IRP 312

MULTINATIONAL HUMAN RESOURCE MANAGEMENT

Introduction of Human Resource Management (HRM) and IHRM

IHRM is set of organizational activities aimed at effectively managing and directing human resources/labour towards achieving organizational goals. Typical functions performed by HRM staff would be recruitment, selection, training and development, performance appraisal, dismissal, managing promotions and so on.

Then what is International Human Resource Management (IHRM)? IHRM can be defined as set of activities aimed managing organizational human resources at international level to achieve organizational objectives and achieve competitive advantage over competitors at national and international level. IHRM includes typical HRM functions such as recruitment, selection, training and development, performance appraisal and dismissal done at international level and additional activities such as global skills management, expatriate management and so on. In simple terms, IHRM is concerned about managing human resources at Multinational Companies (MNC) and it involves managing 3 types of employees namely,

1. Home country employees- Employees belonging to home country of the firm where the corporate head quarter is situated.

2. Host country employees- Employees belonging to the nation in which the subsidiary is situated.

3. Third country employees- These are the employees who are not from home country/host country but are employed at subsidiary or corporate head quarters. As an example a American MNC which has a subsidiary at India may employ a French person as the CEO to the subsidiary. The Frenchman employed is a third country employee.

Basics of International Human resource management

International Human resource management is the process of procuring allocating and effectively utilizing the human resources in a multinational corporation. While HR Managers in these organization have to integrate HR policies and practices across a number of subsidiaries spread in several countries so that the organization goals can be achieve at the same time they have to make these policies and practices sufficiently flexible to allow significant differences in these policies in different countries. International HRM is concerned with identifying and understanding how the MNC's manage their geographically dispersed workforce in order to leverage their HR resources for obtaining local as well as global competitive advantage.

Definition of IHRM Boxall, P. (1992) defined International Human Resource Management (IHRM) as 'concerned with the human resource problems of multinational firms in foreign subsidiaries (such as expatriate management) or more broadly, with the unfolding HRM issues that are associated with the various stages of the internationalisation process. (Boxhall, P. 1992). Mark Mendenhall (2000) sought to be more specific by outlining a number of criteria relevant to a definition of IHRM. IHRM is concerned with HRM issues that cross national boundaries or are conducted in locations other than the home country headquarters. IHRM is concerned with the relationships between the HRM activities of organisations and the foreign environments in which the organisations operate. IHRM includes comparative HRM studies; e.g. differences in how companies in Japan, Thailand, Austria and Switzerland plan for upgrading of employee skills and so on.

Importance of IHRM

The importance of international human resource management is getting increase everyday as we have globalisation and internationalisation over the world. As a result, numbers of the

multinational companies are getting increase. According to Brewster et al. (2007), the multinational companies are increasing and there is economic dominance as 80% of the industrial output for the world is produce by the world's 1,000 largest companies. Brewster et al. (2007) also mentioned that as the number of multinational company increases, global transferring is increasing such as sending works between team members of the company across the globe. In addition, through this trend diversity is increasing within the organisation and the multiculturalism must be carefully considered by the organisation to utilise its human resources effectively in their organisation. The one of crucial role of human resource manager is developing effective human resource management policies and practices for organisation such as recruitment, reward, training, development, flexibility, work-life balance, employee relations and communications (Brewster et al, 2007). However, these policies and practices can be varied between national cultures. Rosenzweig and Nohria (1994) argued 'that HR is the area of management most likely to be subject to national differences' (Cited in Brewster et al, 2007). In these days, many large companies are trying to expand the company from their own country of origin to all over the world. These multinational companies are all facing same issues, which are developing policies and practices for the human resource management in their subsidiary overseas operations. A senior human resource manager of a multinational company in the Great Britain, will be discussed the main factors which will be considered while developing policies and practices for subsidiary in Latin America and also differences of policies and practices between the UK and the Latin America subsidiary operations.

Human Resource Management Features

Human Resource Management is a process of bringing people and organizations together so that the goals of each are met. The various features of HRM include:

It is pervasive in nature as it is present in all enterprises.

Its focus is on results rather than on rules.

It tries to help employees develop their potential fully.

It encourages employees to give their best to the organization.

It is all about people at work, both as individuals and groups.

It tries to put people on assigned jobs in order to produce good results.

It helps an organization meet its goals in the future by providing for competent and well motivated employees.

It tries to build and maintain cordial relations between people working at various levels in the organization.

It is a multi-disciplinary activity, utilizing knowledge and inputs drawn from psychology, economics, etc.

International Human Resource Management: Nature and Scope

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The scope of HRM

1. Personnel aspect-This is concerned with manpower planning, recruitment , placement, transfer, promotion, training and development , selection, layoff and retrenchment, remuneration, incentives, productivity etc. lunch

2. Welfare aspect-It deals with working conditions and amenities such as canteens, crouches, rest rooms, housing , transport , medical assistance, education , health recreation facilities, etc. and safety,

3. Industrial relations aspect-This covers union-management relations, joint consultation, collective bargaining, grievance and disciplinary procedures, settlement of disputes, etc.

Functions of IHRM Globalization, the process of integrating a business's operations and strategies across a wide array of cultures, products and ideas, is having an impact on the role of human resource managers. Once concerned with the impact of local issues on employees, human resources must now consider the effects of workforce diversity, legal restrictions and the interdependence between training and professional development on the organization. As such, the five main functions of global human resource management are vital concepts to the strategic operation of a business. Recruitment Attracting, hiring and retaining a skilled workforce is perhaps the most basic of the human resources functions. There are several elements to this task

including developing a job description, interviewing candidates, making offers and negotiating salaries and benefits. Companies that recognize the value of their people place a significant amount of stock in the recruitment function of HR. There is good reason for this -- having a solid team of employees can raise the company's profile, help it to achieve profitability and keep it running effectively and efficiently.

Training; Even when an organization hires skilled employees, there is normally some level of on-the-job training that the human resources department is responsible for providing. This is because every organization performs tasks in a slightly different way. One company might use computer software differently from another, or it may have a different timekeeping method. Whatever the specific processes of the organization, human resources has a main function in providing this training to the staff. The training function is amplified when the organization is running global operations in a number of different locations. Having streamlined processes across those locations makes communication and the sharing of resources a much more manageable task.

Professional Development Closely related to training is HR's function in professional development. But whereas training needs are centered around the organization's processes and procedures, professional development is about providing employees with opportunities for growth and education on an individual basis. Many human resource departments offer professional development opportunities to their employees by sponsoring them to visit conferences, external skills training days or trade shows. The result is a win-win: it helps the employee feel like she is a vital and cared-for part of the team and the organization benefits from the employee's added skill set and motivation. Benefits and Compensation While the management of benefits and compensation is a given for human resources, the globalization of

companies in the twenty-first century has meant that HR must now adapt to new ways of providing benefits to an organization's employees. Non-traditional benefits such as flexible working hours, paternity leave, extended vacation time and telecommuting are ways to motivate existing employees and to attract and retain new skilled employees. Balancing compensation and benefits for the organization's workforce is an important HR function because it requires a sensitivity to the wants and needs of a diverse group of people. Ensuring Legal Compliance

The final function of human resource management is perhaps the least glamorous but arguably of utmost importance. **Ensuring legal compliance** with labor and tax law is a vital part of ensuring the organization's continued existence. The federal government as well as the state and local government where the business operates impose mandates on companies regarding the working hours of employees, tax allowances, required break times and working hours, minimum wage amounts and policies on discrimination. Being aware of these laws and policies and working to keep the organization completely legal at all times is an essential role of human resources.

Differences between domestic HRM and International HRM (IHRM) are summarized below: Domestic HRM is done at national level and IHRM is done at international level. Domestic HRM is concerned with managing employees belonging to one nation and IHRM is concerned with managing employees belonging to many nations (Home country, host country and third country employees) Domestic HRM is concerned with managing limited number of HRM activities at national level and IHRM has concerned with managing additional activities such as expatriate management. Domestic HRM is less complicated due to less influence from the external environment. IHRM is very complicated as it is affected heavily by external factors such as cultural differences and institutional factors.

IHRM and Training and Development Training and development increases in complexity as MNEs move abroad. Types of training and development depend on a number of factors: The degree to which management is centralized. The types of workers employed in subsidiaries or joint ventures. The importance of branding and the extent to which employees are expected to reflect the brand. The cultural expectations of training. In a global company, the training may well be centralised so that suppliers, employees and distributors are aware of the brand image that needs to be communicated. E.g. in Ford training programmes are set up centrally, and then translated and delivered to all main suppliers, subsidiaries and distributors. If, however, a more polycentric approach is taken, then the training may well be far more local, and more in line with the local culture.

International Human resource management Performance management Performance management (PM) is a very important process of human resource management (HRM), in general. It implies an assessment of current or previous results or performance of the employee, team or the whole organization. It is a base for many business practices related to HRM: the need for staff training, new recruitment, career development, rewarding, etc. A wide literature sources emphasized that PM is a complex process, especially when the global market is in the scope of the research.

International Human Resource Management Compensation, Compensation Management with a simple question: "What is compensation?" In very simple terms, compensation is the results or rewards that the employees receive in return for their work. Compensation includes payments like bonuses, profit sharing, overtime pay, recognition rewards and sales commission, etc. Compensation can also include non-monetary perks like a company-paid car, company-paid housing and stock opportunities. Compensation is a vital part of human resource management,

which helps in encouraging the employees and improving organizational effectiveness. From a manager's point of view, the compensation package offered by a company's to employees is essential not only because it costs money but because it is likely to be the primary reason the employees work for the firm.

Compensation packages with good pay and advantages can help attract and retain the best employees. A quick survey of employees about compensation is likely to expose an expectation that wages are fair and cover basic living expenses, keep up with inflation, leave some money for savings (perhaps for retirement) and leisure, increment over time. A company's compensation scheme also informs a great deal about the firm's values and cultures. Employees often look at what a company pays rather than what it says. In many aspects, people behave as they are rewarded. A compensation scheme projects what the company expects of its employees. For example, if quality is an essential value, then it should be implemented through some element of the total compensation system. International Human resource management Employee relations Human resource management and employment relations are at the heart of any modern organisation.

Human Resource Management and Employment Relations major focuses on understanding people and relationships at work – what makes organisations work, what motivates employees, and what the future of work could be. You explore how employees, employers, government and trade unions shape people's experience of work and the outcomes from work. Choose from a wide range of papers to tailor your study to your interests.

The relationship between strategic human resource management and organisational performance, inequalities in work and organisations, and ways to build inclusiveness in organisational life.

Employment regulation issues, negotiation and conflict management, strategic career management; and work related injuries and illness, and how to prevent them.

Approaches to international policy across countries Human resource policies are the formal rules and guidelines that businesses put in place to hire, train, assess, and reward the members of their workforce. These policies, when organized and disseminated in an easily used form, can serve to preempt many misunderstandings between employees and employers about their rights and obligations in the business place. It is tempting, as a new small business owner, to focus on the concerns of the business at hand, and put off the task of writing up a human resource policy. All business analysts and employment lawyers will advise a new business owner to get a policy down on paper, even if it is a simple one drafted from a boilerplate model. Having policies written is important so that it is clear to all what the policies are and that they are applied consistently and fairly across the organization. Moreover, when issues concerning employee rights and company policies come before federal and state courts, it is standard practice to assume that the company's human resource policies, whether written or verbal, are a part of an employment contract between the employee and the company. Without clearly written policies, the company is at a disadvantage. Small businesses—and especially business startups cannot afford to fritter away valuable time and resources on drawn-out policy disputes or potentially expensive lawsuits. Having a human resource policy in place from the start can help to avoid this situation. The business owner who takes the time to establish sound, comprehensive human resource policies will be far better equipped to succeed over the long run than the business owner who deals with each policy decision as it erupts. The latter ad hoc style is much more likely to produce inconsistent, uninformed, and legally questionable decisions that may cripple an otherwise prosperous business. For as many small business consultants state, human resource

policies that are inconsistently applied or based on faulty or incomplete data will almost inevitably result in declines in worker morale, deterioration in employee loyalty, and increased vulnerability to legal penalties. To help ensure that personnel management policies are applied fairly, business owners and consultants alike recommend that small business enterprises produce and maintain a written record of its HR policies and of instances in which those policies came into play. **International Recruitment and selection** process while recruiting people for international operations, the international HR managers must identify the global competitiveness of the potential applicants at the time of the recruiting process. It is essential that the workforce of an international organization is aware of the nuances of international business. Understandably, the company must keep international knowledge and experience as criteria in the recruitment and selection process. Besides, the international HR department must have a fairly good idea about the skills and availability of human resources in different labour markets in the world. The HR department must have the capacity to foresee the changes in these markets and exploit those changes productively. A truly international HR department would insist on hiring people from all over the world and place them throughout the international business operations of the organization.

Approaches to Recruitment in IHRM Though the general aim of any recruitment policy is to select the right people for the right task at the right time, the HR department of international companies may adopt one of the following three specific approaches available for recruiting employees for global operations.

Ethnocentric approach; When a company follows the strategy of choosing only from the citizens of the parent country to work in host nations, it is called an ethnocentric approach. Normally, higher-level foreign positions are filled with expatriate employees from the parent

country. The general rationale behind the ethnocentric approach is that the staff from the parent country would represent the interests of the headquarters effectively and link well with the parent country. The recruitment process in this method involves four stages: self-selection, creating a candidate pool, technical skills assessment, and making a mutual decision. Self-selection involves the decision by the employee about his future course of action in the international arena. In the next stage, the employee database is prepared according to the manpower requirement of the company for international operations. Then the database is analysed for choosing the best and most suitable persons for global assignments and this process is called technical skills assessment. Finally, the best candidate is identified for foreign assignment and sent abroad with his consent. The ethnocentric approach places natives of the home country of a business in key positions at home and abroad. In this example, the U.S. parent company places natives from the United States in key positions in both the United States and Mexico.

Polycentric approach When a company adopts the strategy of limiting recruitment to the nationals of the host country (local people), it is called a polycentric approach. The purpose of adopting this approach is to reduce the cost of foreign operations gradually. Even those organizations which initially adopt the ethnocentric approach may eventually switch over lo the polycentric approach. The primary purpose of handing over the management to the local people is to ensure that the company understands the local market conditions, political scenario, cultural and legal requirements better. The companies that adopt this method normally have a localized HR department, which manages the human resources of the company in that country. Many international companies operating their branches in advanced countries like Britain and Japan predominantly adopt this approach for recruiting executives lo manage the branches." The polycenlric approach uses natives of the host country to manage operations in their country and

natives of the parent country to manage in the home office. In this example, the Australian parent company uses natives of India to manage operations at the Indian subsidiary. Natives of Australia manage the home office.

Geocentric approach; When a company adopts the strategy of recruiting the most suitable persons for the positions available in it, irrespective of their nationalities, it is called a geocentric approach. Companies that are truly global in nature adopt this approach since it utilizes a globally integrated business strategy. Since the HR operations are constrained by several factors like political and ethnical factors and government laws, it is difficult to adopt this approach. However, large international companies generally adopt the geocentric strategy with considerable success. For international recruitment, especially on foreign soil, organizations generally use manpower agencies or consultants with international connections and repute to source candidates, in addition to the conventional sources. For an effective utilization of the internal source of recruitment, global companies need to develop an internal database of employees and an effective tracking system to identify the most suitable persons for global postings. The geocentric approach uses Ihe best available managers for a business without regard for their country of origin. In this example, the UK parent company uses natives of many countries at company headquarters and at the U.S. subsidiary.

Regiocentric Approach; Company's international business is divided into international geographic regions. The regiocentric approach uses managers from various countries within the geographic regions of business. Although the managers operate relatively independently in the region, they are not normally moved to the company headquarters. The regiocentric approach is adaptable to the company and product strategies. When regional expertise is needed, natives of the region are hired. If product knowledge is crucial, then parent country nationals, who have

ready access to corporate sources of information, can be brought in. One shortcoming of the regiocentric approach is that managers from the region may not understand the view of the managers at headquarters. Also, corporate headquarters may not employ enough managers with international experience.

The regiocentric approach places managers from various countries within geographic regions of a business. In this example, the U.S. parent company uses natives of the United States at company headquarters. Natives of European countries are used to manage the Italian subsidiary. International Selection process Even though cultural differences influence the selection procedure to some extent, organizations tend to follow similar criteria and methods worldwide. This is due to the fact that the end objective of any selection process is to choose the most capable persons for the job. The selection criteria for international jobs usually revolve around the five core areas of behaviour, attitudes, skills, motivation and personality. More specifically, the focus of selection for international operations normally includes cultural adaptability, strong communication skills, technical competence, professional or technical expertise, global experience, country-specific experience, interpersonal skills, language skills, and family flexibility. Employers around the world usually rank personal interviews, technical competency and work experience in similar jobs as highly developed technical skills, important good language and communication skills, tolerance towards other culture, race, creed, colour, habits, and values high level of motivation, stress resistance, goal-oriented behaviour, criteria for selection Finally, at the time of selection for international assignments, an organization should consider the previous overseas experience, family circumstances and cultural adaptability level of the candidates aspiring forth global job.

Expatriate Selection Process The results of the interviews indicate that the majority of the respondents (87%) still placed extreme importance on the technical competence of their expatriates, with (47%) acknowledging personality traits, relational abilities and motivational state to be highly important criteria. Overall, the participating companies considered the family situation as moderately important, language skills as somewhat unimportant and prior expatriate experience as moderately unimportant. Therefore, the value of language skills and prior overseas experience was dismissed by respondents as relatively unimportant in the area of selection. However, it was noted that previous overseas experience reduced the need for orientation. Responses from the interviews suggest that technical expertise and domestic track record are by far the two most dominant selection criteria of these participating firms.

Factors such as language skills and international adaptability are of decreased significance. However, it is important to note that almost half of the respondents did place a high emphasis on the cultural and adaptability demands of offshore assignments. These results show that there is a growing recognition of the importance of human relational abilities. In fact, several respondents also acknowledged the greater impact of cross-national assignments on spouse and family than on expatriates. With regards to the importance of family situation, the majority of the respondents still regarded family situation as only moderately important in the selection criterion. However, several respondents did acknowledge that the family situation was often responsible for the expatriate's inability to function effectively in a foreign environment. Pre-departure Training In terms of pre-departure training for expatriate assignments, the interviewees noted that although they consider training as essential, the high costs associated with expatriation reduced their capacity to provide formal training for expatriation. Respondents tended to believe that 'Training is important, but the cost benefit must be considered' (interviewee 6).

Generally, most of the participants indicated that the level of pre-departure training provided depended very much on the cost and the benefit obtained from running such programs (interviewees 4, 15). As a result, they (i.e., interviewees 1, 4, 15) tend to rely on indirect forms of training, such as notes for guidance and the provision of an internet information web-site. These respondents also noted that their companies considered other forms of preparation to be more cost effective. These preparatory initiatives included 'flying the employee and family over to location to check out if they would like to stay' (interviewee 3). The relevance of briefings and shadowing of current incumbents was also highlighted by the respondents. Indeed, these were more frequent practices than the provision of formal training programs. Interviewee four indicated that this company used the 'immersion approach' to a limited extent for some countries where expatriates must be fluent in language.

In situation, they provide extensive training. This respondent added that the expertise of the expatriate also determines the type of training. For example, engineers and scientists would not receive the immersion approach, whilst sales and marketing would need this more intensive training. According to these respondents, certain jobs (e.g., marketing) require greater interpersonal relationship with host country nationals. In contrast, Tung (1988a) indicated it depends on other factor such as length of stay and degree of engagement. Most study participants agreed that the degree of expected interaction and similarity between the home and host cultures would predict the use of the cross-cultural training method by their employee and his/her family (interviewees 3, 8, 10). Interviewee two noted that training would be provided for all family members for countries that are culturally different. Some of the respondents (interviewees 3, 5) recognised that all families who could not speak the language would feel isolated, and, therefore, the language survival briefing should also include the wife and children of the expatriate. On the

whole, most companies recognised the need for pre-departure training for their expatriate and family, but the extent and coverage are driven by the cost considerations. This primarily resulted in the adoption of less intensive training.

Repatriation The study results show that the majority (87%) of the participating firms provided a specific length of posting (average of 3 years). None of the identified companies' offered return incentive payments. The majority (87%) of the firms offered their expatriates a mutually acceptable position on their return from an assignment. Notably a large number (87%) of these companies did not provide any re-entry training for their returned expatriates, but did provide shipment of goods (87%), and relocation benefits (67%). The majority of the interviewees indicated that their companies provided repatriation programs but not in a formalised form. Six of the companies (40%) promoted more than half of their expatriates on their return home. In terms of higher responsibility without promotion for their repatriates, only five companies offered their returned expatriates with such a position. These expatriates were only a small minority of the total sample.

Moreover, generally, all companies reassigned their returned expatriates to a comparable or mutually acceptable position. Furthermore, it was acknowledged by eight respondents that in their firms (53%) nearly ten percent of returning expatriates left the company within six months of their return homecoming. The repatriation programs explored in this study consisted of ten effective strategies cited in the literature as facilitating expatriates' return to their home country (Black 1992, Fieldman & Thomas 1992, Frazee 1997, Allen & Alvarez 1998). Overall, the results indicated that the majority of companies provided no separate organisational unit for their repatriates, no facilitator to identify expatriate new knowledge, no event to welcome expatriate

and family home, no post assignment interview, and no career-counselling workshop for expatriate and family.

Majority of the companies admitted to the occasional use of a mentorship program, relocation benefits and the utilisation of repatriates as trainers. However, most companies did provide the shipment of personal goods and a HR service to support the career tracking of their expatriates. Many of the study respondents acknowledged the lack of adoption of the ten strategic repatriation programs explored in the research and stated that the reasons were due to cost, and were unaware of the existence of these repatriation programs. Some of the other respondents reported that the repatriation programs they offered were not formalised as a policy, but carried out as an ad hoc practice. It must be noted that when asked, the majority of these companies acknowledged that the spouse and the family readjustment were given little attention. The results of this study suggest that companies fail to plan for the repatriation of their expatriates.

Premature Return; Premature return refers to the return of expatriates before the completion of their international assignment due to several reasons: poor performance, job dissatisfaction, cultural shock and family dissatisfaction (Harvey 1985, McDonald 1993). The non-completion of the international assignment necessitates the replacement of the expatriate (Bird & Dunbar 1991). Consequently, the expatriate failure is costly and results in a crisis for the multinational corporation. The results of the study showed that the majority (67%) of the respondents admitted that up to five per cent of their expatriates returned prematurely from their assignments, six percent acknowledged ten percent expatriate failure and 13 percent of the participating firms confirm that 25 percent of their expatriates return prematurely. A high proportion of the participating firms indicated that their expatriates generally return home for family reasons or

personal reasons (interviewees 4, 6, 8). Family situation was suggested as playing the critical role in the premature return of expatriates.

This was particularly noted by one respondent (interviewee 3) who reported that his company had conducted in depth studies on the adjustment of their expatriates' wives in a foreign environment because of the frequency of these expatriates themselves. Failed Repatriation - Turnover Intention More than half the respondents acknowledged that ten per cent of their expatriates are likely to leave the organisation within six months after their return from their overseas assignments. Some of the reasons cited for leaving included family reasons and feelings of loss of autonomy and authority, loss of career direction and promotional opportunities, and a feeling that the company undervalues their international experience. In terms of promotion for returned expatriates, six of the respondents indicated that nearly half of their returned expatriates were promoted to a senior post and 47 per cent of the respondents acknowledged that half of their returned expatriates were given a comparable position. Over 50 per cent of the participating organisations provided their returned expatriates with expanded responsibilities, without recognition of formal promotion.

Differences in HR practices between UK and USA

Two countries separated by a common language', is an often used quote to describe the differences between the UK and the USA! The quote serves as a reminder that whilst we are very much culturally alike and we approach business in very similar ways there are often some important variations within the how. When setting up a company in the USA it is even more vital to get your HR right from the beginning as it often prevents a lot of problems occurring further down the line. Managing complex HR problems locally is difficult enough but over time zones,

often by phone is a major headache that you can do without! **Some Key Differences in UK and US HR Practices**

The tables below illustrate a couple of key differences in UK and US employment practices. In the UK it is common practice to provide a new hire a contract of employment, an often lengthy legal document that the employee needs to sign. In the US employment is considered ‗At Will'. In this case the employer and employee can terminate the relationship at any time and without cause. A contract is usually only used for Senior Executive levels. A contract is rarely referred to in the US hiring process. What is key is having an up to date HR handbook, which covers your HR policies and processes that is legally compliant in the USA.

Statutory Time vs Paid Time Off

Another major difference is employee benefits. For example in the UK there is the NHS, which offers free health cover. The US does not have this level of cover so benefits become a large component of an attractive offer for a new employee. It is important to seek specialist help in developing your offer for prospective employees. These examples serve to illustrate that things are not straight forward when setting up your company in the USA, however with the right advice it is easy to avoid common pitfalls and enable you to focus on the major goals of your business and not be distracted by unnecessary HR issues. By comparing the HRM practices in Indian and European MNE subsidiaries located in four of the Southern African Development Community countries,

This paper tests the relevance of the country-of-origin effect and analyses the strength of institutional and firm-level influences. Examining data from 865 MNE subsidiaries obtained from the World Bank enterprise survey data, the paper finds that Indian MNEs have higher labour costs in relation to total sales than their European counterparts, that Indian MNEs make

more use of temporary labour than their European counterparts, that Indian MNEs invest in less training than their European counterparts. No support is found for the hypothesis that Indian MNEs have a lower ratio of skilled workers in comparison to European-owned subsidiaries. The study shows that country-of origin effects are weakened if they are not consistent with host country ideology and that as economies evolve so too do their expectations of HR policy and practices.

International Human Resource Activities:

International human resource activities include major operative human resource functions such as procurement, which involves human resource planning and induction. The second major activity is allocation; it involves the plan for using human resources among various subsidiaries or projects. Effective utilization of human resources is the third human resource activity and helps in maximizing the skills and efficiency of the human resources and productivity. The activities of international human resource activities cover all the major activities like HR planning, recruitment, selection, orientation, placement, training & development, remuneration, and performance evaluation.

International environment and components of compensation

The components of expatriate compensation vary with the domestic compensation standards, so the organizations need to fulfill various requirements of the expatriates while hiring. Companies need to provide housing allowance, travel allowance, education allowance for expatriates children, relocation allowance, cost of living adjustment packages, and currency differential packages, etc.,

Position Description: The Human Resources Manager guides and manages the overall provision of Human Resources services, policies, and programs for a company within a small to mid-sized

company, or a portion of the Human Resources function within a large company. The major areas the Human Resources Manager manages can include: recruiting and staffing; organizational departmental planning; performance management and improvement systems; organization development; employment and compliance to regulatory concerns regarding employees; employee on boarding, development, needs assessment, and training; policy development and documentation; employee relations; company-wide committee facilitation; company employee and community communication; compensation and benefits administration; employee safety, welfare, wellness and health; charitable giving; and employee services and counseling.

The Human Resources Manager

Originates and leads Human Resources practices and objectives that will provide an employee-oriented; high-performance culture that emphasizes empowerment, quality, productivity, and standards; goal attainment, and the recruitment and ongoing development of a superior workforce. The Human Resources Manager is responsible for the development of processes and metrics that support the achievement of the organization's business goals. The Human Resources Manager coordinates the implementation of people-related services, policies, and programs through Human Resources staff; reports to the CEO; and assists and advises company managers about Human Resources issues.

Primary Objectives of the Human Resources Manager: Health and safety of the workforce. Development of a superior workforce, Development of the Human Resources department, Development of an employee-oriented, company culture that emphasizes quality, continuous

improvement, key employee retention and development, and high performance. Personal ongoing development, Responsibilities of the Human Resources Manager Depending on the organization, the Human Resources Manager may or may not have responsibility for community relations, philanthropic giving, company community sports team and event sponsoring, space planning, benefits review, and administration. Depending upon the needs of the organization, such responsibilities may be carried out by the finance department, facilities department, marketing and public relations, and / or administration. No matter which department bears the leadership responsibility for the function, the Human Resources manager is closely involved in decisions, implementation, and review. Thus, responsibilities of the Human Resources manager may include the following. Development of the Human Resources Department Oversees the implementation of Human Resources programs through Human Resources staff. Identifies opportunities for improvement and resolves problems. Oversees and manages the work of reporting Human Resources staff. Encourages the ongoing development of the Human Resources staff, Develops and monitors an annual budget that includes Human Resources services, employee recognition, sports teams and community events support, company philanthropic giving, and benefits administration. Selects and supervises Human Resources consultants, attorneys, and training specialists, and coordinates company use of insurance brokers, insurance carriers, pension administrators, and other outside sources.

Conducts a continuing study of all Human Resources policies, programs and practices to keep management informed of new developments. Leads the development of department goals, objectives, and systems. Provides leadership for Human Resources strategic planning. Establishes HR departmental measurements that support the accomplishment of the company's strategic goals. Manages the preparation and maintenance of such reports as are necessary to

carry out the functions of the department. Prepares periodic reports for management, as necessary or requested to track strategic goal accomplishment. Develops and administers programs, procedures, and guidelines to help align the workforce with the strategic goals of the company. Participates in executive, management, and company staff meetings and attends other meetings and seminars.   With the CEO, CFO, and community relations group, plans the company's philanthropic and charitable giving.

Human Resources Information Systems (HRIS)

Manages the development and maintenance of the Human Resources sections of the company website, particularly recruiting, culture, and company information; and the employee Intranet, wikis, newsletters, and so forth. Utilizes the HRIS system to eliminate administrative tasks, empower employees, and meet the other needs of the organization. Training and Development Coordinates all Human Resources training programs, and assigns the authority / responsibility of Human Resources and managers within those programs. Provides necessary education and materials to managers and employees including workshops, manuals, employee handbooks, and standardized reports. Leads the implementation of the performance management system that includes performance development plans (PDPs) and employee development programs. Establishes an in-house employee training system that addresses company training needs including training needs assessment, new employee on boarding or orientation, management development,

Production cross-training, the measurement of training impact, and training transfers. Assists managers with the selection and contracting of external training programs and consultants. Assists with the development of and monitors the spending of the corporate training budget.

Maintains employee training records. Employment Establishes and leads the standard recruiting and hiring practices and procedures necessary to recruit and hire a superior workforce. Interviews management and executive position candidates; serves as part of the interview team for position finalists. Chairs any employee selection committees or meetings. Employee Relations Formulates and recommends Human Resources policies and objectives for the company on any topic associated with employee relations and employee rights. Partners with management to communicate Human Resources policies, procedures, programs, and laws. Determines and recommends employee relations practices necessary to establish a positive employer-employee relationship and promote a high level of employee morale and motivation. Conducts satisfaction and employee engagement. periodic surveys to measure employee Coaches and trains managers in their communication, feedback,

Recognition, and interaction responsibilities with the employees who report to them. Conducts investigations when employee complaints or concerns are brought forth. Monitors and advises managers and supervisors in the progressive discipline system of the company. Monitors the implementation of a performance improvement process with non-performing employees. Reviews, guides, and approves management recommendations for employment terminations. Leads the implementation of company safety and health programs. Monitors the tracking of OSHA-required data. Reviews employee appeals through the company complaint procedure. Compensation establishes the company wage and salary structure, pay policies, and oversees the variable pay systems within the company including bonuses and raises. Leads competitive market research to establish pay practices and pay bands that help to recruit and retain superior staff.

Monitors all pay practices and systems for effectiveness and cost containment. Leads participation in at least one salary survey per year, Monitors best practices in compensation and benefits through research and up-to-date information on available products. Benefits With the assistance of the CFO, obtains cost effective, employee serving benefits; monitors national benefits environment for options and cost savings. Leads the development of benefit orientations and other benefits training for employees and their families. Recommends changes in benefits offered, especially new benefits aimed at employee satisfaction and retention. Law Leads company compliance with all existing governmental and labor legal and government reporting requirements including any related to the Equal Employment Opportunity (EEO), the Americans With Disabilities Act (ADA), the Family and Medical Leave Act, Employee Retirement Income Security Act (ERISA), the Department of Labor, worker compensation, the Occupational Safety and Health Administration (OSHA), and so forth.

Maintains minimal company exposure to lawsuits. Directs the preparation of information requested or required for compliance with laws. Approves all information submitted. Serves as the primary contact with the company employment law attorney and outside government agencies. Protects the interests of employees and the company in accordance with company Human Resources policies and governmental laws and regulations. Minimizes risk. Organization Development Designs, directs and manages a company-wide process of organization development that addresses issues such as succession planning, superior workforce development, key employee retention, organization design, and change management. Manages employee communication and feedback through such avenues as company meetings, suggestion programs, employee satisfaction surveys, newsletters, employee focus groups, one-on-one meetings, and

Intranet use. Manages a process of organizational planning that evaluates company structure, job design, and personnel forecasting throughout the company.

Evaluates plans and changes to plans. Makes recommendations to executive management. Identifies and monitors the organization's culture so that it supports the attainment of the company's goals and promotes employee satisfaction. Participates in a process of organization development to plan, communicate, and integrate the results of strategic planning throughout the organization. Manages the company-wide committees including the wellness, training, environmental health and safety, activity, and culture and communications committees. Keeps the CEO and the executive team informed of significant problems that jeopardize the achievement of company goals, and those that are not being addressed adequately at the line management level.

The Human Resources Manager assumes other responsibilities as assigned by the CEO. This job description has been designed to indicate the general nature and level of work performed by jobholders within this role of Human Resources Manager. It is not designed to contain or to be interpreted as a comprehensive inventory of all duties, responsibilities, and qualifications required of employees assigned to the job. To perform the Human Resources Manager Job successfully, an employee must perform each essential responsibility satisfactorily. These requirements are representative, but not all-inclusive, of the knowledge, skills, and abilities required to lead in the role of the company Human Resources Manager. Reasonable accommodations may be made to enable individuals with disabilities to perform these essential functions. Human Resources Manager Job Requirements Knowledge and experience in employment law, compensation, organizational planning, recruitment, organization development,

engagement, and employee development. employee relations, safety, employee   Better than average written and spoken communication skills.

Outstanding interpersonal relationship building and employee coaching skills. Demonstrated ability to lead and develop HR department staff members. Demonstrated ability to serve as a knowledgeable resource to the executive management team that provides overall company leadership and direction. Excellent computer skills in a Microsoft windows environment. Must include knowledge of excel and skills in Human Resources Information Systems (HRIS). General knowledge of various employment laws and practices and experience working with a corporate employment law attorney.   Experience in the administration of benefits and compensation programs and other Human Resources recognition and engagement programs and processes. Evidence of the ability to practice and coach organization managers in the practice of a high level of confidentiality. Excellent organizational management skills. Education and Experience Required for the Human Resources Manager Job Minimum of a Bachelor's degree or equivalent in Human Resources, Business, or Organization Development.

A minimum of seven years of progressive leadership experience in Human Resources positions. Specialized training in employment law, compensation, organizational planning, organization development, employee relations, safety, training, and preventive labor relations, preferred. Active affiliation with appropriate Human resources networks and organizations and ongoing community involvement, preferred. Possess ongoing affiliations with leaders in successful companies and organizations that practice effective Human Resources Management. Physical Demands of the Human Resources Manager Job These physical demands are representative of the physical requirements necessary for an employee to successfully perform the essential functions of the Human Resources Manager's job. Reasonable accommodation can be made to

enable people with disabilities to perform the described essential functions of the Human Resources Manager's job. While performing the responsibilities of the Human Resources Manager's job, the employee is required to talk and hear.

The employee is often required to sit and use his or her hands and fingers, to handle or feel. The employee is occasionally required to stand, walk, reach with arms and hands, climb or balance, and to stoop, kneel, crouch or crawl. Vision abilities required by this job include close vision. Work Environment for the Human Resource Manager While performing the responsibilities of the Human Resources Manager's job, these work environment characteristics are representative of the environment the Human Resources Manager will encounter. Reasonable accommodations may be made to enable people with disabilities to perform the essential functions of the Human Resources Manager's job. While performing the duties of this job, the employee is occasionally exposed to moving mechanical parts and vehicles. The noise level in the work environment is usually quiet to moderate.

Safety

This is an issue for all women everywhere, but of course it plays a more prominent role in the lives of single women, and more so for single women in a foreign country. The challenge is to find a balance between exuding self-confidence and taking sensible precautions. One major factor that leaves a person vulnerable in any situation is unfamiliarity, so being as perceptive to one's surroundings as well as to the general cultural atmosphere as possible is one of the best precautions that a woman can take. Learning such details as which streets and which neighborhoods are safest is one aspect of safety, while taking a wider view of a place's history, culture, and current social issues is important for putting things into proper perspective. Learning the language is another very important key to knowing what is going on around oneself. And

networking with other expats as well as locals in the community – especially with women – will be invaluable to feeling safe and secure in a foreign country, as this is the best way to get a grasp of what the crime situation is really like on the ground and find out how best to avoid being victimized.

El Machismo

Women should prepare themselves for being perceived and treated differently than they may be used to when they enter into other cultures. Cultural attitudes are complex and often contradictory creatures, and it is difficult to overemphasize the importance of realizing how different these cultural attitudes are. Do not assume, for example, that the fact that Argentina's president is a woman means that women in general have achieved equality or are given the same kind of respect that men are given. The objectification of women's bodies is prolific in this country, from the bountiful images of topless women at every magazine stand to the way women appear on television to the constant barrage of perfect, youthful bodies in advertising. Many men see a woman who is unaccompanied by a man as fair game for catcalls and sexual advances, and the notion of chivalry is alive and well, at least in their minds. Learning to ignore the unwanted attention as well as asserting strength and capability would be among the coping skills that women new to this kind of machismo culture might need to attain. Again, networking with other women can be an invaluable aid in this regard. It should be stressed that understanding the unspoken rules of dress and conduct is the responsibility of the woman in these kinds of societies, and failing to learn the boundaries and follow the rules could be dangerous for any woman, particularly a foreigner.

Pushing the boundaries or trying to make a point about how wrong it is that women are held responsible for the urges and actions of men should be left to people who come from within

these societies, not attempted by foreigners unless they have become immersed in the society. Such cultural attitudes have persisted for a thousand years and will have to evolve from within.

Stress

With considerations such as the above, it is no wonder that women find expatriation to be more stressful than men do. Several other factors also play into this reality, having to do with the woman's fundamental role in the family. Women are the nurturers, whose concern is the health and well-being of her family. Therefore, much of the stress and difficulty that the children in the family go through when they are moved abroad falls into the lap of the mother, who must help them adjust to their new surroundings (especially if her spouse is busy at the job assignment that was the reason for the expatriation – a situation that will be covered in more detail in the next installment of this two-part series). Meanwhile, of course, she is going through the adjustment process, herself. According to reporting from the US-based Interchange Institute, it is mothers with teenagers who have the most difficult time adjusting, which, considering the nature of teenagers, is not surprising. What is more interesting is that mothers of younger and adult children reported doing better than women with no children at all. This punctuates what many parents have discovered for themselves, the fact that children, as long as they are not in the throes of all the crazy hormonal changes that drive teenage angst, often serve as an engaging factor, forcing their parents to interact with the community through school and other social activities that children need in their lives. The study also highlighted the other fundamental role that women play in their families, and that is as a connecting force. Women in general need to feel connected to a much greater degree than men do, which was one of the biggest reported sources of stress for women expatriates. Being away from family and friends is difficult for most women. The internet technology of today has made this issue much more bearable, yet staying in

contact cannot possibly replace being together at holidays and other special family occasions, and when women who are very closely connected with loved ones who are far away have to contend with unreliable or intermittent internet access, they can become distraught, feeling lost and alone.

Connection

Women generally need not only connection with their own families, but they also tend to be more in need of feeling that they are connected with a community. Therefore, overcoming all of the urges that might cause someone to perpetuate their isolation – fear of the unknown and insecurities about being different and not fitting in – can be a major challenge for many expat women. This is yet another reason why language learning is such a big help to women in particular, and this fact is born out in the report. One of the most common pieces of advice given by participants was to study the local language. This, of course, will facilitate engagement in the community, make taking care of tasks less frustrating, and help to alleviate those feelings of isolation. A great tool for expats to find connection, in several different respects, is blogging. This is for anyone who wants to share their experiences, photos, recipes, etc, but the more I explore the internet in search of expat blogs, which are an excellent way for potential expats to gain some valuable insight into the expat experience, the more I find that the expat women bloggers outnumber the men by quite a bit. Many bloggers say that they began their expat blogs in order to continue sharing their lives with friends and loved ones back home, letting them know how they are doing and showing off what this foreign country is like – staying connected. A secondary effect that often results is becoming connected with others – expat bloggers, expats,

potential expats, people who are interested in this interesting lifestyle choice, and many other pleasant surprises.

Another kind of connection will occur via the act of recording one's experiences, impressions, and thoughts about a place. Keeping alert for things that will be of interest to write about or take photos of; learning about the history and culture of a place; exploring – all of these are ways of heightening one's awareness, which in turn, leads to feeling more comfortable in surroundings that are more closely examined. Blogging, keeping a diary, or writing about one's experiences in any way is always connective and can also be therapeutic, helping one to sort out their feelings and find their way through the fog of the unfamiliar.

Networking

And then there is networking, which keeps coming up when considering expat women's issues. Women, because of this need to connect, feel secure, and for moral support, need to network with friends, family, other expats, people with similar interests, and especially with other women. One excellent resource for doing this is expatwomen.com , and one excellent piece of advice given there for women who are having difficulty adjusting to expat life is to choose associates with care. Networking is not just about adding friends to a list or finding fellow English speakers to talk to. Rather, it is about finding helpful and positive connections. Feeling lost, disconnected, and out of control of one's life is a very common expat experience that will not get any better if other people are feeding into it with negative or cynical attitudes. While seeking the company of people who are going through the same struggles is only natural, gaining some sense of control in a foreign culture is far more difficult if the reaction is withdrawal to an insular clique rather than engagement. Like the homesick child at summer camp, dwelling on what one misses about home causes them to miss out on all the positive aspects of the place they

are in. And just as there are councilors to help kids at summer camp, there are many great expat sites to facilitate networking, several of which focus on women expats, which offer positive input, advice, and connection. Here are just a few:

IT and HR- out sourcing HR-Globalization, It's a fact of life in many international companies that anyone hoping for a successful executive career will be expected to spend time working abroad. Nobody finds it easy being thrown into a new culture. But for women, international assignments can be particularly challenging as a result of cultural, social and gender barriers that their male colleagues simply don't face.

That is certainly true of my own experience of working in Asia. It quickly became apparent that there is a pervasive unconscious bias around leadership across Asia. Often women are seen more as 'doers' than leaders, which has implications in terms of their career development. But even as a senior executive, the same bias meant that I found securing the trust and creditability of my male peers and team members harder than I had expected. My first 90 days after being drafted in from central headquarters was spent learning about the local business society, what role women played, who spoke up and when, how to give feedback or disagree with a peer or superior. This knowledge then enabled me to find ways to work with the culture rather than against it. I set aside the gender differences and managed my team as 'people', holding them to high standards and setting boundaries and expectations. I also used key one-to-one conversations to address any biases so that people knew where I stood on the matter whilst I tried to show understanding and respect for their views.

Establish Contacts

Establishing a strong network of people you can trust for support, guidance and even coaching is another essential building-block for a successful assignment abroad. Not only will a strong

network help you understand cultural norms, but it's an important way to build your personal brand and strengthen your creditability. I found it particularly helpful to have an external coach who could guide me in a male-dominated organization and region. It takes a tremendous amount of energy to establish networks in a different country, but be pro active about finding the influencers in your organization and the market place. Then work on maintaining these relationships long-term to help you to progress.

Gender diversity is not a priority

Compared to Europe or the USA, nurturing female talent is simply isn't a strategic focus for most companies in Asia. So even if you're in a leadership role, ensuring that you're kept in the loop and included in decision-making can be challenging. So it's important to be proactive, assertive and to take ownership of your career. You may not have access to the internal or external channels you need to boost your success, so think of ways you can self-promote and gain exposure. Draw upon your network of contacts for advice or insight. Can you put yourself forward for any projects or initiatives that haven't yet piqued the interest of other leaders?

Be yourself but learn to adjust

It can be difficult to be authentic when your management style is at odds with the prevailing work culture. For example, I value an open door policy and a work climate that promotes continuous learning through regular, open feedback. But such openness is considered disrespectful in Asia. In Asia, leadership is _top-down', authoritarian and directive. There's little interest in small talk. Giving feedback, support or involving team members in decision-making is not the norm. I quickly learnt that the more I involved staff in strategic planning and encouraged ideas, the less confidence and trust my subordinates had in me. They assumed I must lack experience if I was asking for their input. Yet continuous learning through feedback is vital for

developing and driving results through people, a capability I wanted to demonstrate back to central office. To overcome this challenge - without compromising my leadership approach - I adjusted my feedback to be more focused, so on a one-to-one basis or on a specific area or project rather than on-going. Likewise, I also found out that women with strong views tend to be viewed as aggressive whilst men with similar views are merely demonstrating their expertise and passion! So I learned to adapt my directness, to control my positive and high energy and tone down my level of participation in meetings in a way that aligned more with local norms.

Rather than challenge data or views in a group, I used separate face-to-face meetings to present facts and supporting evidence, which soon earned me the credibility I needed to succeed.

The divide

 Since my first foreign assignment, many more females are taking seats on the boards of businesses around the world. Nevertheless gender inequality is still a fact of life to a greater or lesser degree in many regions. The key for any female executive is to understand these disparities quickly. Then adapt or learn new ways of leadership that you can use to showcase your international leadership skills and overcome any possible setbacks early in your car