

# Main challenge in international staffing

Life



ADRIEN KARCHER EIM4 UB1 International Human Resources Management

2nd Assignment : Describe the main challenges in International Staffing. Ever since the globalization began, companies became more aware of the competitive environments they operate in. It is obvious that a competitive advantage such as technology, resources and quality can be imitated. It's the people that a company employs that makes the difference. Making the right selection and most efficient use of it will surely provide the advantage needed.

In this assignment, we will define in a first part the four main approaches to staffing within International Human Resource Management and what are the advantages and disadvantages of each approach to international management. In a second part we will speak about recruitment and selection of the staff in foreign subsidiaries. Heenan and Perlmutter identified approaches to manage foreign subsidiaries which are, ethnocentric, polycentric, geocentric and regiocentric.

In this part we will examine the connection between these approaches and staffing practices as well as the advantages and disadvantages of these different approaches. The first approach is called ethnocentric. Employees from headquarters base it on the occupation of a key position. It is assumed that expatriates can manage subsidiaries more efficiently. This is because expatriates are more informed about the company's goals and objectives, strategies compared to the local managers. This method is used when expanding globally and there is need of good communication, cooperation and control of activities.

Consequently, PCNs are assigned to top management positions who implement strategic decisions coming from headquarters. Hence, the selection of expatriates will depend on the technical knowledge required or the type of international expansion a company is planning. The ethnocentric approach provides the parent company with more control, which is vital when expanding to a new country. Therefore, expatriates are seen as more able than host country nationals. The polycentric approach will opt for HCNs manager in their subsidiary even if PCNs occupy key positions at corporate headquarters. It's a multinational approach, there is continuity in management of foreign subsidiaries, language barriers can be eliminated and for MNEs still less expensive to hire locals than expatriates. All these elements represent advantages of this approach. But, there are disadvantages for firms and local employees, which have restricted career opportunity outside the subsidiary. With the geocentric approach, MNEs try to find the best people for key positions regardless of nationality. The mix of PCNs, TCNs and HCNs maintains the international team.

That's why HR department play an important role in the international staffing however taking into account staff availability, time and cost constraints, host government requirements and ineffective HRM policies. It's a Global approach in which one each part makes a unique contribution with its unique competence. So now, let see the regiocentric approach which is similar than the geocentric approach but much more nationally focused, the staff may move outside their countries but within the particular geographic region.

It's on the way between ethnocentric or polycentric approach to a geocentric approach. Challenges for MNEs are to work with all of these different characteristics and find the most appropriate approach according to their policy. They have to take in consideration, the context specificities, the company specificities and the local unit specificities as well as IHRM practices. All these factors affect staffing choices, which represent a real challenge in international staffing.

Recruitment and selection of staff for international assignments is a considerable challenge because it's an important and crucial factor of the international expansion for MNEs. They need to find the right people to make position and particularly key managers. In fact, a selection error can lead to an expatriate contract failure and correspond to a return to home before the period of assignment is completed, then it could have long-term negative consequences in term of subsidiary performance.

Several factors have to be taken into account in the failure of international assignment: the inability for expatriates to adjust to the foreign culture, the family concerns, career concerns, security concerns, the length of assignment etc. They represent a critical IHRM issues in international staffing, so the challenge is to find the right people which are consistent with all the factors of expatriate selection.

Selection criteria are family requirements, technical ability, the cultural requirements, the language and the MNEs requirements. Mendenhall and Ouddou have proposed a four-dimensional approach that attempts to link specific behavioural tendencies to overseas performance. We see these days appear another constraint for companies : the dual-career couples who are

<https://assignbuster.com/main-challenge-in-international-staffing/>

now considered as a barrier to staff mobility and it's why the MNEs techniques are now utilized to surmount this constraint.

To conclude, and according all the facts defined in this assignment, Recruitment and selection of staff still criticals because the future employees have to gather the maximum of criteria which correspond to the MNEs standards and expectations particularly in international assignments. The International staffing is a complex process in which many criteria have to be taken into consideration in order to achieve the best international assignments in the way to insure a sustaining international business operations for MNEs.