A LECTURE NOTES ON

INTERNATIONAL HUMAN RESOURCE MANAGEMENT

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BY

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MBA INTERNATIONAL HUMAN RESOURCE MANAGEMENT

Unit – I Introduction to IHRM: Basics of IHRM Importance - Definition, Nature, Scope and components of IHRM Strategy, Functions, difference between Domestic HRM and IRHM, Over view of International HR activities- HR planning, Recruitment, Selection, Training and Development, Performance Management, Remuneration, Repatriation, Employee Relations, Approaches to the study of employment policy across countries.

Unit – II International Recruitment and Selection: Approaches to international Recruitment-ethnocentric, polycentric, geocentric, region-centric; Selection process-factors effecting in expatriate selection process, Technical ability, cross-cultural suitability, individual adjustments, family adjustments IHRM practices – USA, UK, Japan and India A comparative study

Unit – III: Managing HRM In Virtual Organization, Globalization & HRM: Meaning, Features and Types of Virtual Organizations, Advantages and disadvantages, Managing HR in Virtual Organizations; Impact of Globalization on Employment, HRD, Wage& Benefits, Collective Bargaining, Participative Management, Ethical Issues in HR

UNIT-IV: IHRM Model of India: Culture and Indian Managers- Indian Managers-Responses to HR practices across the world-Implication for multinationals – MNCs skill based approach and staff training and Development priority – The global managers and future organizations - India's Response to Universalization of HR Principles, Policies and Practices – Cross- Convergence.

UNIT-V: Special Issues in IHRM: Challenges of Globalization and implications of Managing people and leveraging Human Resources for competitive advantage – Impact of IT on Human Resource Management- IT and HR- out sourcing HR-Globalization, Quality of Work life and productivityReorienting work force through HR Interventions – Women expatriates and their problems – Exit policy and practices – Impact on participative Management and Quality circles.

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UNIT-1

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 03 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 worked force 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 based everywhere over the world. 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. In this paper, as 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, selection, placement, transfer, promotion, training and development, layoff and retrenchment, remuneration, incentives, productivity etc.

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

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

Functins 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 distance 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

Let's start our discussion of 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 to a company's 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. Our 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. You can investigate the relationship between strategic human resource management and organisational performance, inequalities in work and organisations, and ways to build inclusiveness in organisational life. You can also explore 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—can not 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.

UNIT II

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.12 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 internationalbusinessoperationsoftheorganization.

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.

Ethnocentricapproach
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.

Polycentricapproach
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.

Geocentricapproach

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 companyheadquartersandattheU.S.subsidiary.

RegiocentricApproach

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 normallymovedtothecompanyheadquarters.

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 important criteriaforselection

- highly developed technical skills
- good language and communication skills
- tolerance towards other culture, race, creed, colour, habits, and values
- high level of motivation
- stress resistance
- goal-oriented behaviour

Finally, at the time of selection for international assignments, an organization should consider the previous overseasexperience,familycircumstancesandculturaladaptabilitylevelofthecandidatesaspiringforth eglobaljob.

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' (Figure 1) to a limited extent for some countries where expatriates must be fluent in language. In this 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 per cent 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. A 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.

Failed Assignments - 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 per cent acknowledged ten per cent expatriate failure and 13 per cent of the participating firms confirm that 25 per cent 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.

DISCUSSION

The results of this study show that the key cause for the premature return of expatriates from overseas assignments was related to concerns that were articulated as family reasons. This evidence supports previous studies on expatriate failure indicating the inability of the spouse to adapt to the foreign environment as the frequent cause of the early return of the expatriate (Tung 1987, Forster 2000). Clearly, a major challenge for Australian companies is to develop institutional mechanisms that heighten priority on family adaptability in their selection criteria. A strong inference of the study evidence is that without appropriate arrangements there is a high likelihood of continuing expatriate failures.

This study also identified some significant issues for expatriate management. First, although the majority of organisations in this study recognised the importance of the role of spouse and family, this was not reflected in the corporations' selection process and repatriation policies and practices. This low consideration for an employee's spouse and family can be attributed to emphases by the multinationals to minimise costs in the HRM practices. Second, the study evidence confirms that in the selection process, the assessed Australian companies continue to rank technical competence as highly important. Several studies (Dowling et al. 1994, Selmer 2000, Harvey & Novicevic 2001), have concluded that technical competence in a field, although one of the dominant bases for selection, has very little to do with the ability to adapt to new cultures, deal effectively with co-workers, or to adopt foreign behavioural norms. Moreover, the value of language skills and prior overseas experience was dismissed by respondents as relatively unimportant in the area of selection, although, the respondents noted that previous overseas experience reduced the need for orientation. According to Coyle (1996), from a management perspective, once an employee has previous overseas experience, and is classified as a career expatriate, there is a tendency for

companies to minimise the material and counselling support given before and after the move. In contrast, Black and Gregersen (1991) argued that the extent of previous experience does not necessarily seem to ensure success in current overseas assignment. Clearly, this study revealed that the involved Australian companies are gradually making a shift towards placing greater relevance on personality traits, relational abilities and motivational state.

Third, the dual career dilemma was acknowledged by respondents as an emerging problem that can affect career development plans for international employees. From the information given by the respondents it appears that most of their companies recognised the issue of the dual career couple, but are still unsure how to manage the problem in relevant HRM policies and practices. A previous study by Coyle (1996) echoed similar findings. In anticipation of such a trend continuing, it is suggested that organisations might be encourage to implement a career counselling program for the spouses of their expatriates.

Fourth, pre-departure training involving cross-cultural training has long been advocated as a means of facilitating effective cross-cultural transfer (Black & Mendenhall 1990), yet few firms endorse such HRM practices. The main reason appears to be that top management simply does not believe that the training is necessary or effective (Jackson 1995, Sanchez, Spector & Cooper 2000). Cross-cultural training programs are considered costly and time consuming. Lack of time was another reason why these companies failed to provide adequate pre-departure training and language training.

A fifth important finding of this study was evidence which suggests that the majority of firms do not use comprehensive cross cultural training programs, This is especially in terms of the 'immersion' and 'affective' approaches. The value of providing a comprehensive training program for expatriates is demonstrated by the low turnover rates among management personnel in European and Japanese multinationals (Tung 1987). Previous studies revealed that other forms of preparation for example, briefings, shadowing and preliminary visits are more frequently used than formal training programs (Scullion 1991, Brewster & Pickard 1994) and considered by management to be cost-effective.

Finally, the results of the study indicated that although the participating organisations recognise repatriation as an important aspect of international human resource management, very few support systems were provided for their expatriates in coping with the many difficulties associated with re-entry, including culture shock and possible 'career

stagnation'. Clearly, there were many gaps in the repatriation programs provided by Australian companies for their returned expatriates and there is a need to address this deficiency. These results, although small in size, support previous research conducted on American MNCs (Black 1992). It concludes that from the expatriate's perspective, problems associated with re-integration into the home country are loss of status, loss of autonomy, loss of career direction and promotional opportunities, and a feeling that the company undervalues their international experience. A salient message from this type of research is that a comprehensive examination of the Responsiveness Phase of a crisis (i.e., the existence of catastrophe or institutional disasters), unequivocally exposes the shortcomings of current HRM problems and practices that are being implemented to redress the crisis, and furthermore, this information provides for revisiting the Preparedness Phase, and even the Recovery Phase of inevitable future crises.

CONCLUSION

The evidence of the study reported in this paper reinforced a well-stated axiom that every firm should try to prevent a crisis from occurring. The crises confronting MNCs include failed assignments due to premature return of expatriates and the loss of their returned expatriates due to poor repatriation. Crises in expatriate management can substantially threaten a firm's capabilities and performance in the host country. Additionally, the high attrition rate of repatriates is costly and creates a net negative return on a firm's investment in human resource.

The results of the study indicated that repatriation must be planned carefully, from the time of expatriation when expatriate selection occurs. By putting in place suitable HRpolicies and procedures, an organisation can both, more efficiently manage human resource globally and encourage more employees to accept foreign transfers. This emphasis is a visible sign that the organisation supports expatriates and attempts to contribute to employee success in the overseas assignment. This Preparedness Phase will significantly increase the probability of successfully managing expatriate crisis situations because responsibilities and liabilities are clarified before the crisis happens. A well-managed and proactive response (Recovery and Preparedness Phases) to an expatriate management crisis may help a company retain experienced international employees and reduce the likelihood of public relations and legal problems in host country.

Technical Ability

Personal Characteristics

A quality describes behavioral or competency-based criteria logically associated with the successful accomplishment of important tasks/responsibilities in a particular job. Required technical skills are sometimes found on the job description. Further job analysis should be completed to identify the qualities not noted on a job description. Some qualities can be technical as well as personal. The following list is not intended to be all-inclusive.

Technical

Can be general or very specific to each job.

General

- Accurate

- Computer competent

- Customer focused

- Detail oriented

- Good phone etiquette

- Manage multiple tasks

- Mechanical aptitude

- Planning ability—*Sets and follows a course of action to accomplish goals.*

- Project management skills

- Quality focused

Job Specific

- Excel spreadsheet Intermediate level

- Licensed electrician

- Programs CNC machines

- Read/interpret blueprints

Soft Skills

- Analytical

- Attention to detail

- Decisive—*Makes decisions, renders judgment, takes action.*

- Impact—*Good first impression, confidence, commanding respect.*

- Independent/self-motivated

- Leadership—*Utilizes skills and methods to develop and guide direct reports towards goals. Good delegation to and utilization of direct reports.*

- Oral Communication—*Individual and group situations.*

- Organized

- Persuasive—*Obtains agreement, cooperation, or acceptance with or without authority.*

- Presentation skills

- Problem solver

- Sensitive to organizational objectives—*Sees the bigger picture and /or overall impact and implication of decisions.*

- Team player

- Written communication—*clear expression in writing*

Soft Skills

- Assertive

- Cooperative

- Creative

- Flexible—*Able to adapt or modify behavior to reach a goal.*

- Good judgment—*Makes quality decisions based on logic and factual information.*

- Hardworking

- Honest

- Initiative/Drive—*Takes action to achieve goals. A self-starter.*

- Motivated

- Quick learner

- Reliable/Punctual

- Resourceful

- Self-confident

- Sincere

- Stable

- Tenacious—*Stays with a plan of action until completed or it is no longer attainable.*

- Tolerates stress—*Stable performance under pressure.*

"More Than a Gut Feeling"

1. Plan the interview.

    a. Thoroughly review job requirements.

    b. Ask what skills are important for good performance on the job.

2. Create your interview plan.

    a. Formulate job-related questions that will help the interviewee give behavioral examples.

    b. Write your questions out so that you will ensure to cover all main points in the interview.

3. Arrange for an interview environment.

    a. Be sure that there are no interruptions.

    b. See that the interviewee is comfortable.

    c. Plan for enough time—one hour is desirable.

4. Conduct the interview.

    a. Use rapport-building questions.

    b. Ask open-ended questions.

    c. Allow silence.

    d. Seek disconfirming evidence.

    e. Control the interview.

    f. Gain behavioral examples.

5. Use intuition to help you ask better questions.

    a. Validate or disconfirm your "gut feelings."

    b. Protect other people from your hidden biases or prejudices.

6. Rate skills.

    a. One behavioral example may provide evidence for or against several different skills.

    b. No one is absolutely perfect and no one is absolutely bad!

    c. Ask yourself if you have enough information to do a good rating and allow for unmeasured skills.

International crises experienced by multinational corporations include both the premature return of expatriates due to failed assignments and the poor retention of returned expatriates due to failed repatriation. To reduce the direct and indirect costs inherent with expatriate failure, multinational corporations are striving to improve their capability to manage their expatriates before, during and after international assignments. This article highlights these issues and discusses the challenges for human resource professionals when managing expatriates. The results of the study presented in this paper suggest that the management of international human resources is increasingly being acknowledged as a major determinant of success or failure in international business. It concludes by proposing that a well-managed and proactive response to an international crisis may help an organisation retain experienced international employees.

INTRODUCTION TO FAMILY ADJUSTMENTS

As organisations become globalised, there is an increasing challenge to use expatriates on international assignments to complete strategically critical tasks (Gregersen & Black 1996, Brewster 1998, Downes & Thomas 1999). Multinational corporations (MNCs) use expatriates, not only for corporate control and expertise reasons in vital global markets, but also to facilitate entry into new markets or to develop international management competencies (Bird & Dunbar 1991, Boyacigiller 1991, Rosenzweig 1994, Shaffer, Harrison & Gilley 1999, Forster 2000).

While it is recognised that Human Resource Management (HRM) problems are more complex in the international environment, there is also increased evidence to suggest that the management of international human resources is increasingly being acknowledged as a major determinant of success or failure in international business (Tung 1984, Dowling 1999, Hiltrop 1999). For renowned and established MNCs, failure to be able to communicate and coordinate their activities in international business has the potential to plunge them into a crisis. The crises confronting MNCs include failed assignments due to premature return of expatriates and the loss of their returned

expatriates due to poor repatriation. These crises, due to poor expatriate management, can, therefore, threaten the organisation's performance and capabilities in the international arena.

Hence, to avoid a crisis in expatriate management is threefold. The first challenge for international human resource is planning effectively for the selection of expatriates for overseas assignments. The second, return of expatriates has to be attended and the subsequent job assignment for returned expatriate in their home country is a priority for managerial attention. Essentially, the primary crisis management roles of international human resource (IHR) professionals are those of record custodian, crisis management team member, communicator, and contributing writer to the emergency plan (Williamson 1991). This multifaceted role of IHR includes providing professional counselling to help employees and their families to deal with the psychological problems associated with a hostage or an evacuation situation, to concentrate on the well-being of their workforce, but they also addressed compensation and benefits issues, reassignment issues, legal issues, health, safety, and security issues.

It is widely acknowledged in the relevant literature (Smith & Sipika 1993, Hickman & Crandall 1997, Coombs 2001) that the process of crisis management entails three main phases. These phases are conceptualised as (1) Preparedness, which is the period of preparing plans and procedures for addressing a crisis; (2) Responsiveness, or the actual dealing with the crisis; and (3) Recovery, during which the organisation returns to normal operations as quickly as possible. These three phases are considered as sequential phenomena in a continuous cycle so that the Recovery phase, which follows the Responsiveness phase, also precedes the Preparedness phase. In this paper, the Responsiveness of expatriate crisis management is delineated in an auto reflective narrative design that utilised the responses of 15 expatriate managers. The data provided by the managers are considered within the frameworks of the Recovery phase and the Preparedness phase to reinforce how corporate HRM policies and practices might facilitate better management of the expatriate crises. MANAGING EXPATRIATE CRISES

International crises experienced by MNCs include premature return of their expatriates due to failed assignments and poor retention of their returned expatriates due to failed repatriation. Researchers have analysed the causes of failure in overseas assignments and have introduced Human Resource (HR) practices that would help organisations to select, develop, and retain competent expatriates (Oddou 1991, Arthur & Bennett 1995, Stroh,

Gregersen & Black 1998, Hiltrop 1999, Riusala 2000, Varner 2002). Consequently, multinational corporations are striving to improve their capability in managing human resources internationally. Important features of these initiatives include (1) the nature and length of the planning for the selection and training of expatriates for overseas assignments, (2) the return of expatriate, and (3) the subsequent assigned work for these repatriates in the home country (Punnett & Ricks 1997, Anderson 2001, Lazarova 2001).

Failed Assignments due to Premature Return of Expatriates

A prominent concern in the international recruitment and selection literature is that of expatriate failure (Adler 1981, Mendenhall & Oddou 1991, Feldman & Tompson 1993, Harvey 1993, Riusala 2000). This expatriate failure becomes an international crisis for the MNC. Several studies have identified the reasons behind the failure. For instance, premature return of expatriates and the lack of cross-cultural adjustment by expatriates, their spouse or family are some identified features (Black & Gregersen 1991, Black 1992, Shaffer et al. 1999, Riusala 2000) as well as poor performance (Fieldman & Thomas 1992, Stening & Hammer 1992, Feldman & Tompson 1993, Hodgetts 1993, Naumann 1993, Clark, Grant & Heijltjes 2000) that can arise during an international assignment. Indeed, research conducted by Black and Gregersen (1997) indicates that 10 to 20 per cent of United States (U.S.) expatriates sent overseas return prematurely due to dissatisfaction with their job or the impact of culture shock. And one-third of those who stayed for the duration did not perform satisfactory to the expectations of their organisations. Moreover, when an international assignment is not completed, necessitating the replacement of the expatriate (Bird & Dunbar 1991, Swaak 1995, Pucik & Saba 1998), the costs of failure to the MNCs are both direct and indirect. The direct cost includes salary, training costs, and travel and relocation expenses. The indirect cost could be a loss of market share, difficulties with host government and demands that parent country nationals be replaced with host country nationals (Dowling, Schuler & Welch 1994, Stone 1994, Forster 2000).

Expatriate failure is primarily caused by error in selection (Adler 1981, Tung 1981, Arthur & Bennet 1995, Harvey & Noviceivic 2001). Historically, the selection of expatriates has been based on technical competence (Katz & Seifer 1996), neglecting other important interpersonal factors of expatriates (Mendenhall, Dunbar & Oddou 1987, Suutari & Brewster 1998). For instance, Clarke and Hammer (1995) found that interpersonal skills assist in the cultural adjustment of the expatriate and his or her family is a managerial function worthy of greater consideration. A review of extant literature on

expatriate selection identified other essential traits as predictors of expatriate success and these are addressed.

Nature of Planning: Expatriate Selection

Within the abundant research on expatriate managers, certain selection characteristics or traits have been identified as predictors of expatriate success. These include technical ability, managerial skills, cultural empathy, adaptability, diplomacy, language ability, positive attitude, emotional stability, maturity and adaptability of family. One of the earliest reports was provided by Tung (1987), who examined expatriate selection practices across 80 U.S. MNCs, and subsequently, identified four general categories which may contribute to expatriate success. These are broadly described as (1) technical competence on the job, (2) personality traits or relational abilities, (3) environmental variables, and (4) family situation. This is further supported by Ronen's (1989) model that incorporates the dimensions of expatriate success identified by Tung (1981). Ronen (1989), describes five categories of attributes of success: (1) job factors, (2) relational dimensions, (3) motivational state (4) family situation, and (5) language skills. The five categories and their specific aspects are outlined in Tab.

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.

StatutoryTimevs.PaidTimeOff

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.

UNIT-3

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.

Categorization of countries in the concept of IHRM

In the concept international human resource management, the countries having headquarters and subsidiaries are categorized as follows.

- Home country: Where the headquarters is located
- Host country: Where the subsidiary is located
- Third/other countries: These are the sources of finance and human resources

Types of employees in IHRM

The name international human resource management itself indicates that human resources are recruited from various countries. Here nationals of various countries contribute their skills and efficiently for the growth of the organization. They are mainly three types, parent or home country nationals, host country nationals, and third country nationals. These three types are differentiated on the basis of citizens of headquarters of the company, citizens of the subsidiaries of the company, and citizens of various countries.

Home country or Parent Country Nationals (PCNs)

Home country nationals are the employees of the organization and these are the citizens of the country where the headquarter is located.

Host Country Nationals (HCNs)

Host country nationals are the citizens of the country where the subsidiary is located or when any organization recruits the nationals of the country where the subsidiary is located.

Third-country Nationals (TCNs)

Third country nationals are the citizens of the other countries, and they are neither the citizens of the country where the headquarters is located nor the citizens of the country where the subsidiary located.

Staffing Approaches

Depending on the recruitment of key managerial positions for multinational companies, different approaches are explained.

Ethnocentric Approach

According to ethnocentric approach, organizations believe that the employees of home country nationals can perform better to fulfill the organization's mission, vision, and objectives, so all the key managerial positions of the subsidiary are filled with expatriates from the home country.

Advantages of ethnocentric Approach

- Organization's culture can be easily adapted to all the subsidiaries with the help of key managerial decisions such as vision, mission, and objectives.
- Possible to eliminate communication barriers between the headquarters and subsidiaries.
- Proper control is possible with the ethnocentric approach.
- The parent company can monitor the operations of the subsidiaries effectively.
- Better coordination of activities between the parent company and subsidiary are possible.

Disadvantages

- Need to pay more for the expatriates from the home country.
- Cross-cultural variations may lead to clashes between the various levels of the employees.

- Host country national employees may get disappointed by losing the key managerial roles.
- The subsidiary may lose skilled and experienced employees due to the ethnocentric approach.
- Expatriates from the home country may not aware of the local values and beliefs, so cultural clashes may arise and may show an effect on the business.

Polycentric Approach

In polycentric approach, all the key managerial positions are filled with the employees of the host country nationals. Many companies are adopting this approach because they believe that host country nationals can help in fulfilling the objectives of the organizations with a better understanding of the local culture, beliefs, and values. Here subsidiary is given freedom to take decisions and formulate strategies according to the local business environment and vision and mission of the headquarters.

Advantages

- Host country managers can analyze and understand the local markets and local people
- Better coordination with the business environment is possible, both internal and external.
- No difficulty arises due to cultural issues.
- It creates job satisfaction and job enrichment to the host country nationals.
- Hiring host country nationals is less expensive than hiring expatriates.
- Local market knowledge of the host country nationals enables them to take strategic decisions.

Disadvantages

- It may not always create a scope of better coordination between headquarters and subsidiaries.

- Quick control of operations is not possible because of the key managerial positions are occupied by the host country nationals.
- Though the host country managers follow the vision and mission of the organization, then also errors may occur in the fulfillment of the standards of organization culture.

Geocentric approach

According to geocentric approach, organizations hire neither the home country nationals nor the host country nationals preferably. They recruit employees on the basis of the concept right person for the right job. Here organizations hire right persons or suitable employees for the effective running of the business operations, irrespective of the nationality. Geocentric approach facilitates competitive advantage by hiring most talented and eligible people.

Advantages

- The geocentric approach creates a scope to hire world's best talented and skilled employees.
- It facilitates competitive advantage and helps in reaching the market empire position.
- Hiring most talented and eligible people can fulfill the objectives of the organization effectively.
- This approach helps in reducing the unfair treatments and clashes in the organization due to the favoritism towards nationality.

Disadvantages

- Hiring according to geocentric approach is expensive.
- Chance of cross-cultural clashes become high
- It may not always facilitate better coordination and control of the operations of the organization.
- Difficult to monitor and control the operations
- Organizations need to spend more on expatriate relocation allowance.
- High cross-cultural variations arise.

Expatriate training and development

While hiring employees for international assignments, the organization needs to provide better training for the employees. The skill set is not only the constraint to decide the training needs, and it is necessary for all the levels of employees to fit in the international environment and culture. Expatriates may face problems with the local language, culture, and beliefs of the local people, managing personal and family life in the completely new environments. Proper training and development motivate the employees to perform better in achieving the organization's objectives effectively.

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 onboarding, 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 culturethat 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 both 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 onboarding 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 periodic surveys to measure employee satisfaction and employee engagement.
- 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, employee relations, safety, employee engagement, and employee development.
- 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.

Conclusion

This job description is intended to convey information essential to understanding the scope of the Human Resources Manager's position and it is not intended to be an exhaustive list of experience, skills, efforts, duties, responsibilities or working conditions associated with the position.

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legal interpretation and decisions are correct for your location. This information is for guidance, ideas, and assistance only.

IHRM training and development

Training and development is basically related with the Human resource management which is concerned with the activities of an organization aiming at betterment of the performance of an individual and groups in setting of organizations. The training and development is also well known with some of the other names which are employee development, learning and development and human resource development.

When we observe the international training and development, then it encompasses basically three main types of activities which are education, training and development. Training is a type of activity which focuses upon and evaluated against the job that is currently held by an employee whereas education is the activity that focuses upon the job which may be potentially held by the employee in near future and is evaluated against these jobs. The last activity is development which mainly focuses upon the activities of an organization that employs an individual or the individual is the part of or may take part in the future and almost impossible to eliminate.

The research is done on the methodology which shows us the relation between the international training and development and the performance of Multi-National Company. The process of training and development is applied on the employees to make sure that there is skilled and willful workforce present to work for an organization and in addition to that there are other four objectives which are also focused to meet the requirement which are Individual, Organizational, Functional and Societal objectives.

Aims and Objectives-

Aim-

Main aim behind performing the research on the topic is to understand the concept of the international training and development in the Multi National Companies and the performance which is affected by it.

Objectives-

The main objective behind the research is to find the use and benefit of international training and development which are performed by the Multi National Companies. There are many other objectives which are met from the international training and development such as individual objectives, organizational objectives, functional objectives and societal objectives.

Research MethodologyÂ-

There are two main type of doing research:

Qualitative

Quantitative

In this particular research Qualitative research methodology is used. This research is based upon qualitative analysis of data. Secondary sources are used for this research. Analysis of secondary resources is included in this section.

International training and development is one of the branches of the Human Resource management which is considered as the new term since 1930s. The international training and development is a sub system of the organization which ensures that the learning and behavioral change should be accepted in the structured format and the randomness should be reduced. There are two approaches towards the development of the international training and development which are

Traditional Approach

Modern Approach

When we talk about the Traditional Approach then there was no term related to the training which was considered by the organizations applying the basic fundamentals like managers were born not made as it was running from decades. There were some views about the training that is it is too costly affair and not worth and some of an organization used to believe more on the executive pinching instead now the scenario has changed or seems to be changing.

When we look at the modern approach towards the training and development then some Multinational Companies have realized about the importance of the corporate training which could immensely effect their reputation or status in the positive or negative manner. It is nowadays more considered as the retention tool instead of the cost. The training systems used in the multi-national companies are basically aimed at creating smarter workforce and yielding the best results in favor of organization.

There are many objectives set by various MNCs which has principal objective of training and development division to make sure about the availability of the skilled and willing workforce to a Multi National company in addition with that there are four other objectives which are Organizations, Individual, Societal and functional objectives.

Essentiality of International Training-

Conventional training is basically required to cover up all the skills related to the work, techniques and knowledge and mostly sections deals with the positive approach to some sort of traditional approach of training.

There are many ways to develop people or employees but the best way to make development in people is quite different from the traditional approach of training from the conventional skills training and it is the most effective way to allow personal development and learning with all that this implies. As soon as we have covered the basic work related skills training there are many other things which is described in this section which focus on the development and learning of the people as individuals which has extended the range of development apart from the traditional work and knowledge and make way for more creative work which creates opportunities like liberating, motivational and exciting for people.

As we all know about the Profit which is achieved through approachable training and development of the skills of the people well with the development of the people enabling of profit take place. The Multi National Companies which approach international training and development with an aim of fostering people who have performed well and progress is seen in their progress card and should stay in the company for the long time to become perfect at what they do and also help others to become so. As we have many times used the term training for our daily purpose which is features heavily in the coming paragraphs but the term learning could be used as improved way to approach a subject as the term learning relates with the term learner whereas trainer generally belongs to the person who needs training that is trainer or the organization. When we observe the training from the realistic perspectives then corporate attitudes and expectations from the term training cannot be changed overnight and most of the organizations perform training so as to improve the work skills, classrooms and power point presentations. There are many other ways to develop people apart from the traditional skills of training for example - (Green)

Facilitating personal development

Enable learning to become learner.

It helps people to achieve and identify their potential

Training ideas and Outline process-

There is relatively simple overview present of the models, processes and tools which are found for the effective delivery or planning of the training required in the organization. Various points which are included in the above process for international training and development in the Multi National Companies are-

Various training needs should be understood well and there should be some sort of training needs analysis process or DIF analysis conducted to improve the training process or the drawbacks which the company is facing could be retrieved through the analysis resulting in the improvement of those points which commonly happens in the appraisal process. This type of training analysis involves the people who identifies and agrees on the relevant aligned training and considers the values of company and ethics and spirituality at work. Some light should be thrown at the recruitment processes so that there are no point training people who are not capable of doing the job.

There should be creation of training and development specifications which identifies about our training and in the development of the people which must be break down into the manageable elements and each element should be attached with standards, measures or some parameters. There are many tools which are useful in this kind of training purposes but the best tools which can be used are 360 degree process and template, training planner. The skill sets and the training needs analysis which we have learnt in the above point should be revisited which can help in organizing and training elements assessment on the large scale.

There should be difference in the learning styles and personality which should be considered as people's learning style greatly affect in the types of training which can be found to be most easiest and effective and sometimes personality types are also considered and it should be always remembered that we are dealing with the people instead of objects as they are filled with the

feelings, skills and knowledge. Models like Erikson model and Johor Window is the wonderful mean to better understand this type of training and the team or their group also helps in the understanding the training needs which could be helped by the Adair's theory and Tuckman model.

There should be better planning and evaluation which is to be performed that considers effectiveness of the evaluation training including before and after measurements. Various models are also included in this kind of training need such as Kirkpatrick model and that helps to structure training design. Bloom's theory should also be considered that can help us to understand about what type of development we are addressing to with this theory there are other activities which should be considered which are team activities and exercises. The tips like self studying program design should be observed as they offer more opportunities than ever.

Design materials, methods and deliver training are the tools which can be used to determine the needs of training and development in the company. The methods which are innovative should be considered such as business balls communities which have lots of providers and ideas. Running meetings, workshops and presentations should also be considered as an important aspect for delivery. The training provider's selection template could be used on the sales training page which is adopted by the providers and services.

There are many ways or methods of training and development such as

Internal training courses

Classroom training

On the job training

Skills training

Behavioral training

Technical training

Training assignments

The training is also available outside and beyond the classroom where most importantly training and learning are the topics which are indeed to look at from the trainee's view where view refers to the offer is learning and developmental experience. There are various aspects which are included in the international training and development such as ethics and morality, leadership and determination and attitude and behavior in addition with the skills and knowledge.

We have seen that many organization's face various challenges of developing answer findings, initiatives, self-belief and predicament solving capabilities within their people. There are certain requirements of organizations where they need self sufficient, creative, autonomous and resourceful staff at all the levels which can contribute to the overall performance of an organization. The behavior of the staff tells about the operations which they can perform at the higher strategic level which makes their company more productive and competitive in the market where people's effort are more considered to produce bigger result. There are many types of training which we have studied in which conventional skills training provides people with the new methods and techniques which will not help in their courage, maturity and belief that are

essential for the progress of the managerial capabilities which focus on developing the person instead of their skills.

In the period of training there can be participative workshops which can be included in the beginning as it involves people right from the starting and focus on what they want. There could be also personal development questionnaire to set the scene and examples should be provided of alternative learning opportunities.

General Training Tips-

The tips which will be mentioned below is applicable to usual work related training for the transfer of necessary job and work related skills instead these tips do not apply automatically to the other forms of personal development and learning which can involve much wider development methods and experiences. During the planning of the training these are some of the points which should be kept in mind-

Personal objectives

Number of trainee

Methodology and usage of format

Time period of training

Location of training

Effectiveness of training

Reaction or feedback of the trainees

Whenever some Multi-national companies provides skills training to a trainee, they use these five step approach -

Prepare the trainee- they provide time to relax them as some of the employees could find learning new things stressful in the beginning.

Explain the job, task- the methods, standards, necessary tools, equipments and system should be explained and discussed.

Provide a demonstration- a step by step process is more complex as more and more steps could be difficult to learn so always show the correct way and accentuate the positive in addition with feedback and check understanding.

The trainees should actually perform the job which would help in learning more by practical applications of the equipments and services.

The progress is monitored which gives positive feedback and people should be encouraged, coach and adapt with the pace of development.

These were the five steps which are provided to the trainee in their training period so as to make perfection in their actual work performed in the company. Creating charts and using them could be helpful as they are essential for complex work where we cannot measure it and it is essential

to use the training tools for various purposes such as accessing, recording, planning, measuring and following up the person's training.

Training Planning Factors-

The guidelines which will be provided below will be dealing with the conventional work skills training and development beyond which the issues of personal development and learning will be the most noteworthy areas of the personal development which is to be focused on.

There are various areas which should be included to plan the traditional training of work skills and capabilities which link the improvement of the organizational performance which needs to identify the needs, priorities and gaps in the organizational performance. It will not be possible to include so many aspects which determine the need of the training or there are various training drivers which will produce the results which is cost effective in terms of business performance which are- (rae)

Surveys on customer satisfaction

Financial reports and ratios.

Statistics and reports on business performance

Feedback on the training needs

Legislative pressures

Relevant qualification and certification program.

Staff Assessment centre and training audits.

Management feedback on the needs of the employee

Competitor analysis and comparison which could be done by SWOT analysis.

Strategic priorities and Director driven policy

The indicators and results are picked from the chosen driver to produce the priority needs of the training as per the staff which will enable staff and management to accomplish improvements required by an organization.

Development of Resources for Training-

There is a need of resources to perform a fully fleshed training with all the facilities which can result in becoming independent in work and life. People who are having plenty of resources are tend to be well developed individuals, capable of teaching and leading others, enabling and assisting the change in groups and organizations, able to convey the enjoyment and advantages finding the answers. Resources help in answering questions that are considered as one of the indispensable needs of work and life.

Resources are generally used for developing people or making improvement is something which could be small and realization for a single individual and if you build effective relevant resources then obviously it will become effective and more relevant.

Discussion-

Training is given to make sure the accessibility of both skilled and the workforce which is willing to work to an organization and this is the main objective of training and development union. Information that is shared through training is one of the most valuable tools for developing the most valuable asset which are employees. The main aim of all the training whether it is local or international is the empowerment of the employees and increment in the productivity. All the multinational companies give training to their employees for making the process more efficient also more effective and the main reason behind this is the satisfaction of the customer. For improving the overall performance of the organization is also related to the proper training of the employees of that organization. Nowadays international training is very important because it helps in maintaining the skill levels and the advance skill and knowledge given to the employees improves their performance which finally results in increasing the profitability which includes productivity and manpower. International training given to the employees by the multinational companies helps in establishing the standards for work practices. The frequent changes in the technology affects the requirements of jobs but the proper training can respond to the changes in technologies and also to the organizational restructuring. Development of the career is very important for a working person or an employee of multinational company; proper training supports the career development of the employees. For every successful employee training is very important because it fulfills all the needs of the employees which are required for their growth and development. These days the multinational companies give more emphasis on the international training of the employee rather than the local training because the international training give more ideas about the whole world and also develops the mind of the employee for facing all the bottlenecks that comes regularly in the path and this results in the all around performance of that employee. (Sims, 1998)

Most of the multinational companies invest huge money for developing and purchasing of assets used in training and the main purpose behind this is to build and extend their capabilities. According to the survey of one of the multinational company it was found that in 2009 that company gave international training to their 3500 employees and also provided the self training courses. These companies' also provides various types formal and also informal training programs for helping their employees to acquire the special skills. Formal training given to the employees by the company helps in building of their experience and also their practical knowledge in real life.

Employees are given training for achieving various mission and goals of the company. Training and development gives knowledge to the employees about delivering of the quality solutions with the help of practical tools and methods. This development provides the further progress and gives various opportunities like to master a core-curriculum. This curriculum depends on certain factors and it changes with the level of the employee, deployment of growth platform and specialization but it involves the developing features like expertise of technology and industry, professional skills like leadership, management, business selling etc.

These days' multinational companies are also focusing on the online training for their employees. In this type of training employees of the company are trained on the computer and there is no need of going somewhere which means travelling is not required in this training by the employees. International training offers great advantage to the employers and the employees and its good effects are seen when an employee is send to an external program of training or in a

seminar. This type of training increases the confidence and also the mental growth of the employees working in the multinational companies etc.

Proper training and development of the training capabilities of the employees leads to increment in the advantages for organization. The employees should be made familiar with the goals, strengths and weakness of the company, environment culture etc. All these factors give a unique advantage to the employees over the trainer who has the responsibility to learn all these factors like company strengths and weaknesses, environment culture etc. The high performing multinational companies are recognizing the needs of using various practices for training and development for enhancing their competitive advantage. For every multinational company training and development is an essential tool if they want to harness and grows the potential of its employees. There is a clear link between the strategic training and development initiatives and the bottom line present in the company. The image of a multinational company and its employers are reflected by the quality and also the extent of training of staff and development. In today's business world all the multinational companies are facing the shortage of the experience and the skillful staff and because of this companies are facing the competition which includes both internal and external for quality employees. An employer who gives 100 percent with full seriousness in the field of training and development gets the entire benefits of a working environment which is enriched with the staff retention of the higher level and also the increased productivity and the performance of the employee in all fields of work. There are various key drivers of training initiatives and these three drivers are health and safety, changes in technique and the last one is the customer service. Now day's multinational companies are using training and development as a gift for retaining and motivating the people and to be treated as the employer and also giving staff the skill and knowledge which is required for the technological change and services related to the customer. According to one of the survey most of the multinational companies gave support to the employees for perusing the outside educational programmers related to the work of their company. This support of the company for their employer consists of financial aid and also the time off for both study and the exam leave. The benefits of both these initiatives are very difficult to qualify but the fields like turnover of the staff and morale are main factors of the success in this field. The amount of money spend and the number of days spend on the training of the staff is very useful in getting an overview of the multinational companies which are committed to the development and the training. But the success of the multinational company is determined by the approach and the content of the initiatives of the training and by their assessment and follow up. The initiatives of the training requires the strategically alignment to the mission and goals of the company and they requires design and delivery for helping the staff for achieving their departmental and the personal goals also. The training initiatives become more targeted, measurable and effective when strategic approach is adopted for the training and development. Training delivery also requires assessment in terms of reaction, learning, change of behavior etc for the determination of the added value to the company.

There are various things about training like some of the employees of the multinational companies are worried by the external training or it may also give them feeling that company is not doing fare job by sending them on the offered courses. This is the situation where the appraisal system helps greatly because training is directly linked to the job role and objectives. Most of the employees of the multinational companies welcome the opportunities for developing new skills and for gaining further qualifications. Training and development opportunities can be

important factor in retaining staff only when it is offered to the staffs that are keen and interested in their progress. There are various types of trainings but the multinational company should choose that sort of training for their employees that suit both company and the employees. There are many benefits in having a training and development in multinational companies and they are:

All the training and the development programmers are agreed between the employees and the company and they linked with each other for meeting the company's objective. Another benefit is that all the employees of the multinational company get equal access and equal opportunities for training and development. Because of international training and development employees can gain recognition for the knowledge and also the skills by achievement of qualifications which are vocationally relevant. The activity of training and development is evaluated for ensuring that it is meeting the identified needs.

In order to help the individual to develop perfect curriculum vitae, records of the activities of training are kept. There are various methods of training and development:

First is the on the job training and this training is related to the formal training on the job. Due to job over time worker becomes experienced due to the modification in the behaviors of the job at the point of acquisition of skills.

Second is the orientation method which is carried out for entrants on the job for making them familiar with the overall requirements of corporate which includes various norms, ethics, values and all the rules and regulations.

One method of training is apprenticeship and it is a method of training where a skilled person is understudied by the unskilled person.

Another method of training and development is the demonstration and in this type of method the jobs are performed by the skilled workers and it is observed by the unskilled workers with the purpose of understanding the job.

The last method of training and development is termed as the vestibule and this type of method is performed through industrial attachment for the objective of transfer of skills and technology. In this method training and development is achieved through the placement of an individual in another area of relevant work or another company. This process has effects on the individuals in acquiring the practical and the specialized skills. There is one more method of training and development that we have discussed above and that method is the formal training which includes the practical and the theoretical process of teaching. Trainings are often neglected by some of the companies because of urgency of need, time of the training, cost of the training, turnover of the employees, due to the diversification of the workers etc. But these should not be kept in mind by the companies for training and development.

Training and development is very useful for many purposes but the significant importance of international training and development is the increase in sales. As training and development expands the business of the multinational company and it also provides the better customer service which in turn helps in increment of the sales of the company. Training and the development programmers helps employees a lot because these programs value employees to put some time into making them better and the best thing about training and development is that they value the thinking of the employees of the company and due to these programmers only the employees of the multinational company don't quit the companies. Training and development

gives more time to the supervisor for management, standardized performance, less turnover, more customers and finally the better service. Training and development gives confidence to the workers for doing their jobs properly, reduces the tension of the workers, morale boosting, satisfaction of job to the employees and it also gives them the chance of advancing their skills, knowledge etc. For the multinational companies international training and development provides a good image which is most important for every company and which finally results in more profit for the multinational companies. After all the discussions it is concluded that training and development is very important for all the multinational companies.

performed on the training field of the multinational companies and development which can be seen in the performance of the trainee. The whole scenario describes about the benefits and the use of training which was not considered in the past.

UNIT-4

Human Resource Management in Virtual Organization

Planning, recruitment, development, maintenance, retention, and socialisation are the common HR issues that ensure right HR tor right job. These also control and regulate the antecedent conditions of performance. Virtual organisations are staffed by highly proficient workers who are left to do their own things and produce highly competitive products or services.

Jobs in virtual organisations being knowledge-based are assumed to require greater skills, have greater variety and offer better quality of working life (QWL). From HR point of view, virtual organisation has both sides of the coin. The one (positive) side is greater job autonomy and more financial stability, which are the most sought after things by the workers in any organisation. This is so because of the reduced commuting, lunches and the clothing costs.

Added to these are increased working hours, a perceived increase in performance, reduced job-stress and better social relationships as barriers between the home and work interface are dissolved. However, the other (negative) side includes aspects like longer work hours, increased work demands, poor working (physical) conditions and fewer career opportunities. In virtual organisations, jobs are variable and of short term. People with multi-skill are valuable to the organisation.

The major HR issues involved in a virtual organization are:

1. Recruitment is conducted under time pressure and requires high performance expectations.

2. Both human capital i.e., knowing one's job and social capital i.e., knowing each other become extricably linked.

3. Stability in social relationship is not very much required.

4. Master-apprentice relationship is craft-based learning techniques matter.

5. Work pace is variable because the need for readiness to be mobilized at any moment, like defence service, is high.

6. Job is of short term. This requires virtual organisations a heavy investment to create systems and staffing structures.

The employee selection is a very crucial area in virtual organisation. The reason being people have to work in a virtual set up. Hence, there are certain requirements need to be met to work in virtual organisations.

On the whole, the shift from traditional/face -to-face organisation to virtual organisation triggers two ongoing debates within the HRM field:
1. The relevance of traditional forms of HRM to future organisational forms.

2. The shift from person-job-fit to person-role as the guiding paradigm for resourcing decisions.

There can be endless debate, on pros and cons of virtual organisations. Nonetheless, it can be said with confidence that in a world of ever increasing competition and differention, it is impossible for any company to have all skills that are needed to do the job. It is virtual organisation that imbibes these ideas and makes the final leap. In fact, that is where the reality of virtual organisations lies to-day and possibly will remain tomorrow as well.

Globalization is a term in business that refers to the integration of an organization's operations, processes and strategies into diverse cultures, products, services and ideas. Because of its emphasis on diversity, globalization also has a deep impact on the way companies manage their employees. Understanding the effects of globalization on human resources can help managers to better equip their organizations for the increasingly global business.

Diversity Recruitment

With the rise of globalization, companies of all sizes are now interacting with customers and stakeholders from diverse cultures, languages and social backgrounds. In response, many human resources managers seek to hire employees from equally diverse backgrounds. Companies engaging in this diversity recruitment recognize the value of having people on staff that their customers can relate to, and they know that having a team of diverse people contributes to the range of ideas and influences within the organization.

Push for Professional Development

A further effect of globalization on HR management is a push for professional development. Professional development is concerned with providing employees opportunities to achieve their career-related goals. Some organizations provide resources for their employees to earn a university degree, others send their employees to conferences or networking events and training days. Professional development is important to globalization because it creates a win-win situation. The employees feel as though the organization is concerned with providing a range of skills and competencies for their employees. Likewise, the organization benefits from the added skills and connections that the employees who take advantage of professional development programs acquire.

Greater Emphasis on Training

Similar to professional development, a greater emphasis on training has resulted because of globalization in human resources management. Training, however, tends to be focused on the needs and professional competencies of groups of employees within the organization. The company might, for instance, host language classes to give its call center staff an edge in telephone sales. It might also teach its employees how to use a new global software platform. This emphasis on training seeks to give the company a competitive edge in the global marketplace by honing the employees' diversity emphasis.

Management of Laws Across Jurisdictions

A final effect of globalization on human resources management is the need for businesses to understand and apply the laws of many different jurisdictions to the particular business. The federal government sets out a number of tax and labor laws that businesses operating in the United States must comply with, but there may also be local and regional laws that apply to companies that operate in different states or different countries. Selling products in Europe, for example, might mean that a company has to impose a Value-Added Tax on its goods. Hiring employees at branch locations in different locations might change the requirements on minimum wage, tax allowances or working hours. Understanding these laws is vitally essential to the organization because any breach of them will have a serious impact not only on the business's financial well-being but also on its reputation.

A **virtual organization**

It is an organization involving detached and disseminated entities (from employees to entire enterprises) and requiring information technology to support their work and communication.[1] Virtual organizations do not represent a firm's attribute but can be considered as a different organizational form.

Unfortunately, it is quite hard to find a precise and fixed definition of fundamental notions such as virtual organization or virtual company.[2] The term virtual organization ensued from the phrase "virtual reality", whose purpose is to look like reality by using electronic sounds and images.[3] The term virtual organization implies the novel and innovative relationships between organizations and individuals. Technology and globalization both support this particular type of organization.[4]

Virtual can be defined as "not physically existing as such but made by software to appear to do so",[5] in other words "unreal but looking real".[6] This definition precisely outlines the leading principle of this unconventional organization, which holds the form of a real (conventional) corporation from the outside but does not actually exist physically and implicates an entirely digital process relying on independents web associates.[6] Thus, virtual organizations are centred on technology and position physical presence in the background. Virtual organizations possess limited physical resources as value is added through (mobile) knowledge rather than (immovable) equipment.[3]

Virtual organizations necessitate associations, federations, relations, agreements and alliance relationships [4] as they essentially are partnership webs of disseminated organizational entities or self-governing corporations.[6]

Characteristics:

A virtual organisation has the following characteristics:

1. Flat organisation

2. Dynamic

3. Informal communication

4. Power flexibility

5. Multi-disciplinary (virtual) teams

6. Vague organisational boundaries

7. Goal orientation

8. Customer orientation

9. Home-work

10. Absence of apparent structure

11. Sharing of information

12. Staffed by knowledge workers.

In fact, this list of the characteristics of virtual organisation is not an exhaustive one but illustrative only. One can add more characteristics to this list.

Types of virtual organizations:

Depending on the degree or spectrum of virtuality, virtual organisations can be classified into three broad types as follows:

1. Telecommuters

2. Outsourcing employees/competencies

3. Completely virtual

A brief description of these follows in turn.

Telecommuters:

These companies have employees who work from their homes. They interact with the workplace via personal computers connected with a modem to the phone lines. Examples of companies using some form of telecommuting are Dow Chemicals, Xerox, Coherent Technologies Inc., etc.

Outsourcing Employees/Competencies:

These companies are characterised by the outsourcing of all/most core competencies. Areas for outsourcing include marketing and sales, human resources, finance, research and development, engineering, manufacturing, information system, etc. In such case, virtual organisation does its own on one or two core areas of competence but with excellence. For example, Nike performs in product design and marketing very well and relies on outsources for information technology as a means for maintaining inter-organisational coordination.

Completely Virtual:

These companies metaphorically described as companies without walls that are tightly linked to a large network of suppliers, distributors, retailers and customers as well as to strategic and joint venture partners. Atlanta Committee for the Olympic Games (ACOG) in 1996 and the development efforts of the PC by the IBM are the examples of completely virtual organisations. Now, these above types of virtual organisations are summarized in the following Table

Advantage:

Virtual organisations offer the following advantages:

1. It saves time, travel expenses and eliminates lack of access to experts.

2. Virtual teams can be organised whether or not members are in reasonable proximity to each other.

. Use of outside experts without incurring expenses for travel, logging and downtime.

4. Dynamic team membership allows people to move from one project to another.

5. Employee can be assigned to multiple, concurrent teams.

6. Teams' communication and work reports are available online to facilitate swift responses to the demands of the (global) market.

Disadvantages:

In spite of these advantages, virtual organisations suffer from the following disadvantages also:

1. The lack of physical interactions with its associated verbal and non-verbal cues and also the synergies that often accompany face-to-face interaction

2. Non-availability of paraverbal and non-verbal cues such as voice, eye movement, facial expression, and body language which help in better communication.

3. Ability to work even if the virtual teams are miles apart and the members have never or rarely met each other face-to-face.

Globalization

It has played an important role in the generation of employment in India. Since the economic liberalization policies in the 1990s, the employment scenario in the country has significantly improved. An analysis of the impact of globalization on employment in India will bring out a number of factors in this regard.

Market liberalization policies and employment

The wake of globalization was felt in India in the early 1990s when the then Finance Minister Manmohan Singh initiated the open market policies. This led to a significant improvement in the gross domestic product of the country and the exports increased considerably. There was significant rise in the customer base and it slowly gave rise to the consumer market where the market changes were dependant on the demand supply chains. In fact, the growth in demand brought a favorable change and the supply too started increasing. As, supply is directly involved with employment, more supply led to more production which led to more employment over the years.

Growth of new segments in the market

Due to globalization and the growth of the consumer market, a number of segments in various sectors of the industry have grown over the years. This has led to the significant rise in the rate of demand and supply. In the recent years, a number of industry segments such as information technology, agro products, personal and beauty care, health care and other sectors have come into the market.

Experts say that the introduction of a wide range of sectors have led to the favorable growth of the economy in the country. With more and more industry segments coming up, there has been a high demand for quality workforce. As such, lots of young people are taking jobs in all these segments in order to start a good career.

In the unorganized sector as well, there has been an increase in various sectors which has improved the rate of employment in the country. As per the recent surveys, there has been a significant increase in the number of people working in the unorganized and allied sectors. The pay package in all these unorganized sectors have also increased to a great extent.

Improvement in the standard of living

As globalization has put a favorable impact in the economy of the country, there has been an improvement in the standard of living of the people. The favorable economic growth has led to the development of infrastructure, health care facilities and services, per capita income and other factors which have really led to the high growth rate. It has been expected that the economy in India will grow by around 6-7% yearly. This growth rate is expected to improve the overall employment situation more and the per capita income will also increase significantly.

Development of other sectors

Globalization has positively affected the growth of various sectors in India. These have opened up new employment opportunities for the people. The service industry has a share of around 54%

of the yearly Gross Domestic Product (GDP). From this figure itself, it is understood that the service industries are doing very well in the market and as such, plenty of employment opportunities   are   taking   place.

In the other sectors such as industry and agriculture, the rate of employment has gone up. The industrial sector contributes around 29 % while the agricultural sector contributes around 17 % to the gross domestic product. Some of the well known exports of the country consist of tea, cotton, jute, wheat, sugarcane and so on. Due to the growth of customer base in all these sectors, more and more employment opportunities are opening up. In fact even young people and freshers are getting jobs in all these sectors. In the manufacturing sector, there has been a growth of around 12% while the communication and storage sector has also grown up by around 16.64%.

Government Initiatives

To keep pace with the favorable effects of globalization, the government has taken a number of initiatives. A number of employment opportunities such as Prime Minister Rojgar Yojna and the CM Rojgar Yojna have been initiated to improve the employment situation in the rural areas. The Minimum Wages scheme has also been successfully implemented. In order to improve the quality of the workforce, effort is also being given to impact education to various sectors of the rural areas. Under these schemes, new schools are being opened up and attention is also being given to the welfare of the students. Likewise in the urban sector too, more and more employment opportunities are being opened up for the youth in a number of government sectors, banks   and   so   on.

In order to foster communication and migration of workforce to various parts of the country to cater to the needs, the government has also developed infrastructure to a great extent. New roads and highways are being constructed to increase connectivity.

Collective bargaining

 is a process of [negotiation](#) between employers and a group of employees aimed at agreements to regulate working salaries, working conditions, benefits, and other aspects of workers' compensation and rights. The interests of the employees are commonly presented by

representatives of a [trade union](#) to which the employees belong. The [collective agreements](#) reached by these negotiations usually set out wage scales, working hours, training, health and safety, [overtime](#), [grievance](#) mechanisms, and rights to participate in workplace or company affairs.[1]

The [union](#) may negotiate with a single employer (who is typically representing a company's shareholders) or may negotiate with a group of businesses, depending on the country, to reach an industry-wide agreement. A collective agreement functions as a [labour contract](#) between an employer and one or more unions. Collective bargaining consists of the process of negotiation between representatives of a union and employers (generally represented by management, or, in some countries such as Austria, Sweden and the Netherlands, by an [employers' organization](#)) in respect of the terms and conditions of employment of employees, such as wages, hours of work, working conditions, grievance procedures, and about the rights and responsibilities of trade unions. The parties often refer to the result of the negotiation as a *collective bargaining agreement* (CBA) or as a *collective employment agreement* (CEA).

Participative Management

It refers to as an open form of management where employees are actively involved in organization's decision making process**.** The concept is applied by the managers who understand the importance to human intellect and seek a strong relationship with their employees. They understand that the employees are the facilitators who deal directly with the customers and satisfy their needs. To beat the competition in market and to stay ahead of the competition, this form of management has been adopted by many organizations. They welcome the innovative ideas, concepts and thoughts from the employees and involve them in decision making process.

Participative Management can also be termed as 'Industrial Democracy', 'Co-determination', 'Employee Involvement' as well as 'Participative Decision Making'. The concept of employee participation in organization's decision making is not new. However, the idea couldn't gain that much popularity among organizations. Studies have shown that only 3-5 percent of organizations have actually implemented this concept in their daily operations.

Though the theory of participative management is as old as the institution of employees and employers still it is not applied by a large proportion of organizations.

The idea behind employee involvement at every stage of decision making is absolutely straight. Open and honest communication always produces good results both for organization as well as workers. Freedom and transparency in company's operations take it to the next level and strengthens the basis of the organization. On the other hand, there are several companies that straightway rule out the possibility of participative decision making process. According to them, employees misuse their freedom of expression and participation in decision making as it provides higher status to employees and empowers them.

However, there are many companies who have embraced this particular style of management and are now getting positive results. Toyota is the best example. The company has been following suggestion schemes and employee involvement procedures for over a decade now. The management receives almost 2,000,000 suggestions and ideas every year and around 95 percent of these are implemented by the company. Who is not aware of Toyota's success rate? Around five thousand improvements per year have made Toyota one of the fastest growing organizations globally. The need is to develop and implement a comprehensive company policy and everything works well.

British Airways is another great example of participatory management. During economic downsizing, employees' suggestions helped them cut annual cost of their operations by 4.5 million pounds. This is just unbelievable. The company would have suffered from huge losses, had it not adopted employees' suggestions. It is right to some extent that employees can misuse industrial democracy but with a proper management of HR functions, this problem can be solved and the operations of organization can be taken to the next level.

Satyam is another great example. It has been implementing company-wide suggestion scheme, 'The Idea Junction', since 2001. A real-time web-based portal is present in Intranet that can be accessed by all its employees all across the globe to support the entire life cycle of an idea right from its generation till its implementation. The main idea behind adopting this management style was to create values and bring sense of belongingness in the employees through ideas,

suggestions and complaints. The whole procedure is backed by a strong and comprehensive reward policy that encourages employees to perform better each time.

Employee participation at each level of decision making process is not at all harmful if managed efficiently. The whole process can be well coordinated and controlled by the sincere and honest efforts of human resource managers.

Ethical issues in hrm

Of all the organisational issues or problems, ethical issues are the most difficult ones to handle or deal with. Issues arise in employment, remuneration and benefits, industrial relations and health and safety.
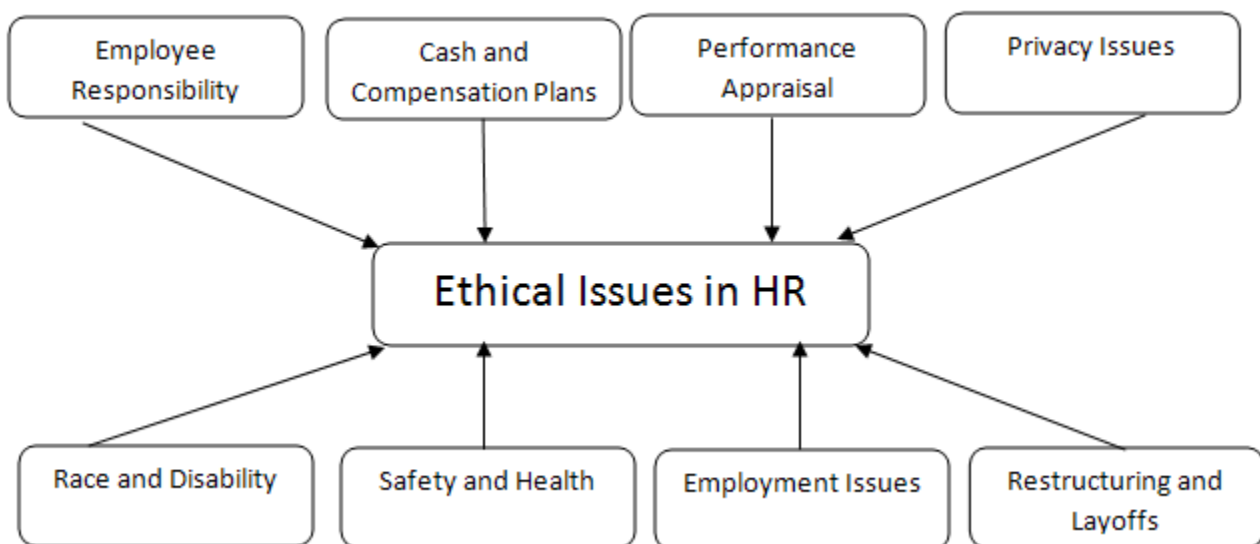
 - **Cash and Compensation Plans**

    There are ethical issues pertaining to the salaries, executive perquisites and the annual incentive plans etc. The HR manager is often under pressure to raise the band of base salaries. There is increased pressure upon the HR function to pay out more incentives to the top management and the justification for the same is put as the need to retain the latter. Further ethical issues crop in HR when long term compensation and incentive plans are designed in consultation with the CEO or an external consultant. While

deciding upon the payout there is pressure on favouring the interests of the top management in comparison to that of other employees and stakeholders.

- **Race, gender and Disability**

In many organisations till recently the employees were differentiated on the basis of their race, gender, origin and their disability. Not anymore ever since the evolution of laws and a regulatory framework that has standardised employee behaviours towards each other. In good organisations the only differentiating factor is performance! In addition the power of filing litigation has made put organisations on the back foot. Managers are trained for aligning behaviour and avoiding discriminatory practices.

- **Employment Issues**

Human resource practitioners face bigger dilemmas in employee hiring. One dilemma stems from the pressure of hiring someone who has been recommended by a friend, someone from your family or a top executive.

Yet another dilemma arises when you have already hired someone and he/she is later found to have presented fake documents. Two cases may arise and both are critical. In the first case the person has been trained and the position is critical. In the second case the person has been highly appreciated for his work during his short stint or he/she has a unique blend of skills with the right kind of attitude. Both the situations are sufficiently dilemmatic to leave even a seasoned HR campaigner in a fix.

- **Privacy Issues**

Any person working with any organisation is an individual and has a personal side to his existence which he demands should be respected and not intruded. The employee wants the organisation to protect his/her personal life. This personal life may encompass things like his religious, political and social beliefs etc. However certain situations may arise that mandate snooping behaviours on the part of the employer. For example, mail scanning is one of the activities used to track the activities of an employee who is believed to be engaged in activities that are not in the larger benefit of the organisation.

Similarly there are ethical issues in HR that pertain to health and safety, restructuring and layoffs and employee responsibilities. There is still a debate going on whether such activities are ethically permitted or not. Layoffs, for example, are no more considered as unethical as they were thought of in the past.

UNIT-5

Special Issues in IHRM

As the success of domestic business depends on its human resources, the success of a multinational company depends on international human resource management. Human resources managers are kind of people managers of any business organization, and are responsible for managing a wide range of employees. The human resource manager in a multi-national company with divisions or subsidiaries in foreign countries has all the normal HR responsibilities plus a brace of additional tasks that are specific to offshore operations of his department. He is literally responsible for international human resource management.

Typically, HRM refers to those activities undertaken by an organization to effectively utilize its human resources. These activities would include at least the following:

Human resource planning

Staffing

Performance management

Training and development

Compensation and Benefits

Labour relations

We can now consider the question of which activities change when HRM goes international. A paper by Morgan (1986) on the development of international HRM is helpful in considering this question. He presents a model of international HRM that consists of three dimensions:

The three broad human resource activities of procurement, allocation, and utilisation. (These three broad activities can be easily expanded into the six HR activities listed above).

The three national or country categories involved in international HRM activities:

The host-country where a subsidiary may be located,

The home-country where the firm is headquartered, and

"Other" countries that may be the source of labour or finance.

The three types of employees of an international firm:

Host-country nationals(HCNs),

Parent-country nationals (PCNs), and

Third-country nationals (TCNs).

Thus, for example, IBM employs Australian citizens (HCNs) in its Australian operations, often sends U.S. citizens (PCNs) to Asia-Pacific countries on assignment, and may send some of its Singaporean employees on an assignment to its Japanese operations (as TCNs).

So, International human resource management functions cover many different activities related to a business organization's employees and contractors. The first and most important is the staffing needs of the company whether staff members are company employees or outside contractors. Other functions include recruiting and training employees, ensuring that they are performing at expected levels or better, handling performance issues and making certain that personnel and management policies conform to laws and regulations. IHR management is also involved in how the company manages employee compensation and benefits, employee records and personnel policies and practices.

The primary difference between domestic human resource management and international human resource management is the added knowledge and responsibilities required due to foreign operations. These typically include language (in non-English speaking offshore organisations), the local and national regulations and laws governing business operations within a foreign country; currency exchange rates, career outlooks, company benefits and incentives and, perhaps most important. The ethics and etiquette expectations of foreign business contacts. IHR management people must understand these differences clearly and stand ready to keep other company people informed of them to prevent embarrassing situations and unintentional 'affronts' from occurring

Basic human resources are a management activity while human resources development is considered a profession. The latter is targeted more specifically to developing personnel inside organisations through career development, organizational development and training activities. Both functions have undergone very-significant evolutions during the past several decades so that they now play major roles in staffing, managing and training people so that the will perform in an optimum manner for the organisation. Today, international human resource management is the fastest-growing subset of HR due to the growing trend for global business operations.

Still other international human resource management activities include ensuring workplace safety through dealing with drugs and drug problems, employee assistance, ergonomics, spirituality and diversity. In these efforts multiple sets of regulations must be used as guidelines; those of the company and those arising from being in a foreign nation with different laws, regulations and etiquettes. (managementhelp.org, 2007).

An understanding of international HRM, as Scullion (1995) points out, is of growing importance for a number of reasons, the most significant of which are:

Recent years have seen a rapid increase in global activity and global competition. As the MNCs increase in number and influence, so the role of international HRM in those companies grows in significance.

The effective management of human resources internationally is increasingly being recognised as a major determinant of success or failure in international business.

Research evidence shows that

Shortage of international managers is becoming an increasing problem for international firms,

To a large extent the successful implementation of global strategies depends on the existence of an adequate supply of internationally experienced managers,

Business failures in the international arena may often be linked to poor management of human resources, and

Expatriate failures continue to be a significant problem for many international firms.

In this connection, Schuler et al. (1993) argue that:

HRM at any level is important to strategy implementation;

Major strategic components of MNCs have a significant bearing on international management issues, functions, policies and practices;

Many of these characteristics of strategic international human resource management can help or hinder the MNCs in their attempt to achieve their goals and objectives; and

There are various factors that make the relationship between MNCs and strategic IHRM complex, thereby making the study of IHRM important.

To the above must also be added the issues which are important from the employees' point of view and the effect that MNC's HRM policies and practices might have on their morale and future career prospects. This is especially crucial because the bulk of employees of major MNCs come not from the companies' home country but from many other nations with sometimes totally different ways of doing things. Employees from the host countries for instance might have different expectations from their job and their workplace than do the home country employees. In addition, host countries' labour laws and regulations and industrial relations are very likely to be different from those of the MNC's home country.

SIGNIFICANCE OF HUMAN RESOURCES

To achieve a competitive advantage in the global market, effective exploitation of human resources is of significant importance. To be in competition and have sustainable advantage it is necessary to manage internal resources in efficient way. For sustainable advantage in competition, creation of value is important, but it should be rare, it must be inimitable, and must be non-sustainable.

For the sustainable competitive advantage, human resources are the most important factor as it is inimitable, non-substitutable as well as valuable and rare.

Human resources- Valuable

For sustainable competitive advantage, resources must be valuable. The demand for labour is different in different firms and it is more different across the countries than it is within the countries due differences in availability of capital, difference of labour practices and social and cultural norms which are related to the work. The labour supply is also different across countries than within the countries due to difference in hygiene, health care, nourishment, training and educational opportunities. As competition becomes more global, there is an opportunity for creating value through human resources.

Human resources must have control, information, awareness, recognition and rewards to be the source of competitive advantage.

Human resources- Rare

To be source of sustainable competitive advantage the resource should be rare. Human skills are distributed normally in the population and are rare. Human resources vary in worth, and different jobs require different skills and finding these skills are rare. International firms have and can draw more labour pool; they have great potential for developing the valuable and rare resources than the domestic firms which draw from only labour pool.

Human resources- Inimitable

It will be more difficult to imitate the resources in the presence of causal ambiguity and social complexity.

Causal ambiguity: - Exists when their imperfection in understanding of the link between a firm's resources and competitive advantage. If the firm which is in the competition is not able to identify the human resources which are responsible for competitive advantage, they cannot imitate the advantage. Causal ambiguity is caused mainly due to team production. When the work is done in team, it becomes difficult to identify who had contributed maximum to achieve the goal.

Social complexity: - It may arise from the transaction-specific relationships. The competitive advantage can be gained due to complex social situation. Even when the relationships are too complex, it is better to consider the value of relationship which may be due to the human transactions. The value can be developed due to the knowledge and trust which had been developed over the time. Human interaction may lead to social complexity.

In the global competition, the social complexity and causal ambiguity act as a barrier to imitation. It becomes difficult for the outsiders to understand the competitive advantage due to differences in customs and norms. The imitation becomes impossible due to religion, culture and political alliances.

Human resources- Non-substitutable

To stay in the competitive global environment there should be no good substitute available. Finding the good substitute is the difficult task. Human resources are the factor which can be transferred across the technologies, products and markets. Human resources are thus valuable. If the firm has obtained high level of learning capabilities then providing good training ensures that resources do not becomes out of date.

It is possible to substitute all the other resources for the short term and they can't eliminate the substitution of the human resources for long.

What is Globalization?

2. A Google search under the key word "globalization" yields more than 1.6 million hits — ample proof that both interest and definitions abound. From my perspective as an economist, globalization means a process of increasing international division of labor and the accompanying integration of national economies through trade in goods and services, cross-border corporate

investments, and financial flows. This integration is boosted by technological progress, in particular in transport and communications. However, there is more to globalization than mere economics: globalization also means the free exchange of thoughts and ideas, and greater mobility of people. This is not something that is imposed upon us, but the result of forces for change that are deeply rooted in human nature: the drive for freedom and a better life, for new discoveries, and for a broader horizon.

A brief history

3. Globalization is not a recent phenomenon. Even in the pre-Google days humans were reaching out for new frontiers. Back in the 11th century the Venetian Republic was an early force in globalization. The age of the Portuguese, Spanish, and Dutch voyages of discovery gave further impetus to global integration through rapid advances in maritime technology. The discovery of electricity, the expansion of the railways, and the gold standard in the period from the mid-19thcentury to 1914 brought about an enormous increase in trade and financial integration. However, it is important to remember that this great wave of economic integration was interrupted in the first half of the 20th century by a phase of aggressive nationalism and protectionism in the aftermath of World War I, leading to the Great Depression of the 1930s and the catastrophe of another world war.

Opportunities and risks of globalization

4. **An objective look at the last 50 years provides impressive evidence of the economic advantages of globalization.** In the industrialized countries, real per capita income more than tripled in the second half of the 20th century. In some developing countries the increase was even more dramatic. In South Korea, for example, per capita income increased more than tenfold, measured in today's prices. Economic growth also brought about medical advances, for example: life expectancy rose by over a decade in industrialized countries and by over 20 years on average in developing countries. Some developing countries that have embarked on the road toward global integration, such as China, India, Malaysia, Brazil, Mexico, South Korea, and Thailand, now no longer export only raw materials, but also finished products, and services. In India, for example, IT exports alone account for nearly 40 percent of export earnings.

5. **Nevertheless, globalization also contains risks.** In my view, there are three major economic challenges:

- First, **the benefits of economic integration have primarily extended to the industrialized countries**, along with, in the last 10 to 20 years, a group of developing countries, admittedly encompassing over 3 billion inhabitants. At the same time, however, according to a World Bank classification, a similar number of people live on less than $2 a day. Such poverty is the greatest challenge for stability and peace in the 21st century.

- Second, **the globalization of financial markets has been accompanied by devastating financial crises in emerging market economies.** The causes of these crises are complex. However, a common feature has often been over-indebtedness and massive reversals in capital flows, leading to severe recession accompanied by a sharp rise in unemployment.

- Third, **globalization exerts pressure on the environment.** Domestic environmental protection policies alone are no longer sufficient to address this pressure. In economists' language, an environment worth living in has become a *global public good* that warrants active engagement.

6. **Globalization is neither good nor bad.** It all depends on what we make of it — the extent to which we are able to exploit the opportunities and at the same time limit the risks. I believe that to alleviate world poverty, we need more, not less, globalization — but above all a better globalization. In other words, globalization requires political management. I welcome the critical debate on globalization, which should help us to find workable solutions for a better globalization.

7. **At the last IMF annual meeting I set out five guide posts for the IMF in its contribution toward a better globalization**:

- First: issues of international **interdependence** must be given greater priority in national policy agendas. Increasing mutual dependence requires that each country must give more consideration to the consequences of its actions on others. That in turn requires closer international cooperation and also institutions that are directly responsible for global problems;

- Second, globalization urgently requires international **solidarity**. Solidarity is, however, not just an ethical and moral duty. In actively combating world poverty I see an investment in stability and peace for the whole of mankind.

- Third, international cooperation and solidarity should not weaken or even replace national **self-responsibility**. At the end of the day, what matters is also, and above all, good governance, sound institutions, and respect for the rule of law;

- Fourth, the market economy has proven to be the best mechanism in history for economic coordination. Nevertheless, market forces alone do not suffice. We need internationally recognized **ground rules** for participation in globalization.

- Fifth, we should regard the **diversity** of experiences and cultures as part of the wealth of our planet. Strengthening the international financial architecture should not therefore be an attempt to force all countries into a uniform, *one-size-fits-all* economic or cultural model.

The international financial architecture and the role of the IMF

8. **A key lesson from financial crises of the past few years is that crisis prevention must stand at the center of the IMF's mandate**. The principal starting point for this task is the Fund's bilateral and multilateral surveillance work, that is the regular examination and assessment of economic developments and policies at the national and international level. We are currently honing this tool, by focusing more than ever on the sources of crisis vulnerability and on strengthening crisis resilience:

- **We are advising our members to incorporate more shock absorbers in their economic policies.** The starting points for this are, for example, a fiscal policy that also leaves room for maneuver in difficult times; efficient and diversified financial sectors; and last but not least more effective social safety nets. Experience also shows that flexible exchange rates function

particularly well as a buffer, by allowing gradual adaptation to changing economic circumstances.

- **Following the Asian crisis we have also been focusing increasingly on financial sector issues**. In conjunction with the World Bank, we draw up profiles of member countries' strengths and weaknesses as part of our *Financial Sector Assessment Program*. So far, we have completed over 50 country analyses; for Germany, this work is currently under way.

- **Today's world economy looks dramatically different from that of 20 years ago, primarily due to the evolution of international capital markets.** Private capital flows have overtaken public flows in terms of volume and variety. For this reason, one of my first decisions as Managing Director was to set up a special department at the IMF to provide better analysis and assessments of developments in international capital markets. This includes a regular dialogue with the private sector, and Dr. Gentz is a member of our *International Capital Markets Consultative Group*. Moreover, in the *Global Financial Stability Report*, we now analyze the risks in the international financial system semi-annually. In this we have identified, for example, the current weaknesses in corporate balance sheets as a threat to economic recovery. We also counseled in favor of greater transparency in financial derivatives at an early stage, so that market participants could evaluate the associated risks more easily.

- **Free movement of capital provides developing and emerging market economies with access to technology, investment, and also financial expertise.** These are important prerequisites for economic growth and employment. Promoting further liberalization of capital flows therefore remains an appropriate and important objective. However, as the Asian crisis reminded us most recently, we know that opening up to the free movement of capital must be carefully sequenced, paying due attention to the establishment of sound institutions — including the necessary domestic regulatory and supervisory capabilities.

9. **Crisis prevention is strengthened above all through more transparency in economic data and polices.** In this respect there has been a veritable revolution since the financial crises of the late 1990s. This is especially true in the case of data transparency. Fifty-three member countries have now joined the IMF *Special Data Dissemination Standard* (SDDS), including most of the large emerging market economies, such as Brazil, India, and Mexico. The SDDS lays down consistent standards for the publication of important economic data. Private market participants confirm that the standard, for example, for the dissemination of information on foreign exchange reserves, is being increasingly used for country risk evaluation. Moreover, more transparency also helps to combat corruption.

10. **Transparency is, however, rightly also required of the IMF itself.** And this has been an important objective for the Fund. Nearly all country and policy documents are now publicly available, unless a member country explicitly withholds its consent, or unless a document contains market-sensitive information. Even our semi-annual work program is now published on the IMF website. In addition, we have established an independent evaluation office, which has the task to assess the work of the Fund. This office has already presented its second report on the role of the IMF in the financial crises in Indonesia, South Korea, and Brazil in the late 1990s. I am looking forward to discussing the report, as it will likely demonstrate among other things that the IMF has already drawn a number of important lessons from previous financial crises.

11. **Nevertheless, much work remains to be done.** This is particularly the case for the work on the internationally-accepted rules for the global economy. In the context of our surveillance responsibility, we are promoting acceptance and observance of standards and codes agreed by the international community. Such standards and codes extend from economic statistics, as in the IMF *Special Data Dissemination Standard*, via transparency rules for fiscal and monetary policy, minimum capital requirements for banks, supervisory standards for the investment and insurance industries, to a methodology for combating money laundering and the financing of terrorism. The broad implementation of these initiatives will take time, and the various standards and codes must be regularly reviewed. However, there is no doubt in my mind that these initiatives, together with the systematic review of our member countries' financial sectors, have already gone a long way to strengthening the international financial system.

12. **Even the best efforts of prevention will not completely eliminate the possibility of future crises.** Overshooting and correction will always be part of an open and dynamic market economy. Nevertheless, the objective must be to have fewer and less severe crises, and also to avoid contagion. In any case, even in the event of a crisis, self-responsibility is indispensable, if only to minimize moral hazard. The IMF is no *lender of last resort* in the sense of an unlimited availability of liquidity to help countries in financial difficulty. For this reason, we have clarified the conditions and limits of access to IMF resources. We have also concluded a long discussion of how best to help a country that faces a threat of insolvency. The Fund's proposal to create a mechanism similar to private sector bankruptcy for such rare cases failed to achieve the high degree of voting support required to bring about a change in the IMF Articles of Agreement. There is consensus, however, on proceeding with the introduction of what are known as *Collective Action Clauses* (CAC) in government bonds, so that individual creditors cannot block an essential debt restructuring. The inclusion of such clauses by Mexico, Brazil, and recently South Africa in their most recently issued bonds is a welcome development. The IMF also supports the creation of a voluntary code of conduct establishing ground rules for debtors and creditors in debt rescheduling procedures. And finally, we are continuing to work on further open questions, such as the aggregation of debt claims across different bonds. I have no doubt that these measures have created a framework that will considerably improve crisis management in the future.

13. **It is both appropriate and important that the IMF focus not only on rich countries but on poor countries as well.** We are a global institution with 184 member countries, and in (too) many of these countries, poverty remains the greatest challenge. Globalization requires a policy framework for one world. With the outcome of the United Nations Conference on Financing for Development in Monterrey in March 2002 there is now a remarkable degree of international consensus on the right approach to alleviating poverty. That approach rests on two pillars:

- *First*, greater efforts on the part of the poor countries themselves; that means they must ensure observance of the rule of law, good governance, the fight against corruption, and a better investment climate in their own country.

- *And second*, swifter, more comprehensive, and more effective support from the advanced economies. Above all, the latter must realize that aid becomes more effective, the more cooperation with developing countries is treated as a partnership.

This approach, and the spirit of Monterrey can already be seen in the efforts of a new generation of African leaders in putting forward the New Partnership for Africa's Development (NEPAD).

14. **The World Bank and the IMF — under the leadership of the World Bank — are supporting this concept with technical assistance and financial support as part of the** *Poverty Reduction Strategy Papers* **(PRSP).** These are long-term development strategies adopted by the countries themselves. What is new about this concept is especially the broad consultation process involving civil society, aimed at strengthening ownership and thereby improving the chances of success. Moreover it is important that these country strategies be discussed with other bilateral and multilateral donors, and with NGOs, so as to improve aid coordination. Within this approach, the IMF contributes its expertise in the area of macroeconomic policy and financial stability. In doing so, we do not pursue stability as an end in itself, but because experience has shown that inflation and weak government finances hamper sustainable economic growth and, as a result, hurt the poor most of all. So far, twenty-eight developing countries have prepared full PRSPs and twenty-one others are coordinating their development process with the help of interim PRSPs. The first signs of success can be clearly seen in countries such as Mozambique, Tanzania, and Uganda. These countries have weathered the shocks to the global economy of the past three years with relatively stable growth. Moreover, in these countries there has also been a structural increase in expenditure on education and health. Overall, the IMF has strengthened its involvement in Africa, particularly through the establishment of two regional technical assistance centers in Tanzania and Mali. These centers offer countries education and training, with the objective to improve the efficiency of the management of public finances and to support the establishment of financial sectors that promote development.

15. **Debt relief clearly must be part of a comprehensive approach to poverty alleviation.** The enhanced HIPC initiative of the IMF and the World Bank has so far reduced the external debt of 20 countries by $40 billion, a reduction by two thirds in net present value terms. At the same time, in these countries, social expenditures are now on average three times higher than their debt service. However, I should caution that debt relief is no panacea. The word "credit" comes from the Latin *credere*, to trust. Developing countries must maintain or build up the confidence that contracts will be honored, if they wish to open up the possibility of access to private financial resources. Promoting such a credit culture is crucial not only for development, but also for the stability of the international financial system as a whole.

16. **The true credibility test for industrial countries in combating poverty lies in their readiness to open their own markets to developing country exports, including by dismantling market-distorting subsidies, and in honoring their pledges to provide overseas development assistance.** Trade is an engine of economic growth, without which no real progress can be made in alleviating poverty. Trade is the best form of help to self-help and reduces dependence on development aid. It is high time that the industrial countries open their markets more widely to products from developing countries. Far-reaching reforms in agricultural policy in all industrial nations are therefore urgently needed — both for fundamental moral reasons and because it makes economic sense:

- Abolishing all trade barriers in goods markets would lead, according to best estimates, and before taking into account productivity gains and improved investment prospects, to an annual

increase in global income of $250 billion to $620 billion — of which one third to one half would benefit developing countries;

- Total financial support to the agricultural sectors in the OECD reached over $300 billion in 2001 — six times overseas development assistance from these countries. The average European cow receives a daily subsidy of $2.50 — statistically, that is more than almost 3 billion people in developing countries have to live on per day!

- Trade barriers prevent manufacturing industries from emerging in developing countries. For example the EU applies a zero tariff on imports of cocoa beans, but cocoa paste, a semi-finished product, is subject to a 9.6 percent duty, and processed chocolate is taxed under a mixed set of tariffs that can add up to as high as 25 percent.

It was a moment of inspiration in development policy two years ago when trade negotiators, meeting under the auspices of the World Trade Organization in Doha, Qatar, agreed to make the new multilateral trade liberalization initiative a "Development Round." Today we must ask ourselves with concern whether this optimism is still justified. In any case, it is disappointing that the March deadline for agreeing to the modalities for the agricultural trade talks was missed. Three fourths of the world's poor live in rural areas and are dependent on agriculture. The agricultural sector is thus the key to a true "Development Round." Moreover, the successful conclusion of the Doha Round by the agreed deadline in 2005 is also a vital step in strengthening confidence in global cooperation, thereby supporting the emerging economic recovery.

17. **It is also high time that industrial countries finally keep their promise to spend 0.7 percent of their gross national product on development aid.** In Germany, development aid is now 0.26 percent of GNP. Anyone looking for causes and culprits for injustice in the world should at the very least reflect upon this number. It is a concrete expression of current social preferences in Germany.

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A global world needs a global ethic

18. I am basically an optimist and I am convinced that with the right policy a better globalization is possible — and that also includes not least the elimination of glaring poverty in the world. Nonetheless, the recent financial scandals in the United States and in Europe should remind us that good market economics and good corporate governance are not measured by quarterly profit alone. We also need a corporate code of ethics that fosters sustainable value creation that takes into account shareholders, workers, and the environment. I agree with Hans Küng that the world cannot survive without a global ethic. This ethic must respect human rights, but should remind us that we have duties as well as rights. Hans Küng also demonstrated that there is a great deal of commonality between the great world religions. In this too I see a basis for optimism, not least for the vital healing process in the Middle East. We must and indeed can all help in bringing about Roman Herzog's ideal of a common civilization living together in peace. That is also the basis for my vision for the IMF.

Impact of IT on Human Resource Management-

Leveraging Human Resources During Difficult Times

The global economic crisis continues to force businesses to make difficult decisions to remain viable and competitive. Increasing regulatory pressures, decreasing revenues, and continual competitive threats have turned the "status quo" into the "status isn't".

In this new era of uncertainty, businesses need to think differently and beyond its immediate challenge(s) to navigate successfully through difficult times. Executives who think of a human resources function only as an administrative overhead department, businesses can stand to lose out on critical key strategies that will help them remain viable and competitive.

Workplaces can leverage its human resources in order to navigate through these difficult times to remain viable, and ultimately obtain a competitive advantage when the economy turns around.

Here are three specific areas where human resources can be leveraged in this new era:

Cost containment

Cost containment can go beyond just eliminating positions and reducing supply purchases. Human resources can be leveraged in analyzing and locating wasteful spending in its benefits, compensation, and staffing practices. There are reports of organizations finding hundreds of thousands of dollars in savings by its human resources facilitating the auditing of its benefit plans and records, alone. In fact, Liberty Benefit Insurance Services offers insight in how businesses have been able to save much needed money by auditing its health insurance plans. Through these auditing practices, businesses may be able to find savings without compromising on coverage.

In addition, businesses can leverage human resources in correcting those cost containment opportunities from within the organization. These activities include facilitating real collaborative house-wide organizational efforts, managing reduction-in-force efforts, while mitigating risks

that may lead to spending money on legal defense. By managing a non-punitive, truly engaging efforts, employees may feel open to sharing with you areas of opportunity for saving money. However, punitive, singling-out efforts will only encourage employees to remain silent, costing the company cost containment opportunities that could have been realized. While cost containment findings may offer short-term solutions, being able to internally work together, identifying and self-correcting wayward practices is a step towards becoming self-reliant and viable in the long term.

Performance Improvement

In an era where businesses must do more with less, it is critical that its workforce is performing at its highest level, now more than ever. Now is the time to be fully "on" with all employees moving in the same direction. This can be done with the right tools and collaborative support from the executive and leadership teams.

In a time of crisis it is especially important to ensure job descriptions, evaluations, any assessment tools, training efforts and internal communication methods are current and aligned with organizational goals and objectives. A common mistake is to assume that these are only administrative chores and have no impact on organizational performance. It is completely ironic when businesses use tools that are not connected to actual goals and objectives, but expect stellar performance. Resist the temptation to use tools just because some other company uses it without building in language and measurements that align with your desired business culture and goals.

When each of these tools are designed with business results in mind and skillfully leveraged together, they can help achieve direct results such as hiring the right people, holding them accountable, and developing future leaders. It is these steps that keep people on the ship focused on desired direction, despite the stormy weather going on around you.

Positioning for growth

Leveraging human resources comes into play for workplaces who wish to engage in positioning for growth. Some of those activities are through leadership, hiring the right people, and employee engagement.

Leadership - Identifying who should be "on the bus", obtaining and developing a strong leadership team is a key strategy. Effective leadership development programs address current challenges and are not a one-size-fit-all approach. Most organizations have leaders that are at different stages in their development. In addition, with multi-generations that comprise the workforce, being able to mix-up and customize development programs are essential.

Hiring the right people - Recruitment is the front door to successful talent management and goal achievement. Businesses will be set up for success if they make a concerted effort to hire people with values that are aligned with organizational goals and objectives.

Employee engagement - Knowing how to engage people in crisis, solutions, and organizational goals and objectives is a key strategy towards success. You can sit and bark orders at people all you want, but unless employees are engaged in the desired direction, success will be elusive.

This article only touches on some of how human resources can be leveraged. Other activities include facilitating merger and acquisition due diligence, communication strategies, expounding on performance management, employee engagement, and human resource technology are also considerations.

While times are tough, acting like a "deer in the headlights" or reacting without leveraging human resources can only yield being run over. In this new era it is the executive who can step away from the status quo, know how to leverage resources, and create new opportunities, will realize success today and in the future.

Globalization has influenced business so much that even small businesses have global concerns. Businesses can exploit markets worldwide fairly easily in terms of marketing, but the human resources they need on the ground in various countries can present challenges. The human resources department must learn to recruit and retain talent on a global scale. This presents a number of new challenges.

Sponsored Link

Quality of Work Life: it's Meaning and Definition!

The present era is an era of knowledge workers and the society in which we are living has come, to be known as knowledge society. The intellectual pursuits have taken precedence over the physical efforts.

Some knowledge workers work for more than 60 hours a week. As a result of this, their personal hobbies and interests clash with their work. Life is a bundle that contains all the strands together and hence the need to balance work life with other related issues.'

One must have both love and work in one's life to make it healthy. Gone are the days when the priority of employees used to be for physical and material needs. With the increasing shift of the

economy towards knowledge economy, the meaning and quality of work life has undergone a drastic change.

Meaning:

Quality of work life (QWL) refers to the favourableness or unfavourableness of a job environment for the people working in an organisation. The period of scientific management which focused solely on specialisation and efficiency, has undergone a revolutionary change.

The traditional management (like scientific management) gave inadequate attention to human values. In the present scenario, needs and aspirations of the employees are changing. Employers are now redesigning jobs for better QWL.

Definition:

The QWL as strategy of Human Resource Management has assumed increasing interest and importance. Many other terms have come to be used interchangeably with QWL such as 'humanisations of work' 'quality of working life, 'industrial democracy' and 'participative work'.

There are divergent views as to the exact meaning of QWL.

A few definitions given by eminent authors on QWL are given below:

1. "QWL is a process of work organisations which enable its members at all levels to actively; participate in shaping the organizations environment, methods and outcomes. This value based process is aimed towards meeting the twin goals of enhanced effectiveness of organisations and improved quality of life at work for employees. "

—The American Society of Training and Development

2. "QWL is a way of thinking about people, work and organisations, its distinctive elements are (i) a concern about the impact of work on people as well as on organisational effectiveness, and

(ii) the idea of participation in organisational problem-solving and decision making. " —Nadler and Lawler

3. "The overriding purpose of QWL is to change the climate at work so that the human-technological-organisational interface leads to a better quality of work life."

-Luthans

4. "QWL is based on a general approach and an organisation approach. The general approach includes all those factors affecting the physical, social, economic, psychological and cultural well-being of workers, while the organisational approach refers to the redesign and operation of organisations in accordance with the value of democratic society. "

Beinum

From the definitions given above, it can be concluded that QWL is concerned with taking care of the higher-order needs of employees in addition to their basic needs. The overall climate of work place is adjusted in such a way that it produces more humanized jobs.

QWL is viewed as that umbrella under which employees feel fully satisfied with the working environment and extend their wholehearted cooperation and support to the management to improve productivity and work environment.

There are many reasons why women expats face a different set of challenges than men do. While expat situations for women vary greatly, there are some common issues with which all can identify. Being aware of these known issues is a source of power for women, because in the end, it is up to each individual to discover the inner strength to find ways to create a positive and satisfying life abroad.

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

PARTICIPATIVE MANAGEMENT, QUALITY CIRCLES AND EMPOWERMENT:

4 QUALITY CIRCLES

Meaning:

It is small group of employees in the same work area or doing similar type of who voluntarily meets regularly for about an hour every week to identify, analyze and resolve work related

problems not only to improve quality, productivity and the total performance of the organization, but also to enrich the quality of work life of employees. There is a misconception that quality circles and task force are one and the same. But the quality circle is not a task force and the former is broader than the latter.

A task force is a group of most skilled employees selected and appointed by the management, engaged in various functions with an orientation to problem- solving. The quality circles are voluntary associations of workers of the same work place. Quality circles involve people in solving problems and their brain power effectively.

Objectives: the important objectives of Quality Circles are:

(i) To develop, enhance and utilize human resources effectively;

(ii) To improve quality of products/services, productivity and reduce cost of production per unit of output;

(iii) To satisfy the workers' psychological needs for self-urge, participation, recognition etc. with a view to motivating them. Accomplishment of this objective will ensure enhancement of employee morale and commitment;

(iv) To improve various supervisory skills like leadership, problem solving, inter-personal and conflict resolution and

(v) To utilize individual imaginative, creative and innovative skills through participation, creating and developing work interest, including problem solving techniques etc. Achievement of these objectives effectively requires the use of certain techniques.

Organizational Structure of Quality Circles

One of the factors for the success of any organization is its structure and the functional rapport between the different elements. For the successful operation of quality circles, a well-structured approach is therefore, absolutely necessary. The model of the structure is indigenous. It is found that it is successful in our country.

(1) Non-members: Non- members play an important role in the quality circle activities. These are the persons who have help in implementing the recommendations made by the quality circle members. Even the non-members would become part of the structure in the process of quality circle activities. In fact, this would produce catalytic effect on them and enthuse them either to become members of the existing circle or form new circle.

(2) Members: the basic element of a quality circle, of course, is the members themselves. Hence, the members are the heart of the programme, and proper use of their untapped brain power is the key to its success. The concept of quality circle is introduced to the members by the management with the help of audio-visual equipment and meetings. Those who are interested in the concept of quality circle is introduced to the members by the management with the help of audio-visual equipment and meetings. Those who are interested in the concept will form a quality circle. The members in a circle should be from the same work place as the members from the same work place are familiar with the work and it will be useful for them in meetings. The activities of the members include; attending meetings problem solving discussions and developing useful solutions to the problem.

(3) Leader/Depute Leader: the quality circle leader is elected by the circle members. He is responsible for the operation of his circle and is therefore responsible for the circle activities. Generally, the line manager acts as the leader of the quality circle. The main functions of quality circle leader are- (a) conducting meetings regularly, (b) generating enthusiasm for circle activities, (c) acting as link between members and facilitator, (d) keeping the meetings on right track and (e) training members in problem techniques.

The leader must have skills in discussion, initiation and promotion of active participation. He should be trained in group dynamics, human behavior and participative leadership styles.

(4) Facilitator: facilitator is an important link between the quality circle leader and the steering committee. The main duties of facilitators are; (a) serving as quality circle co-ordinate, (b) training members, leaders and management, (c) initiating the setting up of quality circles by persuading the supervisors by teaching and training, (d) providing feedback to the steering committee about the proceeding and results of the quality circle, (e) helping the quality circle in preparing the presentations, visual aids etc., (f) acting as an evaluator and reviewer of quality circle operations and programmes.

The facilitator has to maintain sound inter-personal relations in order to function as a social leader; he should prove himself successful in acting as a co-coordinator, coach, promoter, teacher and innovator. He is expected to be an excellent resource person for training the managers at the higher level.

(5) Steering Committee: it is an apex body at the highest level of the plant which would be responsible for formulating the objectives and for supplying the s\resources for the quality circle activities. It is advises, guides and directs the quality circle in their operation. The structure of the committee is made up of the departmental heads from evry major function like production, finance, material management, engineering, other services areas heade by the Chief Executive of the plant.

The main functions of the Steering Committee are:

(i)   Providing training to quality circle leaders.

(ii) Arrangement of meeting halls and associates in the meetings.

(iii) Providing budget for quality circle activities.

(iv) Making quality circle activities as part of the organizational goals.

The steering Committee would take part in the top management presentation given   by the quality circles and respond to circles' recommendations expeditiously. They may also participate in annual social get-together.

(6) **Top management:** the top management in the quality structure consists of Chairman and Managing Director, Directors, Chief Executives, General Managers and other top executives. Without the faith and commitment, support and encouragement from top level, the activities o f the quality circle cannot be deemed to have complete support for the programme.

(7) **Co-ordinating Agency**: although the quality circle structure does not envisage a separate department to look after its activities, a great deal of co-ordination is called for convening Steering Committee meetings, arranging management presentations, formulating budgets and disseminating information on circles to the parties concerned etc. the main functions of the co-ordinating committee are:

(i) Preparing agenda and convening meetings of the Steering Committee.

(ii) Presenting the report of the quality circle activities to the Steering Committee.

(iii) Maintaining statistics of the operation of the quality circles and

(iv) Co-ordinating training programmes and arranging seminars, workshops, conventions and top management presentations in two months.

Benefits of Quality Circles

Quality circles benefit both the members and the organization.

Benefits for members include*: (i)* satisfaction of self-esteem and esteem from others*, (ii)* improved job satisfaction, *(iii)* self-development in terms of skills, knowledge \, sensitivity skills etc*, (iv)* satisfaction of social and psychological needs. Benefits to the organization include: *(i)* improvement in the job performance of the members, *(ii)* development of solutions to the identified areas, *(iii)* improvement in two way communications among members and the management, *(iv)* promotion of participative management culture and team work, *(v)* generation of pride among the member in doing a meaningful job, *(vi)* increased managerial effectiveness, *(vii)* development of problem solving- ethics in the organization, *(viii)* development of harmony and mutual trust between members and the management.

Ultimately, the effective functioning of the quality circle results in organizational effectiveness.

Problems of Quality Circles

However, there are certain problems in quality circles regarding fitting them effectively in the existing cultural environment in the industry, rewarding, awarding and motivating the quality circle members' and facilitators. These problems can be solved if the top management takes proper care and interest. This participative scheme will contribute to the organizations' effectiveness and to enhance job satisfaction and sound human relations in an organization and quality of the work life of employees.