount will be reduced by about 6, 000 employees over the three-year span. This represents roughly 20 percent of general and administrative staff (30 percent at management levels)." DaimlerChrysler today introduced a new management structure designed to enhance competitiveness and promote further profitable growth. The new structure will further integrate

the company's functions, focus the operations within DaimlerChrysler on core processes, and encourage internal collaboration. Moreover, it will reduce redundancies and remove management layers." "Our objective in taking these actions is to create a lean, agile structure, with streamlined and stable processes that will unleash DaimlerChrysler's full potential," said Dieter Zetsche, Chairman of the Board. To improve the level of competitiveness and also to remain market player or to ensure survival and improve its overall performance.

Strategic elements of organisational structures

Organisational structure refers to the relatively stable and formal network of vertical and horizontal interactions among jobs that constitutes the organisation. Work-flow design and organisation structure have to be understood in the context of how an organisation has decided to compete. Organisational structure provides a cross sectional overview of the static relationships between individuals and units that create the outputs. Robbins (1998: 478-487) and Bateman et al (2009: 290-300) identified six (6) elements of Organisational Structure namely:

1. Departmentalization

Organizations approach tasks by grouping them together according to certain characteristics common to the tasks. Departmentalization is the basis by which an organization groups tasks together. There are five known bases: functional, product, geographical, process and customer (McShane S. and Travaglione T. " Organisational Behaviour on the Pacific Rim," 2003.)

2. Span of Control

Span of control is a means of ensuring proper coordination and a sense of accountability among employees. In the execution of a task, organizations usually have different levels of task processes, so that work passes from one stage of completion to another, until it reaches full completion (Robbins S. P. and Coulter M. " Management," 7th edition, 2002,). It is the number of subordinates a manager can efficiently and effectively direct.

3. Formalization

Formalization is obedience to rules and regulations. Thus, formalization is the extent to which the execution of tasks follows given standards. If employees follow given standards, they will find it unnecessary to use approaches different from the standard ones, for the performance of tasks.

4. Centralization and Decentralisation

Centralization increases consistency in the processes and procedures that employees use in performing tasks and it is the degree to which decision making is concentrated at a single point in the organization. Decentralization occurs where decision discretion is pushed down to lower-level employees.

5. Work specialization

The essence of work specialization is that, rather than an entire job being done by one individual, it is broken down into a number of steps, each step being completed by a separate individual (RobbinS. P, Odendaal A. and Roodt G. 2007)

6. Chain of command

There an unbroken line of authority that extends from top of the organization to the lowest echelon and clarifies who reports to whom.

Strategic elements of the organizational structure linked to the DaimlerChrysler AG case study

Reduction of General and administrative costs reduced (by EUR 1. 5 billion per year) - G&A staff to be reduced by 20% over next three years" " We're going to build on a strong product portfolio." In 2005 alone, DaimlerChrysler launched 17 new products, giving it one of the youngest product lines in the automotive industry. The company plans to continue its aggressive level of investment.' Over the last several years, we focused on our automotive business and started to streamline the core processes in our divisions,' said Zetsche. ' But to safeguard our future in this competitive global industry, we need to apply that same equation across all general and administrative (G&A) functions with the added dimension of adapting to the needs of our business." Dual roles for Board members - " That will effectively reduce the number of BoM members to nine (from 12 about one year ago)." Relocation of Board Members and their staff closer to production" On the basis of the new structure, the company will standardize the most important processes within and across divisions, according to best-practice criteria." Co-operation to be promoted between the Mercedes and Daimler Chrysler Group" " you will also see more examples of clearly defined " project houses" where engineers from different divisions work together for the benefit of the whole company.'

A current example is the joint project to develop hybrids, where Mercedes-Benz and Chrysler engineers are working side-by-side (with General Motors

and BMW specialists). This joint team is creating a new two-mode hybrid system that will empower future vehicles from the brands of both divisions..." Corporate-wide Research and Technology will be merged with product development of Mercedes Car Group" " the new function will take on more responsibility for advanced engineering activities of all automotive divisions." The Commercial Vehicles Division will focus on commercial trucks as its core business while the Bus and Van business will be reported elsewhere." The new structure will create further synergies between the regional truck units and brands and allow the Truck Group to accelerate its profit potential initiative called Global Excellence...."

References

Bateman T S and Snell S A. Management: Leading & Collaborating in the Competitive World. 8th edition. New York, McGraw Hill
Robbins S P (1998) Organizational Behaviour; 8th edition. New Jersey,

Question 2

The merger between Chrysler and Daimler Benz was one of the biggest in history. Both Companies had started to screen the automobile industry for partners in 1997. Therefore in early 1998, Jurgen E Schrempp, CEO of Daimler-Benz took the initiative and suggested a merger to Robert J Eaton, CEO of the American based Chrysler corporation. The merger contract was signed in 1998. DC lacks reputation as a company with excellent strategic HRM policies. It took DC years to fix many post merger problems. The company should have a clear idea of their current configuration of human resource; specifically they need to know the strength and weaknesses of

their current workforce/ employees. DC requires a Recruitment policy that can make job vacancies more attractive. There must be an alignment between the company's strategic direction and its human resource plan. Forecasting is an attempt to determine the supply and demand for various types of human resources to predict areas within the organization where there will be future labour shortages or surpluses. Noe et al (2010: 193)The reputation of the Mercedes star has dimmed and Mercedes has slid dramatically in consumer rankings and loyalty." Loss of 505 millionProblems in DC: DC appears to have quality problems, manufacturing efficiency has declined (while costs are relatively high) and there has been excess production capacity for years. Also, its technological prowess is more and more disputed. The giant head office (HO) in Stuttgart-Mohringen monitors hundreds of national and international companies in different industries. There are manufacturing facilities in 17 countries. Most Group companies are in fact (economically) more or less independent as it is very difficult to stir these companies ' virtually' from the HO." Excess production capacity, higher costs than most competitorsTo address, DC Board cutting 8500 Mercedes jobs in Germany. (9% of the total)Dieter Zetche became Group CE in 2006 succeeding Jurgen Schrempp

About the ' leadership model

Among structural changes is a consolidation and integration of G&A functions, such as Finance and Controlling, Human Resources and Strategy. These areas will be centralized to report to the respective head of that function throughout the entire company. Redundancies between staff

functions at the corporate and operating levels will be eliminated, thereby reducing the complexity of the organization.

Human resource areas and challenges of concern

The areas of concern that DC's human resources have to focus on are the realignment of functions on the Board of Management. Areas would have to be centralized to report to a head of that function throughout the entire company and this would result in the redundancies of staff functions.

Through standardizing important processes across divisions would also impact on reducing job functions. Other areas of focus would be to bring specialist together to benefit the whole company like bringing together engineers from different divisions. In other areas the realignment will ensure more responsibility thus impacting new performance measurement impact in the new function. The Commercial Vehicle Division will also be realigned which will create further synergies to accelerate profit. By implementing this new management role, cost will be reduced through the elimination of redundancies and consolidation of staff through process optimization thus headcount being reduced by about 6000 staff.

The realignment

Conducting the feasibility study that will help the organization to improve on how to treat the human resources and also the possible solutions that can be done to keep the competent staff within the organization and to reward them for their continued effort. To have standard practice of reporting to direct the conduct of Board Management and to realignment of their daily functions within the organization. The introduction of human resource policy and code

of conduct will help the organization to monitor and guide the staff behaviour, and also on how to conduct themselves in the work environment and with their co-workers.

Challenges and action plans

Appointing competent task team that will facilitate the implementation of the merger to ensure that priorities and proper alignment are realised. To ensure that the functions of top management are aligned properly to the company's vision to avoid poor performance. To ensure that high quality of services and products are produce, and well maintained to cut the costs. During the restructuring the company ensure the personnel should be placed according to their skills and capabilities in order to offer best performance. To ensure that placed personnel are given the necessary skills training and development should be the priority. To ensure that the appointed staff does receive the necessary support and the recognition that will keep them motivated and ultimately happy to be retained by the organization. To hire HR consultant who will help the organization to review the policies and procedures and to help personnel deal and embrace change as part of growth. The consultant to facilitate the skills audit that will help the organization rearrange, re skill and offer training and development and coaching lessons to the newly appointed managers which will enable leaders to lead and manage with integrity.

The involvement of top management.

Managers are responsible to set out a vision and ensure their human talent align their efforts to that vision. Human resources will have to supply the

guidance and tools to accomplish those goals. As mentioned by P. Caligiuri & D. Lepak & J. Bonache (2010; p15) line managers and Human Resource professionals need to evaluate how the available human resources facilitate or impede the success of the organizations strategies as well as acting as an example and model of the behaviours necessary for the organization to succeed.

The maximizing of employee contributions.

For the organization to have a competitive advantage, employees need to maximize their contributions through Human Resources and line management deciding which task needs to be prioritized. Also ensuring employees have the required competencies to fulfil those tasks successfully and to motivate employees to use those competencies in a productive manner.

Aligning Human Resource practices with context to organization.

In aligning these practices they need to look at placing value to work in teams in the selection process, establishing clear and understandable ratings in their performance management evaluations. They also need to look at linking staff compensation and reward to the organization results.

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[http: en. wikipedia. org/wiki/Daimler AG](http://en.wikipedia.org/wiki/Daimler_AG)

Question 3

Type of organizational structure

Noe R, Hollenbeck J, Gerhart B, and Wright P (2010: 155) state that Organization structure refers to relatively stable and formal network of vertical and horizontal interconnections among jobs that constitute the organization. They further mention that, only after we understand how one job relates to those above (supervisors), below (subordinates), and at the same level in different functional areas (marketing versus production) can we make informed decisions about how to redesign or improve jobs to benefit the entire organization. Noe et al (2010: 160) affirms that organizational structure is typically displayed via organizational charts that convey both vertical reporting relationships and horizontal. A functional structure created as the strategy of the company would be to focus on lowering cost and streamlining its processes. The coordination and specialization of the required tasks are centralized in a functional structure. This will make producing products more efficient and predictable. Efficiencies can also be achieved as functional organizations integrate their activities vertically so that products are produced at lower costs. Other achievements

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from a functional structure would be; Coordinating vertically through hierarchy Work is assigned to specialized units and coordinated by a manager. A hierarchy (vertical) of authority evolves from lower to higher levels. A manager can use the following principles of hierarchy of authority for integrating specialized units: The unity of command principle. Every worker should report to only one manager. The scalar principle. Decision making authority (and a chain of command) should be from the top to lower levels. Responsibility principle. A manager is accountable for the performance of his or her subordinates. In turn, subordinates are responsible to their manager for their performance. Will help to communicate the organizational strategy and also offer clear guidelines on how they will be achieved. A cross functional structure should be created to address the needs and demands of the organization and also the nature of the business that should be considered Competent top managers should be placed who will lead and drive the organization by sharing the vision and mission. A team of committed members who are ready to become the agent of change to give the new organization a sense of identity. Once the committed team has taken the lead in driving the organization it is their responsibility to align the organizational priorities with the objectives to ensure that they deliver according to the mandate. A flexible structure that is able to accommodate new ideas to survive and also to adapt in different situations, and accept the changes. One of the important factors that an organization has to consider it is the solid character that will allow them to function in every business environment Diversified structures that will allow them explore other avenues to capacitate it to learn new things. Enriched job description for all staff

members will motivate and encourage them to stay with the organization even when merger has taken place. A revised structure should be a motivating factor because that will also introduce the new look of business operations bringing different ideas together to strengthen the organization. A functional structure that will be innovative and be willing to do the benchmarking with other organizations to improve quality.

How it should be implemented to support new HR;

Communicate the vision and mission of the organization to all staff, educate them to create awareness. The mission statement of the organization should be prioritised and be given undivided attention by all senior management and also pass it to other managers with passion of serving with excellence. All staff members should be aware of the organizational vision and form part of their objectives that will help them to stay focused towards achieving the organizational goals. Top management should lead by example and always remind the staff the importance of being committed. That should be demonstrated by the commitment of top management in ensuring that the highly motivating organizational structure is in place and well monitored to give assurance to all staff members and the stakeholders. It should be implemented with the expectation of helping the staff to deal with the resistance and also to reap the good performance. Finally they have to ensure a high involved organization, which is a type in which top management ensures that there is consensus about the direction in which the business is heading. It requires a functional structure centred on a customer service, production and low cost. The departmental leaders will be

able to find support from the top management of the organization. Please see below an example of how the structure should look like.

Question 4

According to Gibson J, Ivancevich J, Donnelly J, and Konopaske R. (2009: 393) companies that have made successful adjustments to their organizational structures to meet changing market conditions and who have best chance of prospering through the first part of the 21st century will be those that continue to modify their organizational structures. The new structure will enhance competitiveness and promote further profitable growth through the reductions on administrative cost while increasing net profit. Focuses the organization on key core competencies or processes. It will respond faster to competitive pressures. Enable team members to play active roles in sharing the valuable experiences and ideas on how to tackle the effective operation of the organization. It will further be beneficial to the advancement of the organization because it will reduce redundancies and remove management layers. It will help in reinforcing the organizations core functions and offer the necessary attention that will encourage internal collaboration with other departments. Creating a new organization structure will see the consolidation and integration of G&A functions being centralized to enable the respective heads of the combined divisions to report at common point, these will help in eliminating functions at the corporate levels and reduce the complexity of the organization. The consolidation of corporate functions will occur throughout the company and thereby minimize bureaucratic impediments. The new structure will benefit the company because it will standardise the most important processes within and across divisions,

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according to best-practice criteria. Joint project to develop hybrids, where Mercedes-Benz and Chrysler engineers are working side-by-side will continue strengthening the brand identity and will enhance team work. The new structure will create further synergies between the regional truck units and brands and allow the truck group to accelerate its profit potential initiative called Global Excellence. The new management model will reduce the cost of administrative functions at DaimlerChrysler, in an effort to reach benchmark levels, further creating a lean structures, which streamline processes. Become more flexible and responsive to the changing needs and demands of customers, vendors, and other key stakeholder groups. Reduce operating costs while simultaneously boosting productivity. Elimination of red tapes and procedural delays

Disadvantages

The new structure will result to the loss of jobs by most of the top management because when most of the companies do the merging some of top positions are compromised with an aim of saving the cost however this disrupt the social networks that can promote creativity and flexibility . Some of the staff members will be affected by the merger forcing them to relocate to other places of work eg, the German BoM members that are currently based in Stuttgart-Moehringen were forced to relocate in May 2006 along with their staff to Stuttgart-Untertuerkheim and therefore closer to production. The exercise is costly though it can be considered for future benefits. Within this realignment, the new function will take on more responsibility for advanced engineering activities of all automotive divisions which can result to reduced staff morale, lack of motivation and resistance to

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the proposed change. The commercial vehicles division, headed by BoM member Andreas Renschler, will also undergo changes. It will focus on commercial trucks as it's core business and operate under the name Truck Group, while the Bus and van business will be reporting elsewhere. These changes have implications on the span of control and decisions which can trigger negative attitudes to other people who like status of being in authority. Also DC's reputation damage is possible from labour market side as people are comfortable with stability. Lack of coordination can lead to individualistic mind sets. The new structure may impact or affect job designs. Risk of communication: global virtual teams maybe diversified. New job designs maybe complicated.

REFERENCES

(Bruton et al. 1996) the person responsible for the author please give full references. Gibson J, Ivancevich J, Donnelly J, and Konopaske R. (2009: 393) the person responsible for the author please give full references.

Question 5

How could the company really select and develop a group of experienced international managers?

Bateman et al (2009: 232-240), emphasizes that selecting a new international managers involves the use and or combination of expatriates, host country nationals and third country nationals." Expatriates are parent company nationals who are sent to work at a foreign subsidiary" as defined in Bateman et al (2009: 232). The expatriates are used to establish new country operations, transfer company culture and bring in a specific culture.

Host country nationals have the advantage that they are familiar with the local customs and culture, may cost less and are familiar with local customs and culture, may cost less and are view more favourable by local governments as adapted from Bateman et al (2009: 242). International Manager position in the international business has become more critical human resources demanded to proactively respond to the emerging global economic environment. The skill of becoming an International Manager can be developed academically or on job training. Based on Michael Finney, Marry Ann Von Glinow (1998), " differences between the two are indicated, and an attempt is made to show how both are necessary, but not in themselves sufficient, in developing the international manager of tomorrow". Therefore there is a need not to look only at the skills and academic competencies of candidates by to also consider the socio-cultural aspect of the host country. Additional to the above Jokinen (2004: 202) citing Harris and Moran (1997) and also Bateman (2009) mentions that focus on cross cultural interaction, cultural sensitivity, technical expertise and business knowledge. The company needs to ensure that an appointed manager should be capacitated with the necessary competencies and personal attributes to become successful international manager, by doing that it will allow him or her to be an effective manager across the entire environment. The international assignment is often regarded as knee-jerk reaction with most technically competent and the individuals who are readily available to assume the responsibilities, the appointed manager need to be motivated and be supported. Jokinen (2005) further emphasises that empathy, openness, persistence, sensitivity to intercultural factors, respect for others,

role flexibility, tolerance of ambiguity and two-way communication can ensure international manager succeed. Gretchen, Sprietzer et al (1997) cited in Bateman et al (2009: 235) identifies skills that can be used to identified candidates who are likely to succeed in a global environment; two identified dimensions of the desirable international management skills includes:

Selection Criteria for International Managers:

Sensitivity to cultural differences-when working with people from other cultures, works hard to understand their perspective or backgrounds.

Business knowledge-solid understanding of the company's products and services. Courage to take stand-is willing to take stand on issues

Bring out the best in people-special talent in dealing with people. Acts with integrity, can be depended and tells the truth regardless. Is insightful-good to identify most important part in the complex problem. Is committed to success-clearly demonstrates commitment to seeing the organisation succeed. Take risks-both personal and business risks. Additional to the above Jokinen (2005: 202) citing Harris and Moran (1997) and also Bateman (2009) mentions that focus on cross cultural interaction, cultural sensitivity, technical expertise and business knowledge. Jokinen further emphasises that empathy, openness, persistence, sensitivity to intercultural factors, respect for others, role flexibility, tolerance of ambiguity and two-way communication can ensure international manager succeed.

Development for International Managers

Gretchen, Sprietzer et al (1997) cited in Bateman et al (2009: 235) also identified development and learning-oriented dimensions factors for an

international manager namely: Uses of feedback-changes observed as a result of feedback. Cultural adventurous-enjoys challenge of working in countries other than his/her own. Seeking opportunity to learn-Take advantage of opportunity to do new things Openness to criticism-Accept criticism. Seeks feedback-Pursues feedback even when others are reluctant to give it. Flexibility-doesn't engage in things that could not be changed. By developing such competencies it will enable international manager to be functional in any international environment, in which they are expected to interact, manage, negotiate, live and work as an individual and in teams with people. When the manager has been capacitated well in terms of how other people live and behave, he or she will find it easy to interact with other people because he or she will understand their values, beliefs, customs and business practices of the host nation.

The Instrument to select International Managers

According to Stone J R (2010: 194), recruitment process of seeking and attracting a pool of qualified candidates for a job or vacancy and that selection process of choosing the candidate who best meet the set criteria should be realised. He also make mention that pressures of competition, cost saving downsizing and global skills shortage have made recruitment a top priority. The scarcity of talent means that skilled workers are especially in demanding today's cutthroat environment. For many companies, talented people are the prime source of competitive advantage. Stone J. R (2010: 194) states that strategic recruitment is the link of recruitment activities to the organisation's strategic business objectives and culture. Daimler Chrysler executive managers must understand the vision and objectives of the

company before attempting to recruit international managers. The person that will be recruited must be able to add value to the company. Bateman et al (2009: 360-361); emphasise that recruitment can be internal, external and may involve a third party. Internal Recruitment: DC may elect to utilise the tried and test of the company when recruiting new international manager's form and within the company. Recognition is made that internal recruitment have its own limitation as it can defeat the intention to make External Recruitment: It is regarded as the opportunity or quest for new ideas, innovation, experiences and acquiring diversified work force. The external recruitment process includes internet based recruitment, newspaper advertisement and personal approach. Third Party Recruitment: The method involves outsourced recruitment agencies, head-hunting, poaching and referrals. Additional to the selection decision the following factors needs to be considered:

The strategic recruitment process that Daimler Chrysler should follow:

Strategic Business Objectives

What is to be achieved and how

Human Resource Planning

Determine number and type of jobs to be filled.

Match HR supply with job openings

Job Analysis

Collect job information

FEEDBACK

Job specification

Experience

Qualifications

Skills, abilities, knowledge

Personal qualities

Special requirements

Job description

Job Title

Duties and responsibilities

Relationships

Authority, and Accountability

Special circumstances

Recruitment

Identify and attract a pool of qualified candidates

Source: Stone J. R (2010: 196)