

# International human resources assignment



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International Human resources on the other hand, is concerned primarily and mainly with the global management of human resources. It is the activities behind attracting, sourcing and effectively managing human resources in a multinational organization. In this assignment, the author will be acting as a consultant to aid the CEO of Soon Airport Mr... Bernard Kara, who is searching for an advice regarding the expansion of the airport. The author will be discussing several International human resources issues, where the theory will be presented first, followed by its application to the case study. 2.

### Recruitment and selection of employees for international assignments

Recruitment is explained as looking for and acquiring Job candidates in ample numbers and quality so that the company could nominate the most suited individuals to fulfill its Job requirements. On the other hand, selection is the activities of collecting information in the aim of assessing and determining the individual to be employed in a specific Job (Gomes). The staffing mindsets include, ethnocentric, polytechnic, recognition and geocentric. 1 . Ethnocentric: It is best suited for multinational companies that are selecting managers from a parent country national.

Important decisions are carried out at headquarters and the autonomy of foreign subsidiaries is at a minimum. Following this approach, technology professionals and senior management normally would all be parent country nationals and the room for promotions of host country nationals to WHQL is tight (Perimeter, 1969). Usually, an ethnocentric staffing policy is best suited in cases where, (1) recognized lack of competent Hess, (2) required to sustain a universal corporate culture among all subsidiaries, (3) more loyalty and control of Hess and (4) key decisions are central.

On the other hand, the challenges that such policy approach poses include, (a) denied promotional possibilities for Hess, (b) expatriate managers may not be able to adapt to local situations early and easily and (c) they are frequently poorly trained to face for such assignments and as such the 2. Polytechnics: signifies that NC pursues to acculturate to the local cultural demands of subsidiaries. The management policy would be directed towards meeting local needs, the service or product is customized according to the consumer's taste.

Under polytechnics, staffing activities foreign to the home country are handled by people from the HCI. Polytechnics offers several key advantages to the adopter, these include (1) cost efficiency, (2) provides a level of empowerment and freedom in decision making to subsidiary heads, and (3) subsidiaries are better equipped to adjust to the local tastes and needs. On the negative side, (a) it is easy to lose control over subsidiaries, (b) and local managers would not have the advantage to be exposed to overseas markets (Sweatshop 2007). 3.

Recognition: shares many similarities with polytechnics including benefits and limitations as Sweatshop (2007) explains, however the key difference is that polytechnic organizations acquire IHRM functions to countries whereas recognition to regions. 4. Geocentric: It is characterized by having subsidiary activities managed by the best qualified people, despite their nationality. The merit of the applicant is the only criterion to the selection process (Sweatshop 2007). Soon Airport could be categorized as having an ethnocentric mindset.

Since it is a small airport where most of its operations happens locally; moreover, decisions are centralized and Mr... Kara handles all strategic and financial decisions. As such, adopting an ethnocentric staffing would be a natural selection to the airport. 3. 0 Types of international employees A crucial element to the expansion of the airport is to understand the various types of international employees. PC (parent country nationals) is when the nationality of employees is the same as that of the headquarters of the international airport.

The benefits of having PC employees for the airport would be the familiarity with the airport's goals, policies and objectives, managerial and technical competence and effective communication and liaison with the airport's personnel and greater control over the subsidiary activities. On the other side, PC face challenges to adapt to the foreign language ND PESTLE environment. In addition to that, PC are expensive for the airport as they require adequate training and care throughout their international assignment.

HCI (host country nationals) is when the nationality of employees is the same as that of the local subsidiary. The benefits of having HCI to the airport would be the familiarity with the PESTLE environment and with business ethics of the host country, it is more cost cost effective in comparison with PC and ETC, higher motivation subsidiary and their effective response to the host country demand for localization of the of the subsidiary activities.

On the negative side, it is more challenging to have effective control over the subsidiary activities and communication challenges between the the

subsidiary and home office employees. ETC (Third country nationals) is when the nationality of the employee is different to that of the local subsidiary or of the headquarters. It offers the airport the best compromise between obtaining effective managerial and technical competencies and adapting to a foreign cultural and socioeconomic environment. Moreover, ETC have an advantage over PC in being less expensive and better informed about the host environment.

Since the author has recommended the airport in the previous section to adopt the ethnocentric approach, then, as previously explained, it is only normal that the airport's natural selection for its international employees would be Parent Country Nationals. 4. 0 Expatriate roles and characteristics of expatriate managers It is adequately recognized that in the aim for an expatriate to be effective he/she must have the capacity to blend with the foreign environment and be technically competent.

The expatriate must possess factors such as his/her family situation, exercise and diet habits, emotional intelligence and a learning orientation that would foster and enable him/her to complete his international assignment with success (April & Migrant 2007). The airport could have several motives behind sending an expatriate abroad, Dowling and Welch (2004) elaborates some of them, including, (1) agent of solicitation, (2) network builder, (3) Agent of direct control and (4) boundary spanners.

The airport could send the expert as an agent of solicitation, he/she understands and is accustomed with the “ beliefs and values” of the parent company. Downlink and Welch (2004) describes the transfer of beliefs and

values as solicitation. Expects could be sent as “ network builders”, International assignments are regarded as a mean of generating interpersonal linkages that could be utilized for communication and informal control purposes. An expatriate working as a network builder will have information that are of worth to the airport.

Expect is sent as an “ agent of of direct control” if the airport is interested in obtaining an overview and control over the host organization. As such, the utility of the expect under this notion old be understood as a bureaucratic control process since the main function is to certify consent through direct supervision. Expects sent as “ boundary spanners” must perform activities that include collecting data that bridge external and internal organizational contexts.

The expert’s role in the foreign country is to advocate the airport to a great level but additionally, to gather host country data. The expects additionally have the possibility to collect markets intelligence for the parent company. Role of communication facilities between the headquarters and the subsidiary, owing o their capability to talk the corporate language in addition to the local one Sweatshop (2007). 5. Expatriate failures Expatriate failure is explained as the premature homecoming of an expect; in other words, it is when an expect returns home before finishing the assignment (Dowling & Welch, 2004). In this part of the assignment, the author will be explaining the various expatriate failures. Dalton and Wilson (1998) note based on a magazine report by HRS Magazine (1997) that 45 percent of expects discontinue their assignment prematurely.

Reasons for that include incompetence to conform to the foreign culture, the duration of the assignment could be unbearably long, the willingness to move, work related factors and psychological contact to the home Job environment (Muddied 2012). In addition to that, a large number of selection decisions are rooted merely on the employee's functional or technical proficiency in the local role; moreover insufficient preparation and training for families to adapt to the new environment, new language and new culture are all factors for expatriate failures (Dalton & Wilson 1998).

Another important reason for expatriate failures is low levels of salary contentment (Hamlin 989); in fact, 77 percent of expatriates are significantly discontent with their compensation framework (Black et al. 1992). It is important for Mr.. Kara to clearly understand the common expatriate failures so that preventive measures could be implemented. As Harming and Recursively (2004) explains, the costs of expatriate failure could well overpass above a simple calculation, such as his/her salary, training and relocation expenses.

These costs could include additionally, indirect expenses such as an adverse effect to the morale of local staff, negative impact to customer relationship and relationships with host overspent officials. Expatriate failures could also prove to be a traumatic experience for the her/his family and affect her/his performance in the future. 6. 0 Repatriation issues Hurt (1999) explains that repatriation is the activities of reentry the person's home country following an extensive period of time living abroad.

The airport's managers and expatriates should not assume that adapting to their own country is facile; as the literature suggest, for a great number of them, readjusting to their home is more challenging than adjusting to a foreign culture (Strop et al. 1998; Adler 1981). In this part of the thesis, the author will be elaborating various repatriation issues that the airport should be aware of, these issues are partitioned into two categories, social factors and Job related factors.

Social factors, according to Welch et al. (1992) include considerations such as the family needs to readjust to the home social values, culture and norms. For instance, adjusting to a different educational system could prove challenging for the children and the wife may face certain difficulties in finding work. In addition to that, Ihram (2010) elaborates that rebuilding social networks could be difficult as they have relocated and are not free anymore for social activities.

Social factors Job related factors include career anxiety and work adjustment issues. Career anxiety could start before the repatriation takes place, the expatriate's anxiety could stem out of fear that the phase abroad has yielded in isolation and loss of visibility to the parent company; upon repatriation, the individual could realize that these anxieties have materialized. Moreover, managers could discover that the organizational structure has changed, and face challenges in accepting this situation (Septa & Apothecary 2007).

Working adjustment issues include as Ihram (2010) discuss " Devaluing the international experience"; in other words, career fear is intensified with the individual's international encounter. In addition to that, if the interpretation



of the manager about her/his function in the domestic country is different to the top management's expectation, the former feels vexed. Another work adjustment issue is the fear of losing monetary reward and status for international managers (Septa & Apothecary 2007). 7. Cross Cultural Training “ Cross-cultural adaptation is a complex process in which a person becomes capable of functioning effectively in a culture other than the one he or she was originally socialized in” (Hagglers 2005). The airport should establish a cross cultural system on the ground of helping expatriates feel comfortable working and living in a foreign country; as such, promoting their cross cultural adaptation and nourishing their capacity to appreciate and understand various cultural perspectives.

There exists various ACT approaches that the airport could follow, these include (1) the cognitive approach, (2) the affective approach, (3) the experiential approach and (4) the language training. 1) the cognitive approaches fundamental presumption is that knowledge will promote empathy and in turn altering behavior in a manner to promote intercultural correlation. In other words, this approach is concerned with the study of skills or knowledge from a theoretical perspective (Campbell 1969; Maidenhead et al. 1987). 2) the affective approach is concerned with the teaching of skills or information through methods that promote affective reactions on trainee's part, which stems in cultural awareness. (3) the experiential approach is a ACT method that furnish practical scenarios or simulations to the trainee, “ learn by doing” est.. Describes this approach. Methods used under this type of training include field simulations,

assessment centre, intercultural workshops, role-playing and look-see visits (Little & Salsas, 2005; Kelley & Protégée 1996; Morris & Robe, 2001).

The final ACT approach discussed in this assignment is (4) the language training. Dowling and Ashamedly (1998) states that ACT should be complemented by foreign language exercise since acquiring the language of the host country is crucial to successful working and living in that culture. The author recommends the airport to adopt the experiential approach and language already familiar with “ learning by doing” since most Jobs cannot be academically thought, rather are trained and tailored to the specific requirement of the airport. Therefore it would be a more natural to adopt the experiential approach. . 0 International management development The main challenges of management development according to Disked and Hoecakes (2001) is to manage and control the learning procedure of managers, emphasizing on personal development, career affluence or/and attaining organizational goals. The development of employees could be understood as a particular dimension of human resource management that incorporates planned arsenal training, career development and training and organization development. International human resource development managers at the airport are responsible for: 1 .

Development and training of personnel situated in foreign subsidiaries. 2. Particularities training to develop expatriate for international assignments 3. To advance a particular group of international minded managers. There exists two manners to conduct the transfer and creation of IHRAM development systems: 1 . Decentralized: Training occurs in the foreign country, based on a polytechnic approach. Under a decentralized training, <https://assignbuster.com/international-human-resrouces-assignment/>

the cultural background of the trainee and trainer are normally the same. Natives establish training techniques and materials for usage in their own field. . Centralized: Training derives at the parent company and the company's trainers move to subsidiaries; as such, it follows an ethnocentric approach. The author recommends the airport to incorporate a centralized training program, since its aim is to generate awareness around the the airport and the Villas region (Trend, 2001; Armstrong 1996). It is important for the airport managers to understand the most effective learning method for trainees for a successful training. Cultural factors have a significant influence on training methods in various locations around the world.

The airport should consider for example, in North America, the relationship between the trainees and the trainer is inclined towards equality since the power distance is small; however, in certain Asian countries, the trainer has much more respect since the power distance is large (Trend, 2001; Armstrong 1996). If the airport wants to retain its global competitiveness it is crucial to establish a team of managers with an international perspective. The airport must locate managers with international abilities and offer them different development and training options.

The airport could do so by offering international assignments, working on cross national projects and teams, and learning other cultures and languages all promote a manager to be more internationally focused (Trend, 2001; Armstrong 1996). 9. 0 International compensation management monetary value and other benefits to employees in exchange for their work and service". The airport could introduce compensation for various purposes including, recruit and retain qualified employees, reward and promote <https://assignbuster.com/international-human-resources-assignment/>

superior performance, promote or sustain satisfaction/moral, attain external and internal equity lower turnover and promote loyalty to the airport.

Muddied (2012) further argues that international compensation is more arduous than its host counterpart. The airport's international human resources managers should always fine tune their compensation package relative to the personnel mix and country of work; as such, they need to have an extensive scope of knowledge regarding taxation and employment rules, currency fluctuation, legislations and customs in multiple country and the consequences of inflation on compensation and acknowledging different particular allowances for expats operating in different foreign subsidiaries.

The airport must diligently assess and realize the various international compensation management objectives. The airport's compensation policy must be compatible with the company-wide organizational structure, strategy and business needs of the airport. In addition to that, the policy must function to entice and retain talents on the international perspective and it should enable the relocation of international employees in the most cost effective manner. The airport should consider several elements while establishing an international compensation.

The base salary represents the foundation ground of a bundle of all allowances and foreign service is another component which represents a salary benefit inducement for the expatriate to undertake an external assignment. In addition to that, the airport must consider the mobility allowances which include the cost of living abroad, relocation allowances, home leave allowances and spouse assistance allowances (compensate the

loss of work of the expert's wife). The final component that the airport should consider are the benefits such as medical coverage and pension plans. 0. 0

International performance management International performance management is defined as a strategic human resources process that offers the airport to assess and constantly ameliorate corporate unit and personal performance against well outlined, pre-set objectives that are exactly connected to the airport's international strategy (Downlink et al. 1999). IMP is a cycle characterized by five phases, setting performance objectives, measuring development, feedback of results, rewards connected to developments, and adjustments to activities and objectives (Doyle 2004).

The airport should be aware of various variables that could impact the performance of expatriates; the compensation package is the perceived career progression assignment. Another variable is the headquarters support that goes beyond the tangible rewards in-line with the compensation package offered by the airport. The host environment is another variable which includes political, economic, social, technological and legal factors that could affect the performance of the expatriate.

The last variable is the cultural adjustment of the individual and his/her family. The author recommends the airport to incorporate the 360 degrees performance appraisal system. As Lutheran (2007) explains, it is a process that offers managers different ratings from multiple inputs. These inputs includes managers, peers, direct reports and in certain cases even customers. The 360 tool measures perceptions over six scales or dimensions: cultural fit, leadership effectiveness, confidence/efficacy, technical competence, interpersonal skills and management skills.

Questionnaire constitute the main aspect of the 360 feedback tool, Marker and Tarpaulin (1996) explain that many of them are handled electronically, these software provide all facets of the process from questionnaires completion to feedback reports to be created and sent electronically. One such system that the airport is recommended to use is the 360 (wry. Dollar's. Com). The frequency of assessment should happen once every six months and As a final activity in expatriate performance management, the airport should compensate the performance of the expatriate. 1. 0

Conclusion In this assignment, the author has elaborated the importance of understanding the international human resources dimension for the airport for a successful expansion. Sending an expert on an international assignment is a challenging undertaking. The process begins by having a clear understanding of the staffing approach and the type of employees that would support that mindset. The airport could hedge itself from failures by thoroughly assessing the role and risks associated with expatriates and upon their repatriation.

It could hedge itself through an extensive experiential cross cultural training program, utilizing the 360 performance appraisal model and an adequate development program.