

Human resource management and culture

[Literature](#), [Russian Literature](#)



HER cycle from recruitment to termination and if properly managed it can be a resource and a pool of talent to ensure that the organization is dynamic and productive. Culture, in essence, is the values and beliefs shared by and unique to a society which creates its identity. It consists of things such as language, dress, mannerisms, symbols, stories, norms, values and practices. While it may be easier to transfer best practices in technology and processes, which is more impersonal, there are greater challenges in applying HRM best practices to a culturally diverse labor force that is not comprised of passive recipients devoid of Houghton and experiences. The international context is also governed by how the different types of economies that exist in nation states- whether state controlled or market impacts on organizational structure, HR practices and technology use.

The decision to start up an overseas location will not only be determined by the attractiveness of its natural resources, but also the government policies especially as it relates to issues of international significance such as religious tolerance, relationships with other governments, the stability of its financial structures, infrastructure. Action, accessibility to a cheap or a skilled labor force depending on what is to be produced, availability of technology, tax incentives and the general economic and social stability of the host country. In this context what international human resource management practices is more suited.

The hall mark of the 21st century is globalization, which is characterized by a borderless world, a rapid increase in technology and diffusion of knowledge, global markets, global competitors international organizations, increased

travel and a culturally diverse labor force which requires managers who can think, act and lead on a global stage. Global HARM is in its embryonic stage and there is need for a paradigm shift in management practices, particularly since the majority of management literature originated in the West and reflects the culture of its origin and is found to be inadequate to meet the needs of different cultures.

HARM does not exist in a vacuum; its success is impacted on by the national culture and the organizational culture which is shaped by the national culture. Some of the cultural challenges facing management include; communication barriers, foreign labor practices, foreign management and adhering styles, how time is interpreted and used, methods of negotiation and conflict resolutions, the importance of relationships within the organization and family, customs and religious practices versus work commitment.

Globalization has led to improved education and increased knowledge and understanding which lays the foundation for the fusion of cultures and acceptance of foreign management of technology is eroding the traditional customs and beliefs of some societies, for example the Vietnamese work force is becoming very individual focused and is slowly embracing opportunities to provide feedback. However, research has shown that HARM is a long way from supporting a common set of values and practices as defined in the convergence theory.

McDonald's can be used as an example of a NC that used an ethnocentric approach to HARM, where American methods and managers were exported

around the world in order to maintain the McDonald's brand and best practice, but problems arose in places that did not share the values which the practices were based on; McDonald's has since changed to a polytechnic strategy which allows each area to develop its own practices influenced by local culture and practices and where local staff are trained as managers.

This paper will lean toward the findings of the Divergence Theorists as it relates to the HARM practices; this theory suggests that cultural differences will be preserved and will flavor the management practices of the parent organization. The four dimensions of cultural differences explored by the Divergence Theorist Greet Hefted (2001) will be used as a guide to explore the impact of the international context and culture on HARM.

The dimensions are as follows: collectivism vs. individualism - collectivism focuses on relationships, loyalty and belonging, whereas individualism is concerned with the importance, development and success of the individual. Secondly, rank and status; how power is distributed in a society, whether there is a hierarchical system, which emphasizes lines of authority that impact on how people relate to and communicate with each other.

The third dimension deals with how acceptable uncertainty and risk taking is in a society and fourthly the characterization of society as masculine- that is, driven, aggressive and achievement oriented or feminine which is concerned with the welfare of all and places a high value on interdependence and relationships.

Knowledge of these types of societies is important since it impacts on training of local staff, motivation and reward, transfer of practices, communication, the willingness of workers to participate in decision making and conflict resolution. In societies that are considered feminine and collectivist, a category into which many Asian, African and Latin America countries fall, the individualism, directness and assertiveness of an American can be misunderstood or rejected.

In these societies where friendship, trust and ceremony and gift bearing is the basis for negotiations a person that comes from a society that separates relationship from business, may not appreciate the importance of taking time to build relationships and this may negatively impact on the interaction, because the approach from the onset will be an immediate barrier to communication, where for example an African manager may consider it disrespectful and the American manager may find it time consuming and frivolous.

It is important for business representatives to understand the values of a society that will not be compromised even at the expense of financial gain and for a foreigner working in an individualistic and masculine society to learn the art of being direct and business like. China is an example of a national culture based on Confucian work ethics which Kiered et al (1989: 13) lists as thrift, persistence, respect for tradition, face saving and a sense of shame which makes it difficult for HRM practitioners to impose practices such as performance appraisals and participative management.

Immunication is implied rather than direct, where people avoid being

confrontational or dealing head on with problems such as poor performance because of the need to 'safe face'. Feminine societies practice a benevolent management style, whereas masculine societies such as the United States, and Germany have an impartial approach.

Scrooges and Doherty 2000 (Chap 3: 'Launderette's Conflict Between Managers and Employees' p 156) cites an example of a Japanese manager dealing with tardiness of an employee, instead of confronting the employee the Japanese manager gives a general talk on the importance of timeliness and how it impacts on the team; the Japanese manager 'saves face' by not embarrassing the employee and makes an appeal to the collective culture of Japan by highlighting the consequences of lateness for the other team members. The lack of directness in conflict and performance management is strengthened by the language of communication in

African and Asian societies that rely on parables or proverbs where the employee is expected to detect disapproval from a manager in the story or saying that is told rather than be directly reprimanded. In closely knit and very traditional societies like Ghana where it is important to care for each other, local managers are hesitant to discipline, suspend or fire a worker because their role as manager is to take care of their employees and making tough decisions will cause unpopularity, in a society where relationship is highly valued.

These challenges are not limited to Asian and African countries, European managers try to use persuasion instead of confrontation to the extent that performance appraisal forms are sometimes modified to lessen the chance

for conflict. The Four Seasons hotel operating in France noted that annual appraisal was foreign to the French culture and French managers are very careful about how they provide feedback to employees. 'European and Middle Eastern managers have a hard time sitting across from people they supervise and talking about their weaknesses... It is very important to save face and preserve the dignity of the person being reviewed... (Global Human Resource Management Chap. 14 p 645). Additionally, while western Performance appraisal systems have a balanced approach to individual performance, in Asian and African societies more value is placed on personal traits such as loyalty, cooperation, morality and respectfulness rather than productivity and initiative. Difficulties in motivating employees are also impacted by culture, especially where employees do not give direct feedback and are subservient.

Increasing an employee's responsibilities and verbally commending performance may be viewed by a Western manager as a motivational strategy but may be seen as insensitive by the employee whose cultural background prevents them from seeking clarification on the intent of the Manager or stating problems faced in accomplishing the task. Scrooges and Doherty 2000 gives an example of an American Manager and an East Indian female employee who offers her resignation because she feels overworked and underrepresented, while the Manager is baffled because she completed each assignment and was impressed with the quality of work.

In this instance this situation arose because of assumptions based on cultural differences- there are gender, ethnic and race issues at play compounded by

the Immunization style where it is inappropriate to have direct eye contact or to challenge to authority particularly male and Caucasian. (Chap 3: 'Intercultural Conflict issue for IHRAM practitioners who wish to attract and maintain workers in Mac's. This must be dealt with delicately since attempts to standardize this will be problematic.

Although it may seem fair to pay managers in the parent and host country the same for doing the same Job, the practitioner must take into consideration the standard of living in the host country as well as the sacrifices being made by an employee who may have to uproot his/her entire family. As part of the policy for NC compensation HARM practitioners should seek to clearly articulate the organization's compensation policy for similar Jobs overseas.

In societies where the power distance is large, the management style is based on what Kerr et al (1960) refer to as a Paternalistic style of management, where managers are viewed as superior to the rest of the workers and responsible for taking care of them. The Ghanaian culture is a good example of this where if an employee makes a mistake they feel the need to beg the manager for forgiveness; they will not challenge or question the opinion of a manager and he/she is expected to take on the role of a father figure.

This unequal power distance is prevalent in societies such as China which had a centrally planned economy and power and the control of resources was held by the leader; countries such as Japan and Vietnam who have a long history of dictatorial leadership styles have produced managers who are

not well prepared to deal with HARM in the market economies which dominate the world. It is difficult for a Chinese company operating in the US or for US managers working in China to invite workers to help formulate company policies or to allow them to take risks, make decisions or be given the responsibility for resources.

The systems are very bureaucratic and decision making is slow; delegation is not a common practice and as highlighted in the case of Vietnamese culture, delegation occurs only over a prolonged period of time when a level of trust is established. Self managed teams are a rarity in these high power distance cultures where the employee is dependent on the leader and see it as the right of the manager to lead. Supervision of employees by younger managers is also affected by his culture that emphasizes respect for elders, for example in Ghana it is disrespectful to disagree with, chastise or correct an elder.

Training and learning styles are also shaped by the international context. There is the tendency by some first world practitioners to consider their training and skills superior to their international colleagues and this results in the hesitance of highly skilled employees to go overseas to train others where they do not see it as an opportunity to learn anything and where they consider the labor force to be backward thinking and unprepared for learning. If an ethnocentric approach is adopted where the language and method of delivery is that of the home country problems will arise.

IHRM practitioners must be open minded and grasp the differences in culture as an asset to be embraced and managed e. G. The Trainer must be

able to blend the Chinese learning method which involves memorization and collaborative learning with individual decision making and action learning, as well as blend the teacher centered delivery with a participative student centered style. Trainers should also seek as far as possible to deliver training in the language of the host country or use techniques such as story-telling and draw examples from local culture to make learning more effective.

The transference of technical skills may be straight forward, however backdrop of the host culture; an ongoing example of this problem occurs in a law enforcement agency in Trinidad where British staff make up the majority of the training staff and there is ongoing conflict the British trainers and some of the locals who perceive that what the trainers consider best practice cannot be applied wholesale in the local environment and there is an ongoing debate as to why the I-J del is considered best practice at the expense of what existed before they arrived and other unexplored models that exist in countries that have more similarities to Trinidad culture. Emphasis on training in the soft skills of communication and management is essential if there is to be a transition from what Kerr et al defines as a move from the Paternalistic management style to a Participative management style, which focuses on development and empowerment of employees. IHRAM practitioners need to be knowledgeable about the labor laws of the countries they are operating in, particularly where culture has a direct impact. In eastern countries employment in a company is viewed by both the owner and the employee as 'a Job for life'; redundancy or termination of contracts are reluctantly considered as a last resort.

As outlined by Ghana, M 'Recruitment was through introduction among people rather than in labor market, there was an egalitarian reward system, a Job for life and full welfare including free housing and healthcare' (CLAMS 1495 plop) was characteristic of these societies, an IHRAM practitioner from the US or Canada would have to be equipped with this knowledge to anticipate the expectations of employees and to find ways of transferring 'best practice' from a society that emphasizes profit making and competitiveness rather than welfare. In Mexico it is a good practice to hire family members of the Manager/owner, since this is seen as supporting the family unit and maintaining cohesion, whereas in the US this will be seen as nepotism and a practice to be avoided. Chinese management style has been shaped in a context which restricted movement of workers, where government controlled trade unions and the role of HR did not include recruitment, reward, training and performance management, which imposes serious challenges for foreign managers employed in

Chinese firms or Chinese firms operating in individualistic, masculine societies. Labor law challenges are not unique to third world countries, The Four Seasons Hotel faced similar challenges when it entered the French market. In France there is an underlying antagonism between managers and employees as evidenced by the proliferation of trade unions and there are a number of legal ramifications involved in the termination of contracts. When the acquisition of a French owned hotel was occurring, it was discovered that the French staff complement could not be downsized or replaced, in order for this to be done the hotel had to shut down for 18 months.

French law also dictates that a staff committee be established in organizations larger than 50 employees to negotiate with management on behalf of employees. The European Union has a number of employment laws which are biased toward the rights of workers and does not allow for the importation and application of parent site culture in regions where the NC operates. In the Netherlands an employee's contract cannot be terminated without providing concrete reasons and must be supported by a court order, in Belgium employers may be required to pay as much as one year's salary to an employee as a severance benefit, in Sweden an employee minimum of 16 weeks for maternity leave.

Further complications for IHRM practitioners arise in dealing with the more delicate aspects of culture such as language barriers, understanding and use of time and space, religion and rituals. Time in western culture is linear and scheduling and appointments are important not only in processes but in human interactions, whereas in countries such as China and Ghana time is viewed as a cycle where human interaction supersedes time constraints. In Trinidad, meetings and appointments are usually arranged with a five or ten minutes allowance in a culture where employees work according to 'Train time'. In countries such as Latin America and France, where touching and hugging is the norm, the degree of physical space when interacting is much less than that of England and America where people value and maintain their personal space.

An understanding of space will also determine seating arrangements and office allocation in countries where there is a large 'power distance' that

places emphasis on rank and status. Relationships defined by culture will require an understanding of how trust is developed, the obligations that are a result of relationships and how social networks define the status of person. Managers must also be equipped with a knowledge of the priorities of their employees in order to manage them '... Where the African perceives a conflict between religious, social and economic duties, he is likely to relinquish the economic first..' (Gardener CLAMS 1522-14).

As it relates to culture managers will have to decide which elements of the Corporate practices must be transferred in order to maintain competitiveness and brand image, even if there will be a culture clash and if this is the case, determine if the issues that rise are a result of the way the Corporate practices are implemented and whether they can be adapted to the National culture without sacrificing the success of the organization. The various challenges outlined will determine the strategy that IHRAM practitioners advise Mac's to adopt and determine their method of selection, training, monitoring and repatriation of employees selected to work in foreign cultures.

Employees in Mac's must receive diversity training which would assist in an appreciation of differences in gender, ethnicity, class and culture in the countries here the organization operates. It calls for recognition that the traditional expatriate model of staffing is inadequate in a global world of cross pollination of ideas, techniques, power and decision making. Decisions have to be made as to whether it is necessary to send a management team from the parent site or to send them for a period of time to train and mentor

local managers particularly since relocation of staff is expensive for the organization. HR practitioners will also need to influence the type of strategy that would be used to maintain some standardization across Mac's.

The ethnocentric and polytechnic approach were mentioned earlier on; there are two other approaches that could be used- recognition where practices and policies are standardized within a region but there are variations among different regions and the geocentric approach where a set of global practices are applied to all locations (Pan SKU, K 1999: p 619). Some organizations rely on 'spatial careers' where employees gain working experience in many countries intermittently or may live and work in different locations overseas. HR practitioners can use the experience of these errors can be used to mentor new employees selected for overseas assignments.