Essay on global human resource

Business, Employee



Critically evaluate the extent to which the culture of different countries affects the way that HR is managed. Illustrate your answer with reference to at least three different countries.

The influence of culture is felt at every stage of Human Resource Management right from the selection and recruitment of staffing to training, evaluation, feedback and exit interviews. It is very important, therefore, to be aware of the differences in cultural nuances to effectively work in a culturally diverse organization. It is not possible to know every cultural norm of different cultures but an awareness of the existence of these cultural norms in the workplace would help an HR manager communicate with people of varied cultures more effectively without misinterpreting any information or body language. According to Hofstede, " cultures differ in at least five ways that may have important implications for understanding business" and therefore, in order to understand the cultural influence on the management of human resources in a company, we need to understand the basic criterions that define a particular culture ((Ivancevich, 2010, p. 97). Collectivism is the core of Japanese culture which encourages people to give more priority to the interest of the groups than their own and foster a good bond with the group members. Japanese people are known to be loyal and risk averse and this shows in the HR practices in Japan. Compared to the western culture which goes by hire and fire policy, Japan cherishes the policy of lifetime employment in which a considerable percentage of the workforce continues to work for the same company right after graduation till retirement. Due to the policy of lifetime employment in place, Japanese HR needs to be really careful while hiring employees. Their key concern remains

to choose the right employees who will remain loyal and dedicated to the organization. In the US, employers can hire employees and fire them at will but there are restrictions in Japan against such practice. The Japanese government gives incentives to the companies which hire and retain aged employees and companies are liable to receive subsidies if they offer extended employment or reemployment to disabled people. In Japan there are various levels of pre-hiring and pre-screening processes in place to cull out the best candidates. After the selection of an employee, he is put on a probationary period during which the employer may terminate him if he proves to be extremely incompetent and ungualified (Havey). Since restrictions on termination of employees is also applicable to terminating someone from service during probationary period, it is the job of the HR to include provisions in the employee contract that would make dismissal of an employee during probationary period easier if he is found to be incompetent. Furthermore, in Japan the renewal of the fixed term employment contract converts automatically to lifetime employment under the 2008 Labor Contract Act.

The Arab World which includes countries like Iraq, Egypt, Libya, Kuwait, Saudi Arabia, and the United Arab Emirates shows the cultures of collectivism, masculinity, distance power and avoidance of uncertainty. The Arab world being a collective society believes in team participation and concerted effort to accomplish goals and objectives compared to the individualistic society like USA which puts more emphasis on individual performance and fulfillment of goals. There is a huge power distance in the entire Arab world with huge authority and power concentrated in the hands

Essay on global human resource – Paper Example

of few and that shows in the workplace too where bosses are the decision makers and rulers of their employees' destiny. The Arab world also shows high avoidance of uncertainly by making attempts to predict and control future (Hofstede, 2009). Therefore, the HR manager needs to be quite tactful and cautious as the ultimate power resides in the hands of the leaders who develop laws, rules and regulations to strengthen their own power and control. Since the Arab world has high predominance of masculinity in the culture with very little freedom allowed to females, some organizations in order to prevent the effect of glass ceiling offer the same growth opportunities to their female employees as the males.

Indonesia is a country run by power distance culture. Power distance refers to the unequal distribution of power to that extent in which the less powerful have no qualms in accepting the unequal distribution of power. People belonging to power distance culture believes that people are not equal in this world and that some are vested with more power and some are with less and the less powerful are dependent on the more powerful people. The workplace in Indonesia exudes the mentality of parochial culture in which more attention is given to social relations, family relationship, personal background and less attention is given on competency and capability of someone to perform a task (Susilowati et al, 2012). The main authority to take decision is vested on one single powerful person who might be the founder or owner of the organization and employees look up to this person for every decision taken on their destinies. Needless to say, HR practices related to hiring, promotion and termination everything is dependent on the decision of this one person. Subordinates depend on the leaders to make all the important and difficult decisions which they comply with without contest.

Critically evaluate the benefits and problems of having a diverse team working together on a project in an organization.

Diversity has a lot of advantages. Diversity reduces cost, increases productivity and brings in innovation in the workforce. A team composed of diverse members is found to be more creative and competent than homogeneous groups. Katherine Phillips who works as an associate professor of management at the Kellogg School of Management conducted a study and her study came out with the finding that diverse team members perform better than groups with no diversity. Having team members coming from diverse cultures help in making better decisions. Diversity injects new ideas into a group and incorporates different perspectives on the same problem from different angles because people of difficult culture have different ways of approaching a problem. That is why diversity helps make better decisions. Diverse groups also think out of the box. Homogenous group members feel comfortable with each other which might be useful for developing friendship but not so fruitful for arriving at a solution to a complex problem. Google Inc. is a perfect example of a diverse culture with innovative talented employees of difference race being recruited in the workforce from all across the globe. As Google's Vice President Nelson Mattos explains that " creating teams with individuals from different backgrounds, cultures and ideas is the foundation of Google's success" (Google Global Diversity Talent, 2010). Diversity is the key strategy used for growth in Google which always looks out for fresh

talents available in the world. Diversity not only contributes to the development of unique products in Google, it also supplements the culture of Google. Diversity also improves the effectiveness of a group. In the study conducted by Katherine Phillips it was seen that homogenous groups tended to think that they had worked better in solving a problem whereas their work might not be as efficient as they believe whereas diverse groups though tended to think that they didn't work together very effectively came up with better solutions (Phillips). It seems discomfort to some extent brings the best out of people and therefore, diversity gives out a better group output. However, it is not that diversity in a team always reaps benefits without any problem. Diversity brings certain challenges in a team environment which if not managed properly may impact the productivity and the effectiveness of the team. People of different cultures for having different ways of approaching the same problem might get into a conflict with each other because each individual team member would make different assumptions about the given task and the gap in their thought process could lead to a rift and tension which might affect the entire group's performance. Further, since diversity brings people of different corners of the world in one place, there might be some members who might look down upon the members coming from third world countries or belonging to a minority group which if not managed effectively could lead to a racial discriminatory practices. Moreover, if the team has more members of a particular ethnicity then those members might form a group and try to dominate the entire team. The culture conflicts and ethnocentrism may contribute to the growth of a negative dynamics within the team which may leave deep psychological

impact on the members and if the leadership ignores the issue then the problem would lead to reduced productivity, increased turnover and absenteeism. Further, many a time if diversity is not handled properly would lead to a communication gap between members and as a result their performance would be affected. Hence cross-cultural training is mandatory to make people of different cultures work seamlessly in a team overcoming their barriers and communication problems.

Choose a country of interest to you. Choose one are covered by employment law and evaluate whether the approach taken by that country benefits the employee or the employer.

USA is a country that believes in fairness for all the employees and since US culture is one of a highly diverse culture, it has many employment laws to create a friendly environment for all the employees so that both majority and minority groups can work together peacefully. Before making the evaluation whether the employment laws are beneficial for the employees or the employer, we need to look at the various employment laws existing in the country. The USA has a history of discrimination in the workplace in which minority groups had been subjected to racial slurs and various work related unfair treatment in which minority groups were paid less wages, assigned dirtier works and inconvenient work hours and so on. In order to protect minority groups from the unjust treatment of the employers, USA has an Equal Employment Opportunity Law in place. The Title VII of Civil Rights Act of 1964 states that an employer cannot " fail or refuse to hire or to discharge any individual, or otherwise to discriminate against any individual with respect to his compensation, terms, conditions or privileges or employment,

because of such individual's race, color, religion, sex, or national origin." In order to oversee that the law is properly adhered to by every employer, there is a law enforcement agency called EEOC which entertains complaints from employees on any discrimination related incidents and makes investigation to delve deep into the case to bring justice. In order to protect pregnant women from employment discrimination such as refusal of jobs, denial of promotions, denial of sick leaves and other discriminatory practices, there is a law called PDA or the Pregnancy Discrimination Act which prevents an employer from showing unfair treatment to pregnant women. Further, there is ADEA or Age Discrimination in Employment Act which prevents an employer from showing prejudices against employees aged more than 40 years as a trend has been noted among the employers to fire and not hire employees who are over 40 years of age. Also, there is ADA or the Americans with Disabilities Act which protects Americans with disability from employment discrimination. ADA states that an employer cannot refuse to hire, promote or discharge a qualified individual because of a disability. There is another law called the Equal Pay Act of 1963 which prevents an employer from making wage discrimination between men and women in the same kind of jobs. The EEOC also protects LGBT employees from discrimination in the workplace.

There is FLSA or the Fair Labor Standards Act which makes it mandatory for employers to pay a minimum wage to employees and also adhere to overtime pay standards and child labor rules. The FMLA or the Family and Medical Leave Act mandates covered employers to provide eligible employees with unpaid leave of up to 12 weeks on the grounds of personal

illness or illness of a family member, spouse, children and pregnancy, birth of a new born, adoption or foster care of a child. An employee is eligible for FMLA if he has worked in the company at least for 1, 250 hours over a year and the company has at least 50 or more than 50 employees within 75 miles of its operation. Affirmative Action is comprised of mainly two laws and an order - Rehabilitation Act of 1973, Vietnam Era Veteran's Readjustment Assistance Act (VEVRA) and Executive Order 11246. The Office of Federal Contract Compliance or OFCCP looks after the enforcement of affirmative action. This law derives from the belief that women and minorities were deprived of equal opportunities historically and therefore, an employer must fill up underutilized open positions with the most qualified women or minority candidates. AA is applicable to hiring, promotion and transfers. In case of disabled people or Vietnam era veterans, the employer must showcase an effort to hire qualified candidates through proper advertisements. Undeniably, all these laws have been proved beneficial for the employees because when these laws were not in place, employers could do anything they liked without fear of any repercussion. Employers could easily deny promotion, refuse work assignment and involve in discriminatory practices against a person if he or she belonged to a minority group such as blacks, Muslim, Christian, Hispanic, German, and Asian. Employers could randomly dismiss aged people from service without any proper explanation, they could fire and deny promotion to women during pregnancy, make people work overtime without paying them an overtime allowance and practice many such unlawful acts. It is not that the implementation of these laws have removed unlawful employment practices from the workplace entirely but in

Page 10

the presence of these laws, employees can seek justice in the court of law for the suffering of unfair treatment in the hands of their employers.

Works Cited

Clipa, Flavian and Clipa, Raluca Irina. 2009. Cultural Diversity and Human Resource Management in Multinational Companies, Viewed on 16th July 2013

Ivancevich, J. M. 2010. Human Resource Management. McGraw-Hill/Irwin. 11th edition

Havey, Heath A. Japan Workplace Laws, Jackson Lewis' International
Employment Law Practice Group, Viewed on 16th July 2013
Susilowati, Yuniari. Hutagaol, Parulian. Pasaribu, Bomer and Djohar, Setiadi.
2012. Social Science Research Network, The Effectiveness of Strategic
Human Resource Management in Increasing Firm Performance in Indonesia,
Hofstede, G. 2009. What about The Arab World? Viewed on 16th July 2013
Teaching With Documents: The Civil Rights Act of 1964 and the Equal
Employment Opportunity Commission, National Archives, Viewed on 16th
July 2013

Civil Rights and Equal Employment Laws, Viewed on 16th July 2013 Google Global Diversity Talent. 2010. Viewed on 16th July 2013 Phillips, Katherine W. Better Decisions Through Diversity, Kellogg Insight, Viewed on 16th July 2013

Benefits and Problems of a Diverse Workplace, Hubpages, Viewed on 16th July 2013