Chapter 14

International HR: Locally Sensitive, Globally Aware

Guidance Note For Students

The activities that follow are designed to be used with *An Introduction to HRM: An Integrated Approach*. Read chapter fourteen, which provides both the answers in easy to follow sections and guidance on other areas of the book that can help you with your studies.

Learning Outcomes

After reading and completing the activities in this chapter you should be able to:

1. **Appreciate the opportunities and limitations of HR initiatives across national/ cultural boundaries.**
2. **Evaluate the influence of cultural diversity in international relations.**
3. **Recognise the value of HR initiatives within the context of a changing international environment.**
4. **Critically evaluate the contemporary debate on the influence of globalisation on organisational behaviour and reputations.**
5. **Develop** *'cultural sensitivity'.* **Understand and apply the attitudes, knowledge and skills, which enhance success in global organisational management.**
6. **Appreciate the place of HR in influencing strategic organisational global policy.**
7. **Design a HR training programme for employees sent on international assignments, for both exit and re-entry to their home organisation.**

Can You Tell Me All The Answers Please?

In common with the vast majority of students, you want to do really well in your study programme. There are grades to attain and employers to impress…

You may like to believe that there are perfect answers that can give you perfect grades. Indeed, if this were an elementary mathematics handbook you would be correct. However, with people simple sums do not always produce neat solutions.

So, can I reassure you that I do not have all the answers to everything, and neither does anyone else! What I would encourage you to do is engage in discussions with your fellow students, read different writers ideas and listen to your lecturers. Your lecturers have invested many hours, years in doing what you are setting out to do so they are excellent guides to help you succeed. Learn to think for yourself and integrate ideas across disciplines and subject areas. Think outside the boxes.

Guidance Note For Students

Primary research can be really exciting! Do you disagree? Perhaps you have approached research in the wrong way. Re-read the research methodology sections of Chapter 11. If you do this you will recognise that research, real HR research is about finding out what is happening to people and organisations. Remember, what one person tells you is real to that person and no more or less important than what other employees report. If what different employees tell you contradicts – great! Think about why they have different viewpoints and what such disagreements might mean to the functioning of the organisation.

In the case below the organisation appears to be focused on cost cutting by transferring work to lower employment cost areas of the world. As with any strategic HR intervention there are likely to be benefits and disadvantages.

Think about what these might be for the case below and then discuss the questions.

When The Job Goes Abroad

This HRM in action case is based on primary research (see chapter 11 for research methods) on employment practice within an international company. The names have been altered to protect the identity of the organisation and employees/ current and former.

Peter, a London based IT specialist, regarded his job as secure. Information technology is a skilled job and professionals like Peter with several years' industry experience can usually command a high salary. He worked for an international 'communications organisation' as an IT specialist and had been with the company for several years. Peter began to hear rumours of an efficiency improvements programme where there might be some staff reductions. However, as a well-qualified, professional working with leading edge technology, Peter felt little concern for his own position. After all, if there were going to be staff cuts then the organisation would be even more dependent upon technology to manage the business. Peter was therefore surprised when he learned that one of the casualties of the new efficiency plan was the IT department. Peter's team was earmarked for redundancy. The IT operation was to be moved abroad where willing and well qualified IT employees would work for much lower rates of pay, than UK based employees. In fact the new IT department would be based in Kuala Lumpur. Although the efficiency planners had identified a potential wages saving, it soon became apparent that the new employees needed more training and development to deliver the company's IT requirements than they originally anticipated. The senior management therefore belatedly approached Peter and offered him a generous financial package, if he agreed to go to Kuala Lumpur to assist in training the new IT team. The assignment seemed intriguing and a useful addition to his CV, so Peter agreed to do the work. In fact he enjoyed the new, if temporary role, as an IT trainer. He found the new

team pleasant to work with and kept in contact with them after he returned to the UK. Peter did however have reservations about the extent to which it was possible to teach the new team all the intricacies of the company's systems, which he had learned over years in such a short space of time. However, the new IT team were keen to learn. With a well-designed longer-term training programme they could become proficient. This would mean that a continuing development programme would need to be put in place. However, it was unclear how such on-going support might be delivered given that the company's UK expertise in IT, the organisation's 'corporate memory' had all been made redundant. The initial promise of the new team, who had successfully completed their initial training with Peter, encouraged the company that even greater cost reductions were possible. So before the team could begin to demand more remuneration commensurate with their improving performance, the company began looking for their replacements in another, lower cost area of the world. Peter's concerns regarding quality standards were disregarded.

Discussion Questions

- Discuss the advantages and disadvantages of relocating departments to low wage areas of the globe.
- 'Corporate memory' describes an employee's long-term knowledge of their organisation. This includes interpersonal contacts with internal and external stakeholders, knowledge of processes and practices. Why is corporate memory difficult to replace and costly to lose?
- Why is cross-cultural team working attitudes, knowledge and skills likely to enhance employability in the twenty-first century?
- Discuss the advantages and disadvantages of Off-shore outsourcing.

- Why do you think lack of on-gong training for a new off-shore team could be a false economy?

Guidance Note For Students

This activity provides you with an opportunity to examine some of the very real issues surrounding international placements and assignments. If you approach this activity as if it were a 'real assignment' where you are sending a real person on an international assignment it will help you to understand how important the preparation and on-going support will be to a successful outcome.

Group Activity:

Designing An International Induction Programme and Presentations

The activity encourages interactive research including academic literature, the Internet and the preparation of a training programme supported by a presentation. The activity can be competed by either an individual student or a team. There are advantages to designing the activity as a team exercise as this more closely replicates real working situations. There are also benefits in selecting team members from a range of nationalities so the experience of completing the assignment also provides experiential learning, working with international diversity. I am grateful to Rupert Leathes, retired senior lecturer in HRM of Bournemouth University, who designed the original model for this activity. It has since been adapted and modified (continuous development is also good pedagogical practice). However, the main learning outcomes for students have continued to be particularly useful in heightening cultural awareness and team working.

The activity may be delivered as either a group/ individual presentation and group/ individual briefing paper. I have been involved in team teaching and examining this kind of exercise with colleagues at Bournemouth University where our post-graduate international business students have enjoyed, working in teams, thinking about foreign assignments and presentations.

Design an international induction programme for a manager (who is/ will be working in **one** of the following areas:

- Sales / marketing, finance, general administration or production management.

You may select their assignment to be with any **one** of the following:

A multinational company

A voluntary organisation

A governmental department.

- The organisation selected **must** be real. This creates a realistic HR scenario.

- The organisation selected may not, necessarily, currently have a presence in the country to which the employee is relocating.

Remember to include information on the country to which the employee is being placed including main language spoken, local customs, working conditions, practices, religion and climatic environment.

Recommended programme scheme

It is helpful to include the following headings:

Pre departure planning

Arrival induction

Continuing support

Returning to home country

Pre-return

Post return

Chapter Summary

In this final chapter of the book we have studied those principals of HR, which provide an underpinning of support to international organisational activities. There are both opportunities and limitations to what HR initiatives can achieve across national/ cultural boundaries and so the development of employee inter cultural sensitivity through the recognition of cultural diversity can contribute to successful international performance.

By reading this chapter you should have become more aware of how globalisation can influence the behaviour and reputation of organisations. Furthermore, you should be able to understand and apply the attitudes, knowledge and skills, which enhance success in global organisational management. I also trust that the exercises and particularly the HR training programme for employees sent on international assignments has stimulated further research and discussion into the practicalities of international HR management.

Guidance Note For Students

The references are a useful guide to seek out other sources for background reading and ideas for your course work. Universities and colleges expect you to read more than just the set text. Although HRM An Integrated Approach provides a complete course for you, it is important to recognise that there are many other opinions, ideas on HR and management in general. In your assignments and activities you will be expected to refer to a range of literature. Go to you Learning Resources Centre and read/ view academic literature and expand your knowledge of HR and Management.

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End notes to lecturers and students…

Integrated HR is about working within all the rich diversity of organisational life. This book is designed to address real world HR management situations. The reality is that sometimes you are going to find work situations difficult, frustrating and even personally upsetting.

Designing HR initiatives that can help to bring out the best from the people you work with requires a range of attitudes, knowledge and skills that encourage people to develop to their full potential. Not withstanding your best efforts, you are also going to meet people who are selfish, self centred and difficult to work with. Sometimes colleagues will obstruct you and even your best efforts will not prevail. Even so, HR can help us to understand situations and in many cases, improve the workplace. Try to learn what you can from each situation.

Use what you have learnt in this book as a guide to help you in your studies and work situations. Integrated HR focuses upon the implementation of strategic plans and direction, which is useful to for-profit, not-for-profit, voluntary, or in public sector organizations.

Enjoy your studies and look forward to a career in management. Remember: To learn, is to change.

Michael L. Nieto

Personal Notes On Chapter 14

Notes for seminars

Notes for revision/ reminders

Learning and revision

After reading this book:

My key Development areas: