

# Managing an overseas branch office management essay



**ASSIGN  
BUSTER**

Cabelas Inc. is a well-established specialty retailer of hunting, fishing and outdoor gear, since its founding in 1961 by the brothers Dick and Jim Cabela, it has grown from a small company from their parent's kitchen table into a 3 billion NYSE publicly listed company with 41 stores in the United States and Canada.

In order to have better support and more effective communication with vendors, the Cabela's HK office had been started in 2005 to cope with the rapid increase in merchandise styles and the growing demand of an overseas quality assurance team.

For the first 43 years Cabela's would only need to manage offices, warehouses and retail locations all inside United States, with the new HK office in 2005 and Canada office in 2009, and possibly an Australian store in the coming 2 years, it is time to identify the methodology of "Managing an Overseas Office".

## **1.2 – Rationale for Identifying the Issue**

At the beginning there was only 5 contract staff in the Cabela's Hong Kong office, as the company grew to a 25-employee office, to manage it becomes a challenge. As a member of the Cabela's HK office, seeing the differences between the US and HK team, and also the issues with communications with respect to differences in background, culture, language, knowledge, relationships, etc., it's important to identify the issues and tackle them using the 3Rs - Recognize, Remedy and Report.

When interviewing our CEO and President Mr. Tommy Millner, he said, "The challenges of running an international office are pure cultural in my view.

<https://assignbuster.com/managing-an-overseas-branch-office-management-essay/>

Specifically, how do we get our employees in China to accept and embrace the values that were created in the farm lands of Western Nebraska?"

Whereas when interviewing the HK Office Manager Mr. Justin Gordon his view is very different, as he mentioned " The main challenge for a manager is to ensure he /she gets clear instructions / directions / objectives from those he /she reports to. Without these it is virtually impossible for the manager to give clear instructions to those that report to him/her. This then results in what appears to be poor management."

These would be 2 of the most important HR related issues with managing an overseas office - Cultural and Communication. This document will discuss all the related challenges and provide recommendations for management on how to effectively manage an overseas office, in order to create a happy working environment that creates trust and value their employees, with responsible HR practices aligning to CSR values.

### **1.3 – Recommendations for Management**

The question of how to better manage an overseas office has been a broad issue, there are many variables and could have a lot of ways to do it better, which should all be catered to a particular situation. The below outlines a few main concerns and recommendations to management to make a difference in the overseas office.

#### **Cultural Differences**

For urban dwellers it would be hard for them to imagine the life of people growing up in the nature while hunting, fishing, hiking and camping is

embraced in their everyday lifestyle. It is not easy to change how employees think, except to fly them to Nebraska to really experience it, listen to stories how hunting should be done ethically, and why hunting is considered essential in some areas of the world. The reason for thinking it is cruel is that they are not exposed before and thus do not understand, by education and exposing them with the reality, this could be corrected in times. Of course for them to fall in love with hunting would not be very possible, but taking another direction and lead them to appreciating the nature could be a better approach.

Cabela's has recently launched a new anthem "It's In Your Nature". It has always been a controversial topic in the office where hunting equals cruelty. As the anthem suggests, it's in your nature to respect for tomorrow, it could apply to hunting and fishing, and it could also apply to overseas staff with preserving the environment by less greenhouse gas emission, switching off the lights behind you, and printing conservatively.

The difference in the traditional cultural background could also be creating issues at work. Nobody intends to offend anyone else, but may do so inadvertently if not educated in the cultures. For example Americans casually throw their name cards over their desks, while Asians considered that as rude. Relationships in Chinese context are very important in businesses, but westerners might see that as bribery in some ways. It would take both sides to learn each other's culture, as a responsible corporate this difference must be respected and HR policies should be sensitive in addressing this through values, ideas and beliefs. It would also be HR's responsibility to educate employees about diversity, that different people

<https://assignbuster.com/managing-an-overseas-branch-office-management-essay/>

would act differently for the same circumstances, and respect would be the key to work together.

### **Suggestions to Management:**

Educating and exposing employees to company culture

lead employees into appreciating the nature and wildlife

HR policies should be sensitive in addressing cultural differences

HR should educate employees about diversity

### **Coordination between Corporate Office and Overseas Office**

As the HK Office Manager has identified, clear instructions from corporate office to overseas office would be essential for managers to communicate directions to employees. These would include long and short time objectives and goals, HRM initiatives as well as CSR commitments. Objectives and goals could assist employees recognize their value, have a target to look forward to, knowing what they are doing is making a difference, and would be contributing to the sustainable growth of the company.

The current Employee Handbook is written for US outfitters, the Director of Human has commented that the company will follow the same HR practices for overseas outfitters where the policies are not otherwise dictated by local laws or customs. Of course ideally there should be a customized local version as the office grows, it would be the best if employees can be involved with setting the policy so that what they are looking for could be considered and included too.

Whereas for CSR commitments, bear in mind that employees nowadays not only look for the salary, but also if they are working for a responsible employer with greater corporate disclosure[1]. With the cultural differences, it would not be surprising to see different expected CSR initiatives between US and overseas employees, and therefore staff involvement would be crucial to make sure HR is working on the focused areas when drafting the CSR commitments for overseas offices.

It is important to keep your HRM initiatives and CSR commitments alive in your corporate communications on a regular basis. Very often employees of overseas offices would have a feeling that they are being neglected being far away. Semi-annual or even seasonal meetings with the corporate HR department could pull everybody together so that employees will get to hear first-hand updates and HR can hear about comments to policies and procedures. Either somebody from the corporate office visits the overseas office regularly, or the video conferencing system could be utilized, as face to face meetings create warmer atmospheres.

Also whenever anybody from the senior management team visits the overseas office, make sure they schedule an hour to meet with the whole office and update them with what is happening at the corporate office, how is the business for the last quarter, new management level changes, exciting new store opening announcements, comments from US team to the work from the overseas team, etc., could be great information for the employees. Other than that, sharing corporate presentations, keeping employees updated through company announcements and regular newsletters are the

instruments necessary to keep employees energized about the organization's socially responsible initiatives.

### **Suggestions to Management:**

there should be a customized local version of the Employee Handbook with employee involvement

when drafting CSR commitments for overseas offices take into account employees' needs too

regular meetings with the HR department from the corporate office

keep employees updated whenever senior management team visits the overseas office

### **Good communication within Teams**

Although emails would do for day to day routine communications, weekly departmental or whole office face to face meetings would also be a good way for the team to sit together and go through the agendas and projects to see if there are obstacles and any help could be provided. It would also be a good time for the HR manager to announce anything related to the office well-being, such as new medical care plans, job duties assigned, or new regulations imposed by the corporate office etc. Currently there is a lack of these weekly meetings in the Cabela's HK office for the office manager to know if there are any concerns with work, although the office manager usually keeps an open door policy, it would still be beneficial to start so that employees will feel warmer with the closer communications and a feeling

that they are well taken care of with their job security and career progression[2].

Managers should also not be locked up in their room the whole day but to walk out and talk to the team more, through these day to day communications would the manager be able to know how employees have been working hard to gain the trust and advance on the targets. Managers could also be able to establish a loving environment and let the employees feel a sense of belonging through additional interactions. Whenever the office manager needs to make a big decision he should ask the employees for advises so that they feel respected and a better sense of confidence.

Sometimes interdepartmental task forces would be created for special tasks, these groups could have members from both US team and overseas team. To ensure better communication web conferences on a regular basis could enhance the communication and grow the bond between the teams, as well as eliminating misunderstanding through email communications too.

### **Suggestions to Management:**

More face to face meetings should be arranged between Office manager and all employees

Manager should check with employees for comments before making major decisions

Web conferences should be utilized for tasks forces to communicate with the US team



## **The Role of HR Manager**

Talents that are well suited into a company's culture are hard to find but are the greatest asset any company can possess. In order to obtain and retain these talents, HR would need to make sure the company brand is well managed to attract talents, and competitive packages, rewards and incentives are offered to retain talents.

Employees nowadays would also be looking forward to involvements in giving back to the society, the HR manager could send surveys and discuss with the staff what employee volunteering would they prefer, and work with social enterprises to arrange volunteer projects. At times of major disasters the company can setup donation boxes and send love to organizations that uses the money most wisely. Also working with employees to preserve the environment by switching off lights behind, printing less, and avoiding non-reusable utensils could help too.

Other than daily administration work, the HR Manager should also periodically hold workshops with employees to go through employee handbook and code of conducts and make sure everybody understands their rights and obligations.

Employees also work happier in an environment without discrimination, one that promotes a diversity workforce and inclusion in the workplace. HR in US has recently employed a Senior Diversity Manager, whom would be planning events for diversity and inclusion. The HR manager could take the initiative and work with the diversity manager to create diversity programs specially catered for overseas office, especially with a big cultural difference in HK.

## **Suggestions to Management:**

HR manager should hold workshops to go through employees' rights and obligations

HR should make sure company brand is well managed to attract talents

HR should ensure there are competitive packages, rewards and incentives to retain talents

Staff volunteering should be arranged for employees to give back to society

HR should work with Diversity manager to promote diversity and inclusion in overseas offices

## **Staff Involvement**

Employees nowadays look for working with a good and responsible company that they have pride working for, and not only for a stable income. Many CSR initiatives fail as a result of the lack of employees' involvement and failure to embed the socially responsible values into organizational culture. Before policies are imposed, HR can set up a review committee to ensure staff involvement and to collect comments of what the employees actually want. In this way they will be more involved in the process and will actively follow up, thus internalizing corporate culture. Also try to get the staff involved as much as possible with every project that involves multiple parties, they will feel respected by their contribution and the knowledge they possess, higher morale leading to better results.

Whenever employees take pride in their work strengthen employee identity, making them the brand ambassador. Although there are no retail stores in Asia, this brand ambassador will work with vendors and factories as well to be sending positive message to partners and ensuring them mutually benefits by working with Cabela's.

Although taxidermies are mounted to make the office more "Cabela's", it's still difficult to feel the nature-loving culture with from overseas offices. To further enhance staff involvement management should send employees to the corporate office at their first year so that they can feel the passion of corporate employees towards outdoor living, going out to the fields to inhale the scent of nature, and stepping into the retail stores and be greeted by the outfitters, would they feel how enthusiastic customers would feel when they step into a Cabela's store and feel the sense of belonging. When the employee return, HR should also encourage them to share their experiences so that other teammates could feel the same too.

With this sense of involvement, whenever employees identify risks at the factory they would know where to report so that the company can work on risk management remedies immediately, reducing the possibility of destroyed reputation if sweatshop factories being identified, child labor found, etc. Employees that are less involved might simply pretend not seeing the risks and give a pass to the factory audits in order to do less.

### **Suggestions to Management:**

HR can set up review committee to ensure staff involvement in setting up of CSR policies

send employees to the corporate office at least once

when the employee returns arrange for experience sharing

encourage staff involvement so that risks would be identified and reported

## **Fair Employment Practices and Leveraging Diversity**

In job posted for openings in the corporate office, it will quote Cabela's as an "Equal Opportunity Employer (EOE)" [3], this is not included in the job ads from the HK office and should be added to make sure eligible candidates know that the company is a responsible employer. The ads will also list the workplace as inclusive, embracing diverse background, life experiences and perspectives. This will be very important to send a message to candidates that this is the company that they would love to work for.

From within, HR has to be living up with the promises and be fair with the selection, interview and recruitment process for new employees, not discriminating candidates with race, religion, color, sex, national origin, age, disability, genetic information, sexual orientation, gender identity, etc.

As the employee handbook clearly wrote, "Cabela's is committed to improve the quality of life within our community." To be a fair employer all benefits should not be withheld for certain employees as well, therefore benefits including vacations, medical insurance, dental coverage, employee insurance, provident funds, etc should have the same treatment as US colleagues. As the Director of Human Resources has mentioned that "The entire area of compensation and benefits must of course be administered based upon international differences. We do need to be aware of any

differences by culture or customs.” This fairness will also be enhanced when the group gains more awareness with diversity program being carried out both in US in overseas offices.

By leveraging diversity, a company should respect and relate to people from varied backgrounds, see diversity as an opportunity, creating an environment where diverse people thrive, challenge bias and intolerance, and understand diverse worldviews and are sensitive to group differences. Cabela’s has a moral and ethical commitment, as well as a legal responsibility, to promote equal opportunity within all operating units.

Overseas offices should make sure employees understand their rights to be treated equally, if there is unlawful and discriminatory treatment, they should inform supervisor or HR manager immediately, and if they are the source of the problem, employees can utilize the Cabela’s anonymous In-Touch Hotline to report concerns. HR should re-communicating this information to employees periodically.

Corporate HR has been doing a good job last year with the Diversity week, arranging a diversity photo competition and inviting all employees to submit photos related to the Cabela’s Core values. By taking part in the game employees go through self-evaluation to think what is important in their work that relates to the core values, thus promoting CSR initiatives from within. Management should be encouraging overseas employees to participate in living the company culture.

## **Suggestions to Management:**

Job postings in HK should include Cabela's as an " Equal Opportunity Employer (EOE)

HR should be fair with the recruitment process for new employees

make sure benefits provided to overseas team match with the corporate office

make sure employees understand their rights to be treated equally

encourage employees to participate in diversity competitions

## **Recruitment, Retention, Redundancy and Performance Appraisal**

Many successful CEOs had identified the most important measure of corporate success and main business objectives as hiring and retaining of talents over profitability[4], and treating the talented workforce as the most valuable asset, as Cabela's CEO has also stated that the right talents are often hard to find but are the greatest asset any company can possess.

Employer branding is essential with attracting talents, recruiting the right person at the right time, retaining them and as a result, strengthening the employer brand.[5] Good CSR initiatives will attract good employees as candidates will look at a company's CSR policy before they apply. Employees that look for a responsible employer would at the same time be more committed in helping with improving the CSR policies after they have joined.

With fair employment in mind, HR should be selecting, interviewing and recruiting new talents with an aim to attain a diversity workforce. Job advertisements should be posted in the main career newspapers and websites, as well as sending to agencies to recruit the best candidates available. For management posts head hunters could be utilized to capture the experienced. It is very important that we have leaders in place to manage the staff that understands the importance of the company's core values and treating everyone with respect, honesty, and integrity.

Once talents have been obtained, the orientation programme for newly recruited employees should be designed in a manner that corporate philosophies will be well communicated, with CSR being highlighted. It would take a new person weeks or months to understand a company's culture by himself, so a thorough introduction would be beneficial, and managerial positions should be sent to the corporate office as soon as possible to learn the culture too. Good CSR leads to improved staff retention and better motivated and innovative staff and thus improving work performance and profitability of the company, therefore making sure employees are aware of the efforts done in CSR would help in building faith and trust with employees.

Employees have a lower morale when there are other individuals not performing up to standard or have a comparatively smaller workload. HR would need to work with the manager to give him more responsibilities, or consider this as redundancy and let him go. Carefully handling this case could make sure a positive impact on the morale of other employees Given replacement costs is 100% to 250% of annual compensation, HR should

investigate if this person is having a work life imbalance or not that result in lower performance and use the 3Rs to try and fix it.

Current performance appraisals have been done annually, but to effectively manage and retain the talents, this should be done every 6 months to make sure employees are on track with their yearly planning and expectations.

Senior managers can have a CSR bonusable goal, while employees could set personal CSR objectives to be reflected in their annual performance reviews.

In Chinese society appreciation and incentives is a big push to better performance, if possible, mid and end of year bonuses could be motivations to better performances.

### **Suggestions to Management:**

make sure the employer brand is established to attract and retain talents

recruitment process should be fair and aiming at a diversity workforce

orientation programmes should communicate corporate philosophies with CSR highlighted

Investigate if an employee has become redundant and try to remedy before letting go.

Performance appraisals should be done mid-year as well

HR should assist employees in setting personal CSR goals

Bonuses as incentives could better motivate employees



## **Leadership Development and Mentor program**

Employees nowadays not only look for career advancement, but also how would the company assist them to step up to the next level, therefore leadership development and mentor programs are common staff requests.

Cabela's CEO Mr. Tommy Millner has picked 24 managers from all locations to attend his "From the Field Leadership" trainings, which he would be talking about his own experience on various topics, through interesting work experience sharing, managers could learn to be a good leader and how to handle different situations. More of these leadership courses should be held through the "Cabela's University", an online Learning Management System where courses are provided for various topics from policies explanation to how to be a good leader. HR should encourage overseas employees to attend as many courses so as to better equip themselves.

The "Women in Leadership" council will also be working on mentor programs to train up potential women into higher positions. HR should work with the WIL council to make sure these programs will consider overseas employees as well.

### **Suggestions to Management:**

HR should encourage staff to attend training classes on Cabela's University

Make sure the Woman in Leadership program consider mentorship in overseas offices

## **Staff Engagement and Development**

For employees to be more engaged in work and the company, one of the easiest ways is to make them satisfied and happy with their work and with their supervisors[6].

People tend to be happier when they feel the trust. The first office manager of the Cabela's HK office has returned to US after 7 years, upon re-joining the US team one of his responsibilities is to educate US team about the role and connection the HK team had played in the business, and how important it is to include the HK team when making important decisions. With involvement of more big projects, the overseas teams could all be more engaged.

The management should also persuade directors to further empower the overseas team, like moving Quality Assurance and Sourcing to HK as the team is closer to the factories and suppliers. With each individual's vast knowledge of the industry and environment and also with the common language, work would be done more effectively and employees would love to be trusted by corporate office.

As for staff development, internally, management should encourage employees in utilizing the Cabela's University for courses such as leadership, communication, process management, etc. to equip staff with the necessary skills and be more confident at work.

Cabela's also has a "Tuition Reimbursement Program" where job related courses could have tuition fee reimbursed. Management should encourage employees to look for further education to increase their industrial

knowledge, stay ahead of the trend, and to be more professional in their work.

### **Suggestions to Management:**

Management should encourage US to get overseas team involved in projects.

Further empowering the overseas office could increase staff engagement

Encourage more internal training through the Cabela's University

Encourage employees to attend external trainings and further education.

### **Managing Work Life Balance**

Making sure employees has a balance between work and life is a very important task for the Human Resources team. Using the 3Rs, HR professionals should be able to easily recognize if an employee has too much stress at work or from life that has affected their performance. Once issues were identified they will also need to remedy or report it.

In the US employees can enjoy a very flexible working hour system, they can shift their work given that they work 40 hours a week. Some prefer to start earlier at 6am and leave earlier by 3pm to fetch their kids from school. Some might need to take care of personal matters on Fridays, and therefore work a 10-hour per day schedule for 4 days only. This should be applied to the overseas office as well, where if employees prefer to stay late at night, they can go to work slightly later as well. This has traditionally been not accepted by the older generation managers since they look for punctuality, however

flexibility is very important as well, if shifting work schedule slightly and start working at 9: 30am could enable employees to take their kids to school they would be more happy with their managers.

Too much overtime could be due to slow performance, but could also be due to too much work and understaffing. Managers should evaluate each employee's workload and check if extra staffing will be necessary. Of course to be keeping a smaller team could save extra headcounts, however if employees are working late into the night, the next day they will come in with a lack of sleep and the possibility of incorrect calculations and human input errors would increase. If the manager could remedy the situation by increasing staff for the same amount of work, employees can leave work earlier, enjoy their own personal life, and come back with a fresh mind, increasing productivity and result in happier employees too.

### **Suggestions to Management:**

Be flexible with working hours

HR should assist employees reach a Work Life balance by recognizing stress.

Make sure the teams are not understaffed to avoid excessive overtime.

### **Managers and the Generation Y team**

Among the 4 managers in the Cabela's HK office, only one of them is from the Generation Y and at least 2 of the managers are still using the traditional way of managing their team.

Generation Y employees are more diverse, achievement oriented, attention craving, confidence, collaborative. In order to keep them interested in their work, managers should periodically check with the team if they are satisfied with their current work, and if they have any suggestions to changes, the job nature, the way projects are handled, the way information is gathered, etc., anything that they could find challenges in, manager should evaluate and give it a try. Managers should also ask employees if there are any courses that they'd like to take to enrich their knowledge. In this way the employees will feel they are being respected with their ideas and needs and the manager has been an open minded one that they can continue to work for.

Keeping the Gen Y employees busy is another key to managing them.

Manager should be setting short to long term goals and targets with employees that are feasible and mutually agreed upon. New projects and challenges could keep the employees challenged and prevent them from feeling bored too.

Another characteristic of Gen Y employees is they prefer to work anytime anywhere, this would require a change of mindset to traditional managers, but as long as they can deliver their work managers should give them the flexibility. Bear in mind that they are accustomed to multitasking, managers might see a surprising better result with the change!

Newer generation employees like to be acknowledged, managers should be holding team meetings for them to share achievements, and everybody should be encouraged to praise good work done. This creates a sense of belonging to the company and further boost productivity.

## **Suggestions to Management:**

Managers should be educated the characteristics of Gen Y employees

Keep the Gen Y employees busy and entertained.

Praise good work from the employees.

## **1.4 – Conclusion**

The key to better manage an office is always, trust, respect and communicate. Managers that understand what the employees want and act upon them, know how to keep them happy, be innovative with providing little benefits, have CSR initiatives in mind, keeping the employees entertained, competitive and educated, assist with preparing for the next step, etc., could be good managers.

To manage an overseas office will be very similar, add the ability to handle cultural differences and be able to communication well between parties, employees will stay happy and loyal. Think, decide and act, and managers would have a devoted workforce that drives better performance and profitability.

**(4992 words)**

## **2a – Question 1 – Business Case for Diversity and Inclusion within Cabela's**

Established since 1961 in the farmlands of Western Nebraska, Cabela's has a large workforce of mostly white people at the corporate office, with male dominance in some departments a