Staffing options for internation hr

Business, Management



What are the various types of staffing arrangements (Chapter 4 – Dowling et. al) that an organisation might consider when setting up an international operation? Please ensure you 'use the language' and define your terms accurately. When expanding into international markets, there are predominantly three different staffing arrangements in which the organisation can consider.

These include Parent Country Nationals (PCN's); which includes employees from where the headquarters of the organisation is located, Host Country Nationals (HCN's); which includes individuals from where the subsidiary is located as well as Third Country Nationals (TCN's); which are individuals from a country different from the parent country, employed in the host country. With reference to the Scenario provided in the unit L G, pp 5 - 7, what do you think are the advantages and disadvantages of these staffing models for Winch-It?

The main advantage that comes from employing PCN's is that Winch It still has a large sense of control. Decisions and directions chosen are complied with, and there are no unexpected actions taken by staff. Objectives, policies and companies ethics will also be upheld. The disadvantages include dealing with cultural differences in terms of relating to a host country as well as with HCN's this could affect productivity and adaptability. Utilising HCN's can bring about a number of advantages also.

Adapting to the overseas environment in terms of language barriers and relating to HCN workers becomes much simpler, as well as reduced hiring and labour costs in some situations. The disadvantages include a limited amount of coordination and collaboration along with Winch It's headquarters

wishes, as well as potential valuable experience for current Winch It managers also be lost. Employing TCN's enables Winch it to choose individuals that may have experience and knowledge with the host country, and may come at a lower cost than utilising and training internal employees for the job.

This could cause resentment in the host countries though, as well as from Winch It headquarters, where employees may be disappointed with being overlooked. Given the range of organisational models available, (see Chapters 2 & 3 – Dowling et. al), a) choose one model that you think fits the needs of Winch-It and b) provide details of the type of staffing that would be needed for success with this model – why would your choice of staffing be successful? Winch it would be most effectively suited by that of a sales subsidiary organisational model.

Branch offices could be set up overseas which will allow for more control and a greater sense of decision making. This step will also allow for future option of an international division, whereby production can be taken offshore if need be. In order to be most successful at this stage, PCN's will be assigned to the subsidiary, but will work alongside HCN's in terms of establishing themselves in the foreign market. This will allow for differences in language and foreign markets to be overcome, and for the PCN's to gain vital experience which that can be then filtered down throughout employment in Winch It.