

WESTMINSTER

INTERNATIONAL UNIVERSITY IN TASHKENT

An Accredited Institution of the University of Westminster (UK)

# Global HRM: Recruitment and Selection

## Lecture 8



**Definition:** “...the planning, selection, training, employment and evaluation of employees for international assignments”

In 2010, Siemens employed more than 360,000 in some 190 countries: 205,000 (Europe), 83,000 (North and South America), 61,000 in Asia-Pacific, 11,000 (Africa, Middle east and Russia).

Cavusgil, et al. (2014) p.524

- Parent country (HQ location) nationals (citizenship)
- Host country nationals
- Third country nationals
- Expatriates (both PCNs and TCNs)



*Expatriate* – employee assigned to work and reside in a foreign country for an extended period (over 1 year). VS *transpatriate* VS *inpatriate* (e.g. Coca-Cola, Nestle)

- **Ethnocentric** – key managerial positions filled with people from headquarters – *parent-country nationals (PCNs)*. (e.g. GE vs P&G)
- **Polycentric** – *host-country nationals (HCNs)* are hired for key positions in own country. (e.g. Tata Consultancy Services)
- **Geocentric/global** – best managers recruited regardless of nationality (PCN/HCN/TCN). *Third-country nationals (TCNs)* used by European MNCs. (e.g. IBM, Philips, Unilever, IBM)

# Selection Criteria

- Technical ability
- Adaptability to cultural change
- Family requirements (spouses and dependents)
- Language
- Country/cultural requirements



1. Individualism vs. collectivism
  2. Femininity vs. masculinity
  3. Status: achieved vs. ascribed (Trompenaars)
  4. Context: association vs. contract
1. Qualifications vs. nepotism
  2. Equal employment vs. women roles
  3. Hiring emphasis: skills, knowledge and talent vs. age, gender, personal relations, family background
  4. Labor relationship based on: sense of trust and mutual obligation vs. formal written contract

Recruiting good local managers requires techniques that are appropriate in the local culture:

- Apply appropriate search techniques
- Apply appropriate selection techniques
- Apply complete criteria
- Offer salaries and rewards competitive with those offered by local firms



## **Short term**

- Up to 3 months
- Extended
- Up to 1 year

## **Long term**

- Varies from 1 to 5 years

**Which factors are more important for success of international assignment?**

# Success Factors by Assignment Characteristics

| Expatriate Success Factors           | Assignment Characteristics |                             |  |                                 |
|--------------------------------------|----------------------------|-----------------------------|--|---------------------------------|
|                                      | Longer Duration            | More Cultural Dissimilarity | Greater Interaction and Communication Requirements with Locals | More Complex or Responsible Job |
| <i>Professional/Technical Skills</i> | High                       | Neutral                     | Moderate   | High                            |
| <i>Relational Abilities</i>          | Moderate                   | High                        | High   | Moderate                        |
| <i>International Motivation</i>      | High                       | High                        | High   | High                            |
| <i>Family Situation</i>              | High                       | High                        | Neutral  | Moderate                        |
| <i>Language Skills</i>               | Moderate                   | High                        | High   | Neutral                         |

Source: Adapted from Black, J. Stewart, Hall B. Gregersen, and Mark E. Mendenhall. 1992. *Global Assignments*. San Francisco: Jossey-Bass; and Tung, Rosalie L. 1981. "Selection and training of personnel for overseas assignments." *Columbia Journal of World Business*. 16 (1): pp. 68–78.

# Harris and Brewster Selection Typology

## *Formal*

## *Informal*

|        |  |   |
|--------|--|---|
| OPEN   | <ul style="list-style-type: none"><li>• Clearly defined criteria</li><li>• Clearly defined measures</li><li>• Training for selectors</li><li>• Open advertising of vacancy (internal/external)</li><li>• Panel discussions</li></ul> | <ul style="list-style-type: none"><li>• Less defined criteria</li><li>• Less defined measures</li><li>• Limited training for selectors</li><li>• No panel discussions</li><li>• Open advertising of vacancy</li><li>• Recommendations</li></ul> |
| CLOSED | <ul style="list-style-type: none"><li>• Clearly defined criteria</li><li>• Clearly defined measures</li><li>• Training for selectors</li><li>• Panel discussions</li><li>• Nominations only (networking/reputation)</li></ul>        | <ul style="list-style-type: none"><li>• Selectors' individual preferences determine selection criteria and measures</li><li>• No panel discussions</li><li>• Nominations only (networking/reputation)</li></ul>                                 |

# Roles of an expat

- Agent of direct control
- Agent of socialization
- Network builder
- Boundary spanner
- Language node
- Transfer of competence and knowledge





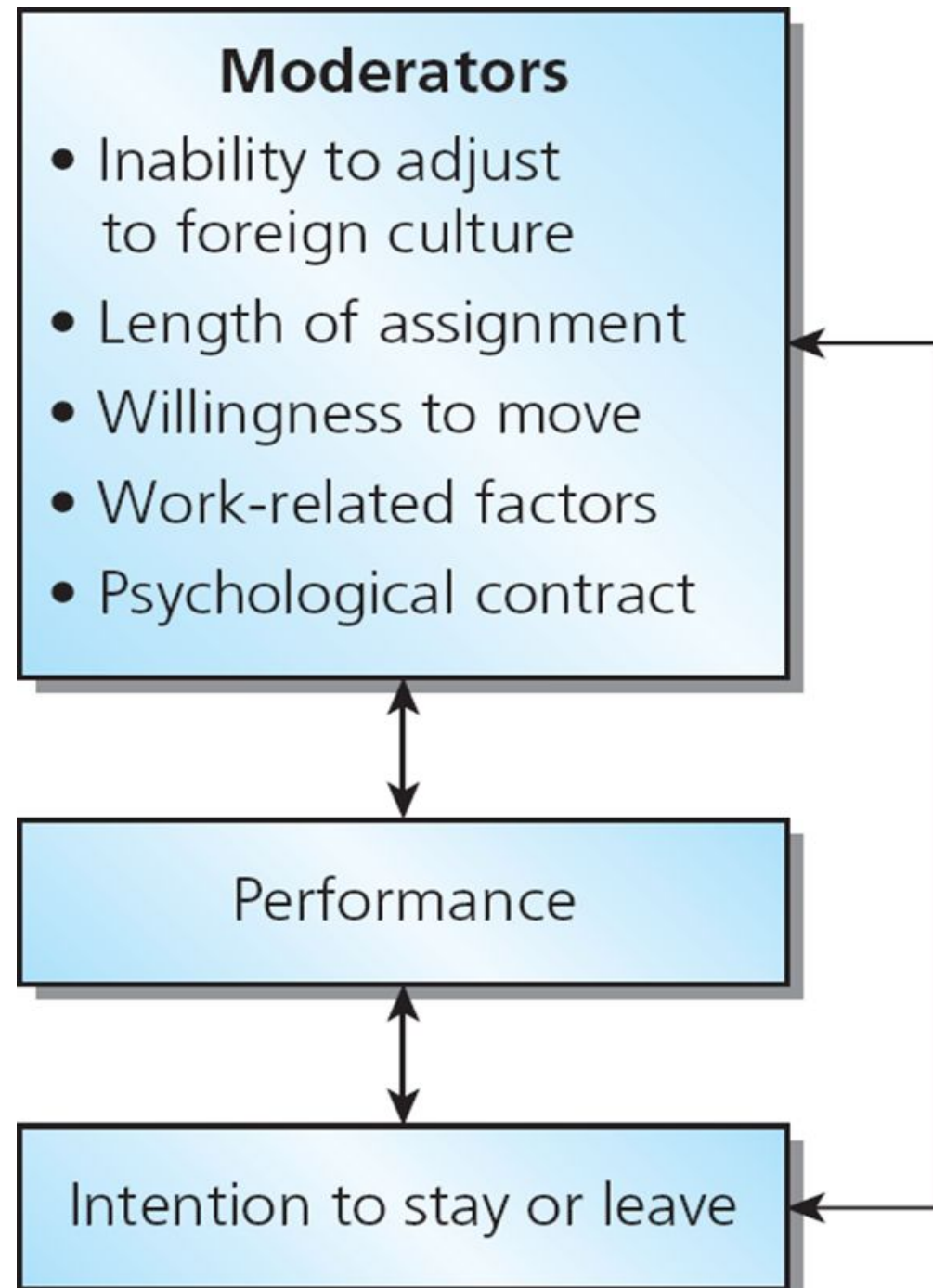
International business travellers cite the positives as:

- Excitement and thrills of conducting business deals in foreign locations
- Life style (top hotels, duty-free shopping, business class travel)
- General exotic nature

# But a high level of stress!

- Home and family issues – frequent absences
- Travel logistics – waiting in airports, etc.
- Health concerns – poor diet, lack of sleep, etc.
- Host culture issues – limited cultural training

## Factors moderating performance





Global mindset (characterized by cognitive complexity and a cosmopolitan outlook) is essential to the success of global managers.

Yet, few firms consider this when selecting expatriate managers, and instead focus on technical expertise

- Mead, R (2009). International Management. Chapter 19
- Deresky, H (2014). International Management: Managing Across Borders and Cultures. Chapter 9
- Dowling, P (2013) International Human Resource Management, 6 edn. Chapter 5
- Luthans, F & Doh, J.P. (2012) International Management: Culture, Strategy and Behavior. 8<sup>th</sup> edn. Chapter 14
- Reiche & Harzing (2009) International Assignments, <<http://www.harzing.com/download/ihrmchapter.pdf>>