



INTERNATIONAL HUMAN RESOURCES MANAGEMENT

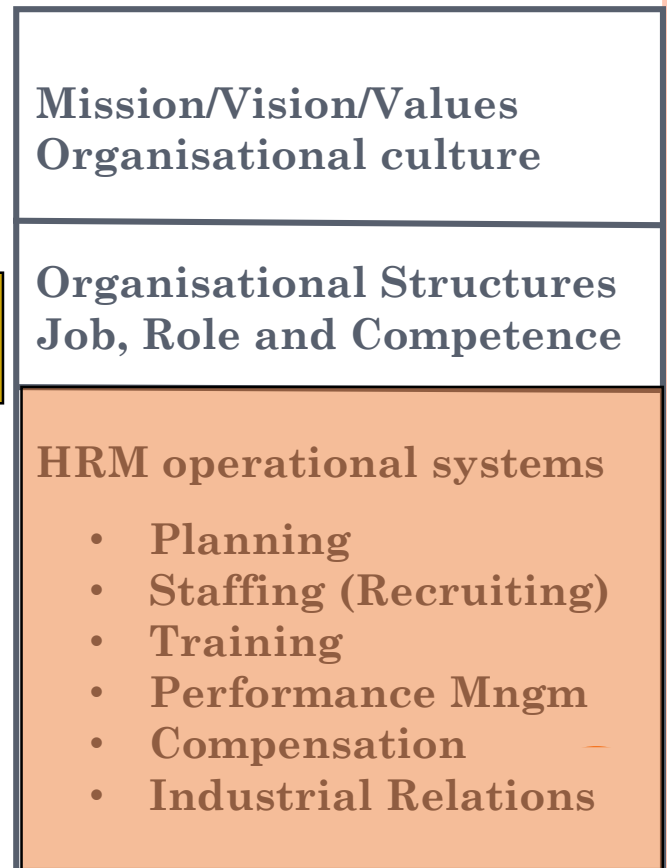
Prof. Andrea Martone

THE DETERMINANTS OF WORK BEHAVIOUR AND THE HR MANAGEMENT LEVERAGES

Individual Determinants



Organizational Determinants





INTERNATIONAL HUMAN RESOURCE PLANNING

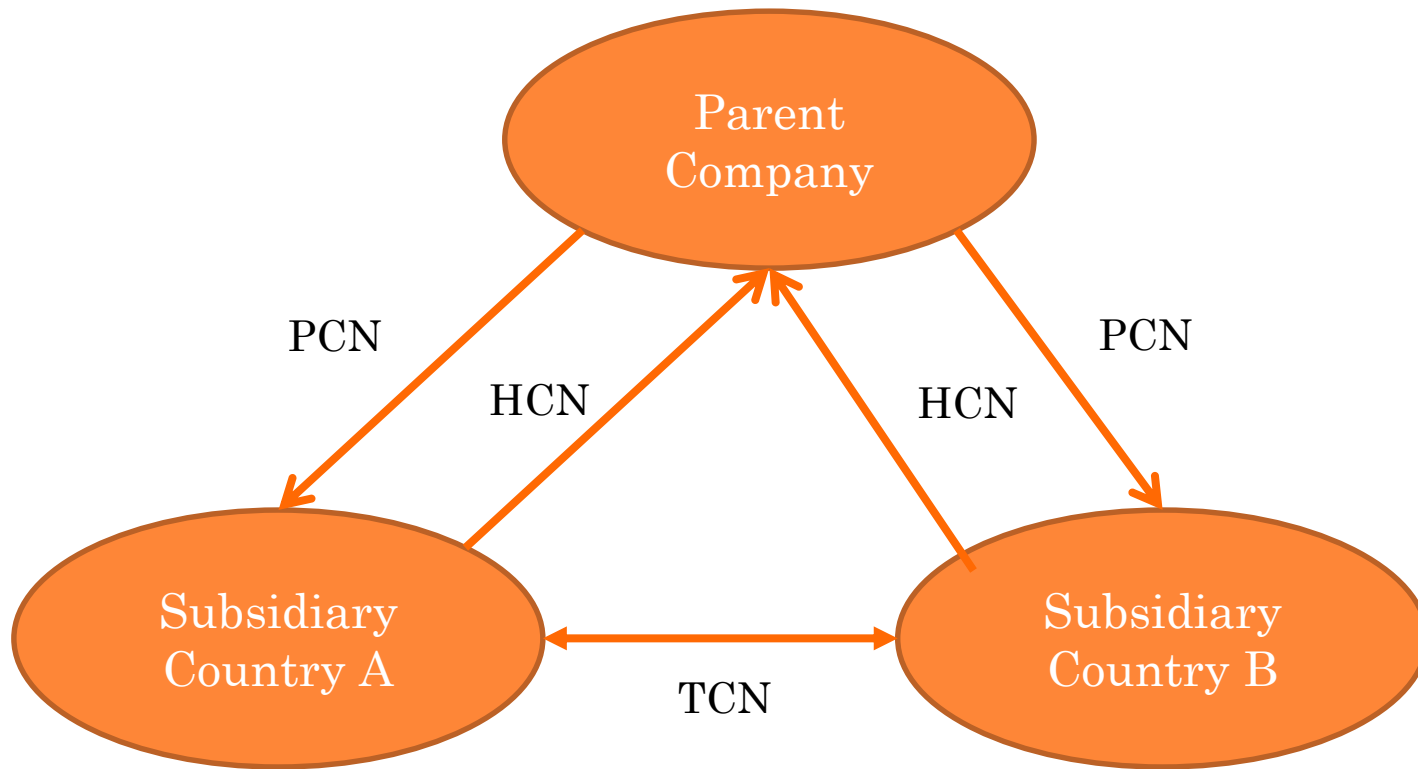
DEFINING INTERNATIONAL CONTEST

Expatriate: a worker moving across the national boundaries.

- PCN (Parent Country Nationals)
- HCN (Host Country Nationals)
- TCN (Third Country Nationals)



EXPATRIATE



EXPATRIATE, INPATRIATE, INTL. ASSIGNEES

- **Expatriate** : an employee who is working and temporarily residing in a foreign country
- **International assignees**: synonymous of expatriates
- **Inpatriate**: a foreign employee who is working and temporarily residing in the headquarter (parent nation)



DIFFERENCE BETWEEN DOMESTIC AND INTERNATIONAL HRM

1. More HR activities
2. Broader external influences and perspective
3. More involvement in employees' personal lives
4. Change in emphasis as the workforce mix of expatriates and locals varies
5. Risk exposure



1. MORE HR ACTIVITIES

- In International contest the HR Department must engage in numerous activities:
 - Staffing, training, evaluation & incentive
 - Tax equalization
 - Administrative process
 - Language translations and services



2. BROADER PERSPECTIVE & INFLUENCES

- The HRD has to consider:
 - Different legislations
 - Host government relations
 - Multiple cultural environments
 - Government decisions
 - Economic Environment
 - Typical local practices



3. MORE INVOLVEMENT IN EMPLOYEES' PERSONAL LIVES

- A greater degree of involvement in employees' personal lives
 - Marital status
 - International relocation and orientation involves immigration details, housing, medical care, schooling services ...



4. CHANGE IN EMPHASIS AS THE WORKFORCE MIX OF EXPATRIATES AND LOCALS VARIES

- Provide different services for HCNs, TCNs and PCNs

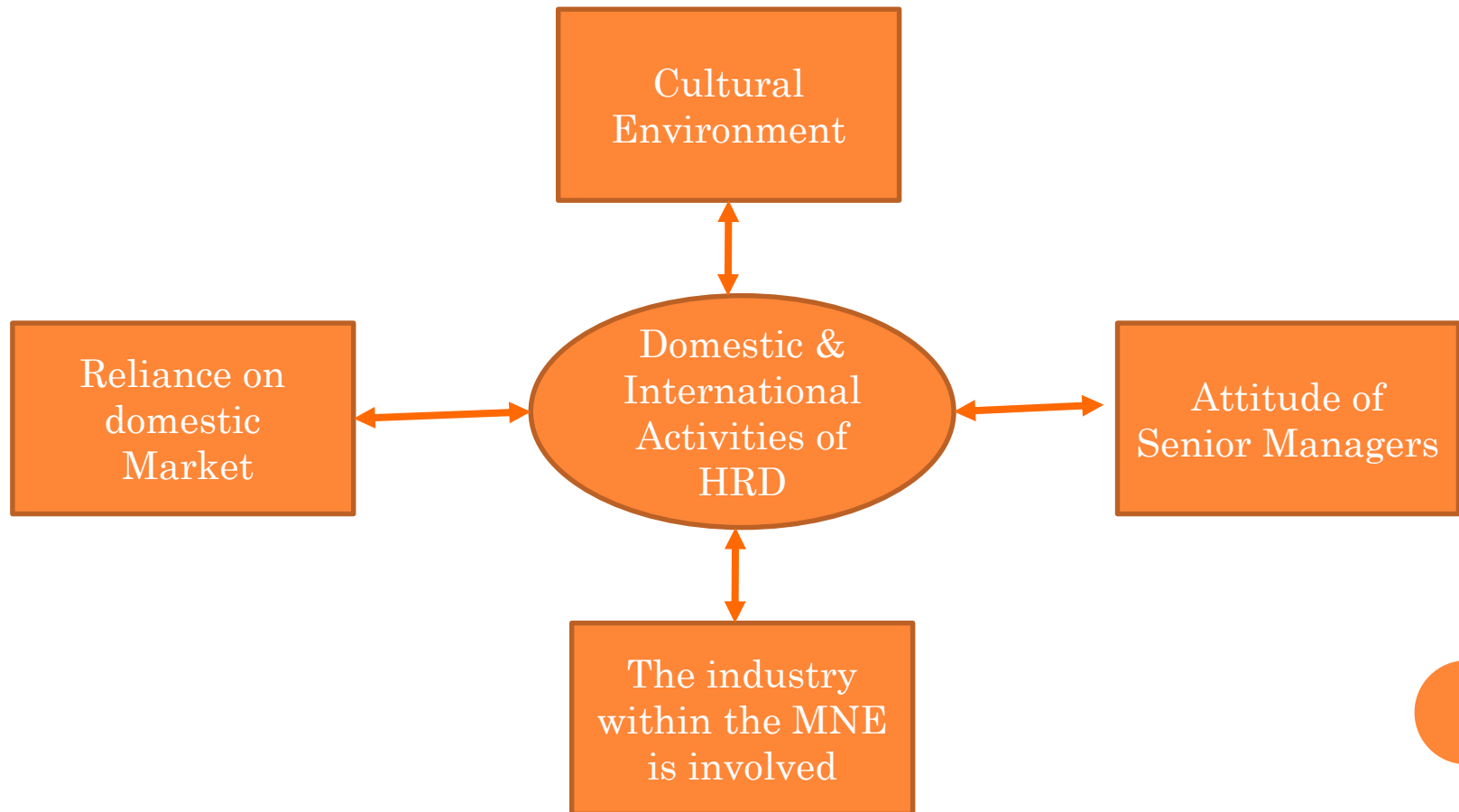


5. RISK EXPOSURE

- The cost of an expatriate failure may be as high as 3 times the domestic one
- Risk for the personal safety of expatriates



VARIABLES THAT HAVE AN IMPACT ON HCNs AND PCNs



CULTURAL ENVIRONMENT

- **Culture definition:** shared value & knowledge that influences norms and patterns of behaviour
 - **Culture shock:** disorientations because of misunderstanding of the foreign nation cues
 - **Cultural awarness:** the recognition of cultural differences (the fishes metaphor)
 - **Hofstede's Framework :** the largest research on cultural differences



INDUSTRY

- Following Porter the international strategies can be basically 2:
 - Global
 - Multidomestic



ATTITUDE OF SENIOR MANAGERS

- Senior managers with successful careers built on domestic experience tend to transfer domestic practices in Intl. Contest



RELIANCE ON DOMESTIC MARKET

- Index of trans-nationality

$$\left[\frac{\text{Foreign Assets}}{\text{Total Assets}} + \frac{\text{Foreign Sales}}{\text{Total Sales}} + \frac{\text{Foreign Employers}}{\text{Total Employers}} \right] / 3$$

- Ranking by foreign assets

$$\left[\frac{\text{Foreign Assets}}{\text{Total Assets}} \right]$$

