

# Summeriza article



The article, ' Beyond expats: Better managers for emerging markets' by Jeffrey A Joerres has raised very important issue of having local manager in multinational companies while they expand their business across geographical boundary. The emerging markets have become crucial in the age of rapid globalization as they have huge potential for developing market. An expatriate manager in merging market is not well versed with the cross cultural values which significantly impact business outcome. In the current environment, people centric policies need to become intrinsic part of business strategies. Thus, managers who are sensitive towards the needs and requirements of local population are better equipped to translate their need into solid business goals. Joerres, therefore strongly advocates for developing local managers and team workers who can align organizational goals and objectives with the changing preferences of the customers. The author says that developing local team is not only important for success in emerging market but proactive participation of local population within workforce is important to gain credibility and confidence of people at large. He says that ' reverse expat' has become need of the hour because they are able to understand the market pulse of the emerging market and can easily identify with the demands of the people. Reverse expat is broadly defined as having a local manager for Western based company's office in emerging markets like India, China, Korea etc. The article is succinct in its philosophy that local managers can be trained under different functional areas in the organization's head office so that they are able to align and implement foreign firms' wider objectives with the diverse needs of the region. Joerres emphasizes that companies can ensure their success by adopting three business paradigms: clarifying expectations and objectives by evolving

shared goals and collective decision making, they inculcate confidence and mutual respect; Focus on coaching and provide the workforce with continuous learning environment that promotes relationship building; and finally the managerial leadership must adapt to the local conditions and not force their personal values on the workforce or the customers. Joerres' business strategy is very sound because it encourages the foreign firms to adapt and accept local environment so that it can satisfy the changing requirement of the population to which it would be serving for its business interests. Indeed, McKinsey's 7S model of business elements have been used the author to evolve effective business strategy for offshore firms in emerging markets. Strategy, structure, system, shared values, style, staff and skills are 7s that promote and build an organizational culture based on cross cultural understanding, effective communication and shared goals (Kaplan, 2005). These collectively become critical elements of success in emerging market and provide the foreign firms with distinct competitive advantage. The article provides deep insight into the changing dynamics of managerial leadership in the era of globalization. The interdependency of resources has made international trade a necessity. Hence, as the author says, multinational firms must evolve strategies that would take into considerations the interests of the local population. Local managers must lead the business operation of the firms in foreign location so that wider goals and objectives of the firm can be judiciously aligned to meet the challenges of local conditions. (words: 530) Reference Joerres, Jeffrey A. ' Beyond expats: Better managers for emerging markets.' McKinsey's Quarterly. May, 2011. Print. Kaplan, Robert S. ' How the balanced scoreboard

complements the McKinsey's 7s model.' *Strategy and Leadership*, 33 (3):  
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