

# International Human Resource Management Seminar Guide

EFOP-3.5.1-16-2017-00004



HUNGARIAN  
GOVERNMENT

European Union  
European Structural  
and Investment Funds



INVESTING IN YOUR FUTURE

# TEACHERS' GUIDE

Objectives of this seminar:

- Be able to see the diverse roles of HR managers
- Be capable of identifying the roles of HR managers
- Be able to find HR job descriptions and decide on their position in the organizational hierarchy
- Be able to determine the risk of outsourcing on different HR roles

# TEACHERS' GUIDE

## Teaching method

- Content Delivery in 20-30 mins – the main concept of HR roles
- In-class exercise 50 mins – in class task description
- Reflection/Feedback 10 mins

Evaluation based on: the job descriptions found, if all the aspects were met or not, comparison, presentation

## Literature used:

<https://www.humanresourcesedu.org/human-resource-manager/>

<https://www.truity.com/career-profile/human-resources-manager>

<https://searchhrsoftware.techtarget.com/tip/Nine-different-HR-roles-and-responsibilities-demystified>

<https://www.thebalancecareers.com/what-does-a-human-resources-manager-do-1918551>

# TEACHERS' GUIDE

## In-class task description

„Please FIND **4** HR job descriptions. For each description decide on the following:

- local/international operation
- place the role into an organization hierarchy
- risk of outsourcing - for low cost supplier or expert
- likeliness of virtual work
- likeliness of IT development
- any other

Prepare a ppt of 5 slide - slide 1-4 job intro and details based on the above mentioned requirements, slide 5 comparison.”

# HEATING UP...

<https://www.youtube.com/watch?v=0Mq2TiJmqCI>



# THERE ARE DIFFERENT ROLES

- 1. Chief Human Resource Officer** - the HR leader of an organization; responsible for: developing and executing the HR strategy and aligning it with the overall goals of the organization
- 2. HR director** - responsible for the execution of the vision and strategy of the CHRO + have the overall responsibility for running HR on a day-to-day basis

# THERE ARE DIFFERENT ROLES

- 3. HR manager** - run the day-to-day operations of HR and support the work of an HR director
- 4. HR professionals** - perform the day-to-day operations of HR, including tasks such as managing goal-setting, performance appraisal cycle launches, compensation cycle launches and HR report production or they can take on specific areas (e.g. recruiting or training or compensations)

# THERE ARE DIFFERENT ROLES

- 5. **HR business partner** - [the link](#) between the centralized HR department and the decentralized operational management of the business; assigned to a location
- 6. **People data analyst/data scientist** - responsible for managing [people analytics](#) in HR



# THERE ARE DIFFERENT ROLES

**7. HRIS director** - owns the HR software system and drives the strategy for how it is used

**8. HRIS administrator**- manages the day-to-day operation of the HRIS and focuses on administrative activities

**9. Business analysts** - focuses on analyzing the operations of the business and providing guidance to HR and the HRIS team

# THERE ARE DIFFERENT ROLES...



## 5 HUMAN RESOURCES JOBS *you might not know about*

1

Training & Development Manager

Bachelor's Degree

*Typical duties*

Create, manage, lead and evaluate training programs

Boost employee performance

*Traits and skills you'll need*

- ✓ Presentation skills
- ✓ Creativity
- ✓ Extroversion
- ✓ Solutions-oriented thinker

2

Nonprofit HR Professional

Bachelor's Degree

*Typical duties*

Manage employee programs for a cause such as the arts, education, health and human services

*Traits and skills you'll need*

- ✓ Project management
- ✓ Passion for the nonprofit field
- ✓ Resourcefulness

3

HR IT Recruiting Specialist

Bachelor's Degree

*Typical duties*

Recruit, interview and place technical talent

*Traits and skills you'll need*

- ✓ Familiarity with technical roles and terms
- ✓ Excellent communicator
- ✓ Negotiating savvy

4

Global HR Specialist

Bachelor's or higher

*Typical duties*

Manage international HR roles

Recruit, interview and place new overseas employees

*Traits and skills you'll need*

- ✓ Cross-cultural fluency
- ✓ Linguistic skills
- ✓ Business savvy
- ✓ Tax and legal skills

5

Executive Recruiter

Bachelor's or higher

*Typical duties*

Find and fill job openings for senior-level executives

*Traits and skills you'll need*

- ✓ Exceptional networking skills
- ✓ Entrepreneurism
- ✓ Competitive drive
- ✓ Negotiating savvy



Find HR degree programs at AllBusinessSchools.com

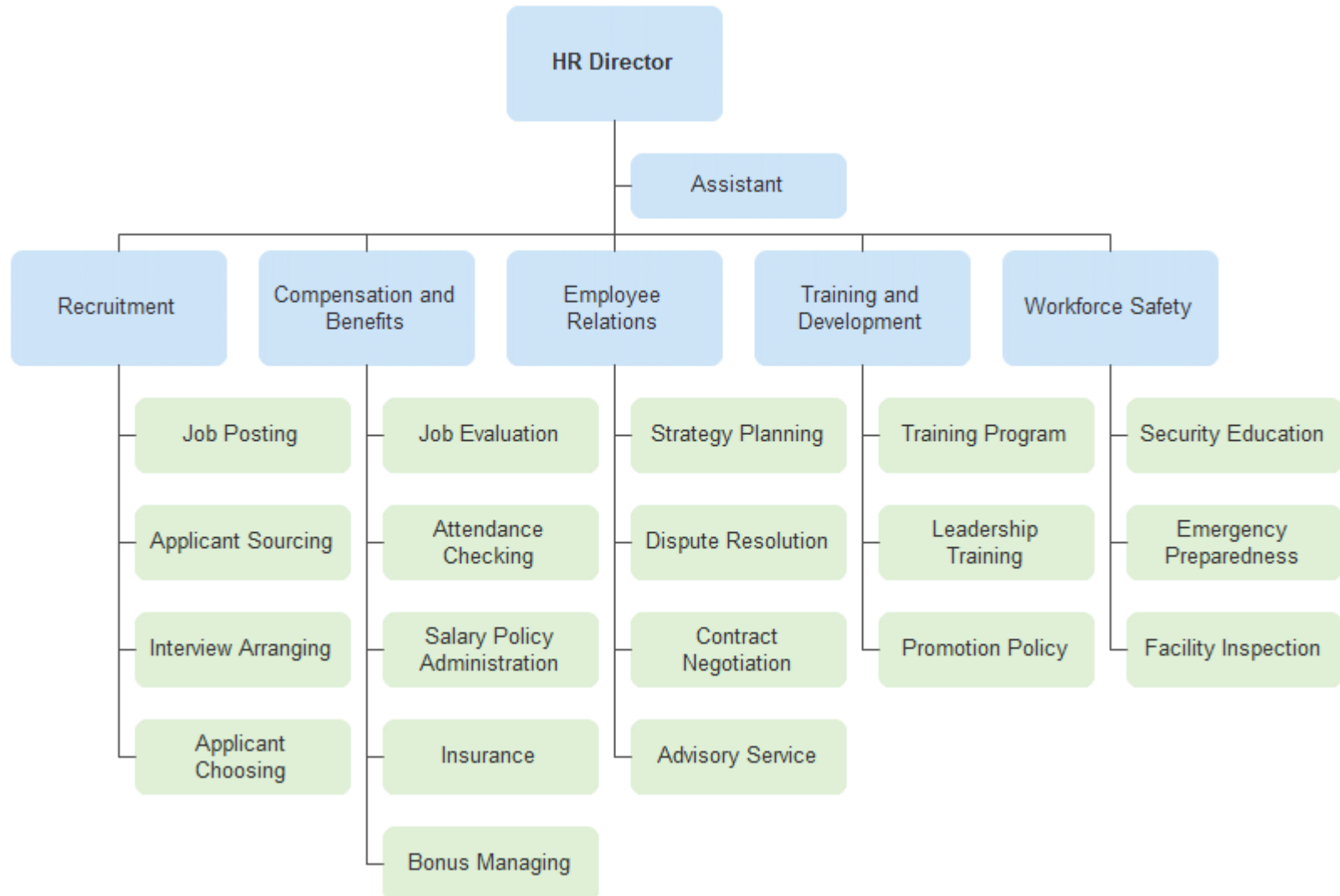
Source:

<https://www.allbusinessschools.com/human-resources/job-description/>

# THESE ROLES ARE AT DIFFERENT LEVEL OF THE ORGANIZATIONAL HIERARCHY – AN EXAMPLE



# THE HR DEPARTMENT'S ORGANIZATIONAL HIERARCHY – AN EXAMPLE



Source: <https://www.orgcharting.com/hr-department-organizational-chart/>

# A REAL LIFE EXAMPLE OF AN HR JOB DESCRIPTION

## HR GENERALIST – QUATAR AIRWAYS – NEW YORK

„Providing a range of HR services to employees throughout the full employment cycle

Liaising with line departments to ensure that policies and procedures are followed and that appraisals are done on time and to correct standard

Responding and communicating effectively to queries with regard to employment regulations, policies and procedures

Supervising the production and issue of standard response and request to staff departments and external parties to maintain the internal and external service deliveries

Ensure local labor requirements are adhered to

Support and coordinate systematic environment work”

International operation, Middle class in the organizational hierarchy, low risk of outsourcing, Likelihood of virtual work – middle, likelihood of IT development - low

# YOUR TASK NOW IS...

FIND **4** HR job descriptions.

For each description decide on the following:

- local/international operation
- place the role into an organization hierarchy
- risk of outsourcing - for low cost supplier or expert
- likeliness of virtual work
- likeliness of IT development
- any other



# TEACHERS' GUIDE

## Objectives of this seminar:

- Be able to determine and describe what competencies are
- Be capable of using competency management as a management tool
- Calibrate job descriptions using competency management framework
- Use competency management as a part of Performance and Development management

## Prerequisites

- HR job description research (Prewrite)
- HR job positioning in the organization hierarchy
- Determination of risk of outsourcing on different HR roles

# TEACHERS' GUIDE

Prework – HR job description research

Teaching method

- Content Delivery in 20-30 mins – the main concept of competencies and competency management
- In-class exercise 50 mins – in class task description
- Reflection/Feedback 10 mins



# TEACHERS' GUIDE

Evaluation based on: prework done or not, able to identify the levels of competencies needed or not or only partly, able to reason his/her choice or not or only partly

Literature used: Lombargo, M.M – Eichinger R. W. (2000): FYI: For Your Improvement – A Development and Coaching Guide. Lominger Limited, Minneapolis USA. ISBN 0-9655712-3-8

# TEACHERS' GUIDE

## In-class task description

„Please think of the HR job description(s) You have researched. Your task is to calibrate these job descriptions using the competency management framework. With the help of the competency cards You are given decide on the level needed (low, medium, high) of the competencies to do that particular HR job. Be able to reason Your choice!”

OR...

# TEACHERS' GUIDE

OR...

„Your task is firstly to decide regarding all the 5 competencies You received on class that the different categories (BA student, BA Traineeship, MA student, Graduated MA student at first work) at which level should stand. E.g. a BA student should have Medium level of Humor while MA student and freshly graduated MA students at first work should have High level of Humor and BA student on traineeship should have Low.

You also have to do a force ranking, so regarding all categories (BA student, BA traineeship etc.) you should have 2 Highs 1 Medium and 2 Lows (so please do not put Medium to every competency).

After assessing a level to every category in respect of every competency You are asked to reason your choice in 1-2 (max 3) sentences why You think that regarding a certain competency the very category belongs to the level You have chosen.

The last part of the task is to think about Yourself, where You are regarding the competencies.”

# WHAT COMPETENCIES ARE



# WHAT COMPETENCIES ARE

- Represent the language of performance
- Can articulate both the expected outcomes from an individual's efforts and the manner in which these activities are carried out.
- Provide a common, universally understood means of describing expected performance in many different contexts.
- Key way to define and strengthen your organizational culture
- Some common competencies: analytical thinking, communication, flexibility, integrity, and teamwork

# COMPETENCIES VS. SKILLS

- **Skills**= specific learned activities, gives us the WHAT (what types of abilities the person need to perform a specific job)
- **Competencies**→ gives us the HOW (how to perform a job successfully, how to behave in the workplace to achieve results)



# COMPETENCIES VS. SKILLS

**SKILL= the ability to do something.**

Examples for skills: learning how to cook a meal or learning how to perform open heart surgery.

**COMPETENCIES= behaviours.** They specify *how* the possessed skills are carried out.

**Skills are specific** – You can either cook pasta carbonara or cannot

**Competencies are broad.** - they combine ability and knowledge with the required skills.



# TYPES OF COMPETENCIES

- **Behavioural Competencies:** expression of the softer skills involved in an employee's effective performance at a company; problem solving behaviours in the management of personal affairs, a set of human skills acquired via teaching or direct experience; Examples: Communication, Analytical Ability, Problem Solving, Initiative
- **Technical Competencies:** concerned with effective use of IT systems and computers, or any technical skills which are necessary for a job role, relate to functions, processes, and roles within the organisation and include the knowledge of and skill in the exercise of practices; Examples: Application Systems Development, Networking and Communication, Database Analysis and Design





# TYPES OF COMPETENCIES

- ***Professional Competencies:*** allow for success in an organisational context, accelerators of performance; Examples: Business Environment, Industry and Professional Standards, Negotiation, People Management
- ***Leadership Competencies:*** qualities that make a good leader turned into behaviours that can be measured



# TYPES OF COMPETENCIES

Category	Subcategory	Competency
Behavioural	<a href="#"><u>Teamwork</u></a>	Supports group decisions and puts group success ahead of own goals
	<a href="#"><u>Problem Solving</u></a>	Analyses problems by obtaining and organising relevant information
	Customer Service	Is approachable and willing to help others
	<a href="#"><u>Results Orientation</u></a>	Is results-driven and can identify steps to achieving goals
	<a href="#"><u>Communication</u></a>	Communicates ideas effectively
Technical	Sales	Is competent at using Customer Relationship Management (CRM) system
	Marketing	Is competent at using Hootsuite for social media queuing
	Accounting	Is competent at using SAGE
Leadership	Motivation	Motivates and inspires
	Employee relations	Acts with empathy and compassion
	Diversity	Embraces diversity

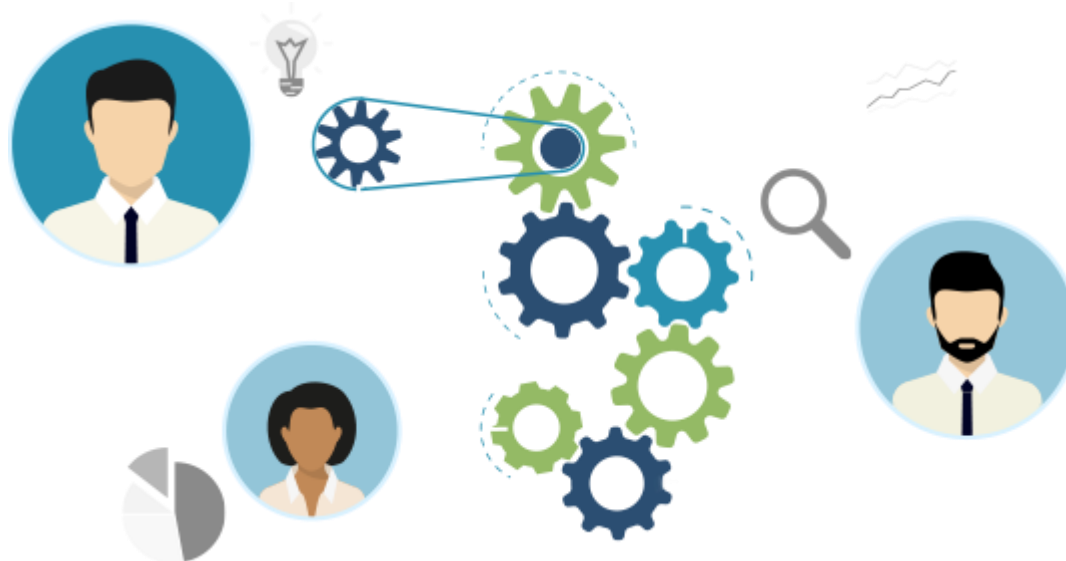
# COMPETENCY MANAGEMENT

- CM is: a method of assigning, assessing, categorizing and tracking competencies
- CM also is: understanding the key roles driving the organization & business goals
- Can use CM to identify: employee and/or job competencies
- CM's focus: integrating HR planning & strategic vision of the organization via competency analysis



# COMPETENCY MANAGEMENT

**Competency management** is the set of management practices that identify and optimize the skills and competencies required to deliver on an organization's business strategy. Competency management provides the foundation to manage strategic talent management practices such as workforce planning, acquiring top talent, and developing employees to optimize their strengths.



# BENEFITS OF CM

- Enriched understanding of expected behaviors and performance
- Improved talent planning
- Optimized development and mobility strategy
- Enhanced talent pipeline
- Improved operational efficiency
- Integrated talent processes



# CHALLENGES

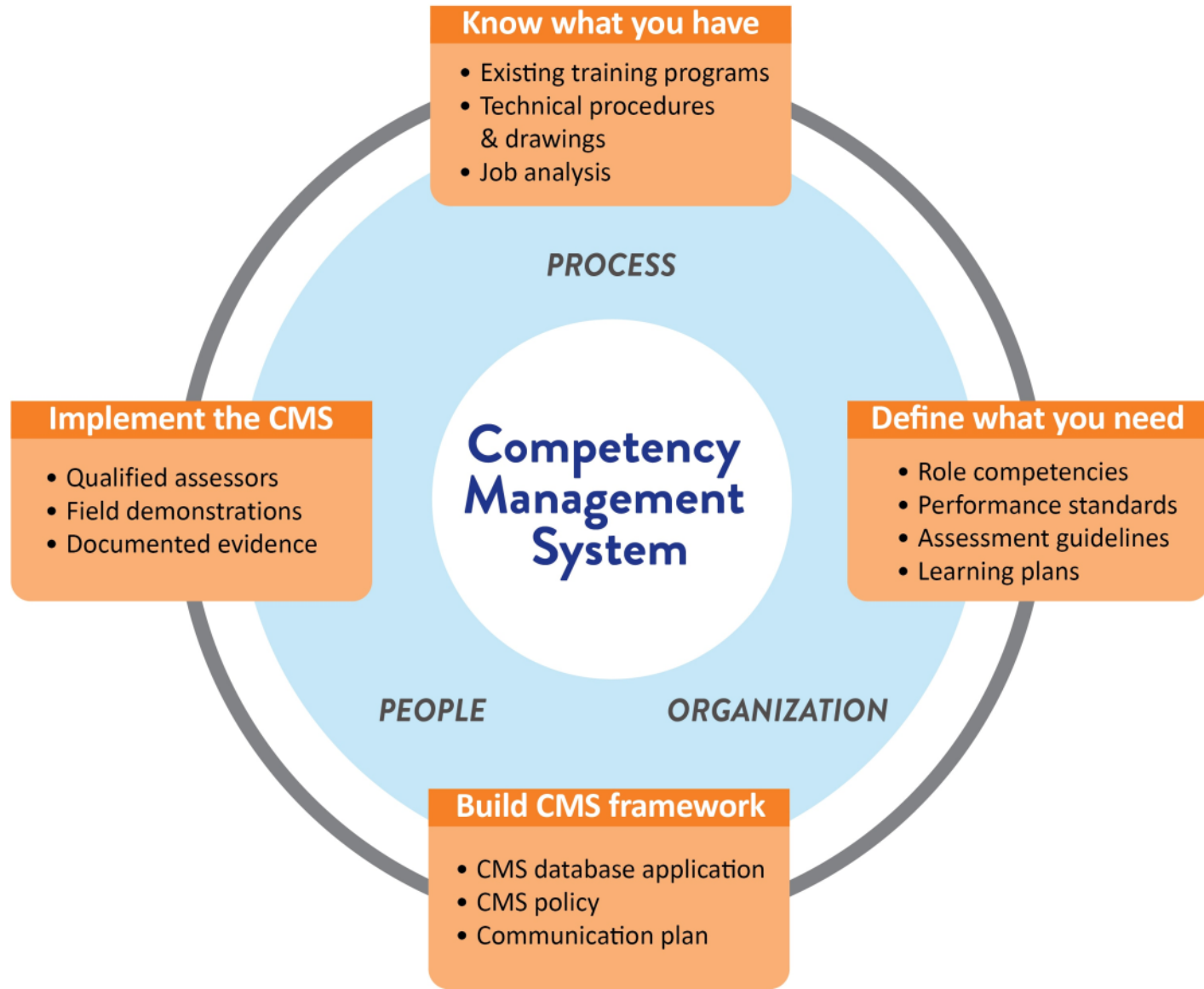
- Competency management is treated as an HR process, rather than a business imperative
- Identification of critical competencies is difficult
- Alignment of competency development with business goals is weak
- Investment in competency management is deprioritized
- Competency models are exclusive of technical competencies
- Competencies are too often paper-based



# THE USE OF CM IN OTHER HRM FIELDS



# CM SYSTEM





# YOUR TASK NOW IS...

- Think of the HR job description(s) You have researched.
- Your task is to calibrate these job descriptions using the competency management framework.
- With the help of the competency cards You are given, decide on the level needed (low, medium, high) of the competencies to do that particular HR job.
- Make a force ranking! Have 2 low level – 2 medium level – 2 high level competencies!
- Be able to reason Your choice!”



# **INTERNATIONAL HUMAN RESOURCE MANAGEMENT**

## Culture in HR

EFOP-3.5.1-16-2017-00004

# TEACHERS' GUIDE

Objectives of this seminar:

- Be able to determine and describe what culture and the different dimensions of culture are
- Be capable to understand the differences in culture across countries and to discern the ways that business is done across different cultures
- Sensitise students for differences in culture that can occur in workplaces or at school
- Prepare students for cultural diversity and the handling of it

# TEACHERS' GUIDE

## Teaching method

- Content Delivery in 20-30 mins – what culture is and Hofstede's dimensions
- In-class exercise 50 mins – comparison of cultures and its presentation
- Reflection/Feedback 10 mins

Evaluation based on: the use of the comparison tool, the understanding of values (what is behind the numbers), the examples brought to support data

## Literature used:

- <https://www.hofstede-insights.com/models/national-culture/>;
- <https://geerthofstede.com/culture-geert-hofstede-gert-jan-hofstede/6d-model-of-national-culture/>;
- Hofstede, G. (2011). Dimensionalizing Cultures: The Hofstede Model in Context. Online Readings in Psychology and Culture, 2(1). <https://doi.org/10.9707/2307-0919.1014>;
- Hofstede, G. (2001). Culture's Consequences: Comparing Values, Behaviors, Institutions, and Organizations Across Nations. Second Edition, Thousand Oaks CA: Sage Publications.

# TEACHERS' GUIDE

## In-class task description

„With the use of Hofstede's dimensions of culture and its database on countries (<https://www.hofstede-insights.com/product/compare-countries/>) please compare the national cultures represented in Your group (e.g if Your group consists of 1 Hungarian student, 1 Chinese student and 2 German students then please compare Hungary, China and Germany). While doing the comparison, please focus on the big differences and great similarities. Bring your own stories, experience as example!”

# NATIONAL CULTURE

**Culture is a system of values and norms that are shared among a group of people**

**With Hofstede's words culture is: 'the collective programming of the mind that distinguishes the members of one group or category of people from another.'**



# WHAT IS CULTURE?

**Culture is how you were raised. It developed while you grew up.**

**Culture is about what we share with others.**

**Culture constitutes the unwritten rules of the social game which specify the basic structure of the social landscape.**



# HOFSTEDE'S 6 DIMENSIONS OF CULTURE

- Power distance (PDI)
- Uncertainty avoidance (UAI)
- Individualism versus collectivism (IDV)
- Masculinity versus femininity (MAS)
- Long-term orientation (LTO)
- Indulgence versus restraint (IND)





# HOFSTEDE'S 6 DIMENSIONS OF CULTURE

0 ← ----- HOFSTEDE'S CULTURAL DIMENSIONS ----- → 100

LOW POWER  
DISTANCE

**PDI**

HIGH POWER  
DISTANCE

COLLECTIVISTIC

**INV**

INDIVIDUALISTIC

FEMININE

**MAS**

MASCULINE

LOW UNCERTAINTY  
AVOIDANCE

**UAI**

HIGH UNCERTAINTY  
AVOIDANCE

SHORT TERM  
ORIENTATION

**LTO**

LONG TERM  
ORIENTATION

RESTRAINT

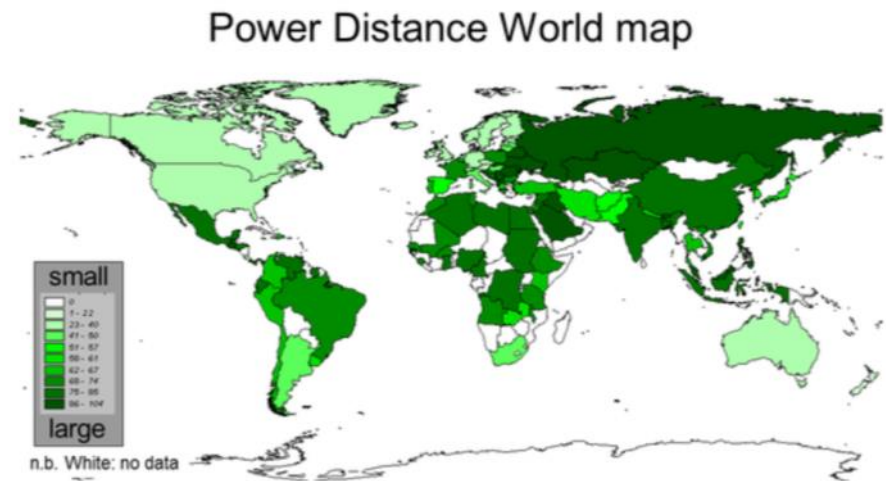
**IND**

INDULGENCE

# POWER DISTANCE (PDI)

The *power distance* dimension (PDI) focuses on the extent to which the less powerful members of organizations and institutions (like the family) accept and expect that power is distributed unequally.

*Dimension maps: Power Distance*



For more info:

[https://www.youtube.com/watch?time\\_continue=1&v=DqAJclwfyCw](https://www.youtube.com/watch?time_continue=1&v=DqAJclwfyCw)

Source and more info:

<https://geerthofstede.com/culture-geert-hofstede-gert-jan-hofstede/6d-model-of-national-culture/>

# POWER DISTANCE IN CHINA

- Scores: **80**/100
- Generally, Individuals are influenced by formal authority.
- However, Situations varies with different organizations.
- **Domestic Company & Government Agency:**
  - Inequalities among people are acceptable.
  - The subordinate-superior relationship tends to be polarized.
- **Foreign company:**
  - Relationship among colleagues tends to be more equal.
  - E.g. managers will use same office with their subordinate.



# UNCERTAINTY AVOIDANCE (UAI)

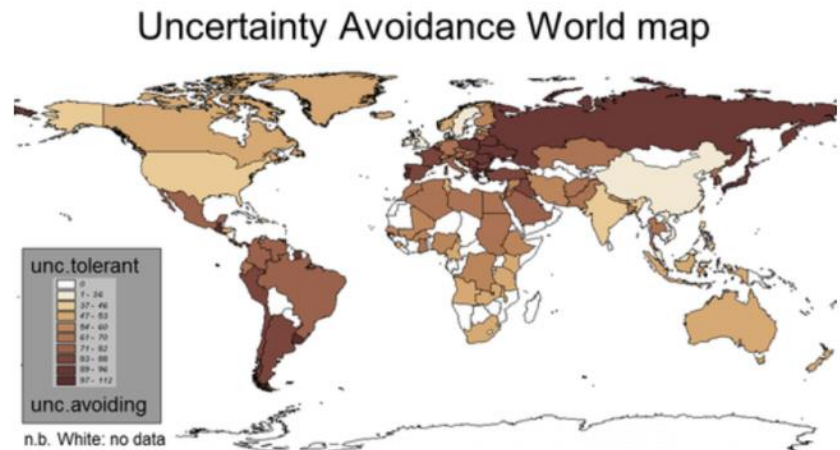
**Uncertainty avoidance deals with a society's tolerance for uncertainty and ambiguity.**

*For more info:*

[https://www.youtube.com/watch?time\\_continue=1&v=fZF6LyGne7Q](https://www.youtube.com/watch?time_continue=1&v=fZF6LyGne7Q)

## *Dimension maps: Uncertainty Avoidance*

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Source and more info:

<https://geerthofstede.com/culture-geert-hofstede-gert-jan-hofstede/6d-model-of-national-culture/>

# UNCERTAINTY AVOIDANCE IN CHINA

- Scores: **30**/100
- A low score on Uncertainty Avoidance

## ➤ **Ambiguity:**

- The Chinese language is full of ambiguous meanings

## ➤ **Entrepreneurial:**

- The majority of Chinese businesses tend to be small to medium sized and family owned.

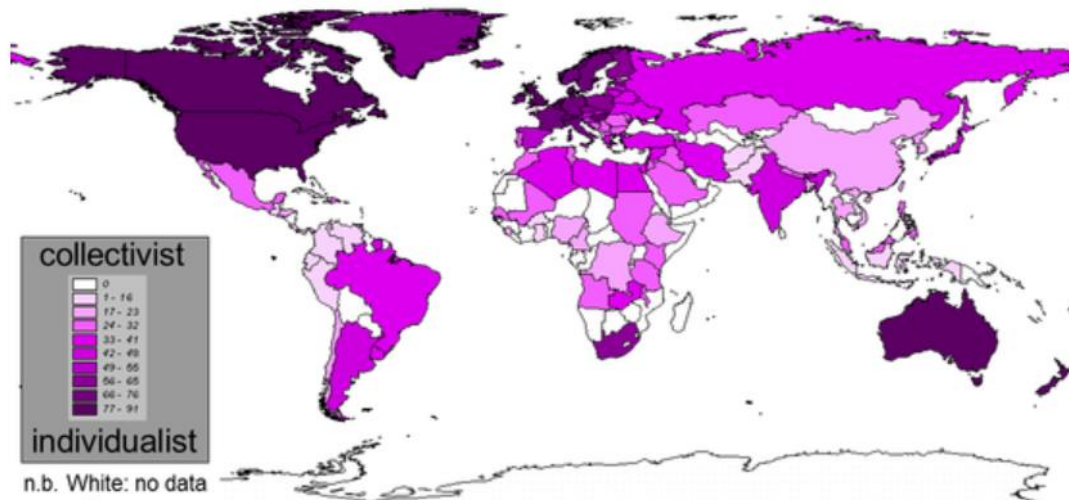


# INDIVIDUALISM VERSUS COLLECTIVISM (IDV)

**Individualism:** the extent to which people feel independent, as opposed to being interdependent as members of larger wholes

**Collectivism:** represents a preference for a tightly-knit framework in society in which individuals can expect their relatives or members of a particular ingroup to look after them in exchange for unquestioning loyalty

Collectivism – Individualism World map



*For more info:*

<https://www.youtube.com/watch?v=zQj1VPNPHII>

Source and more info:

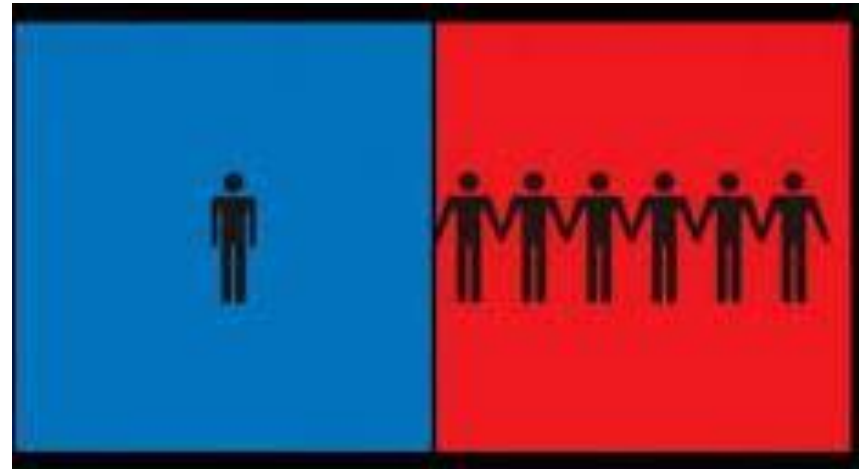
<https://geerthofstede.com/culture-geert-hofstede-gert-jan-hofstede/6d-model-of-national-culture/>

# INDIVIDUALISM VERSUS COLLECTIVISM IN CHINA

- Scores: **20**/100
- Highly collectivist, emphasis on groups → „We”

## ➤ In- and Out- groups:

- Relationships with colleagues are cooperative for in-groups,
- they are cold or even hostile to out-groups.
- Personal relationships prevail over task and company.





# MASCULINITY VERSUS FEMININITY (MAS)

**Masculinity:** a preference for achievement, heroism, assertiveness, and material rewards for success. More competitive

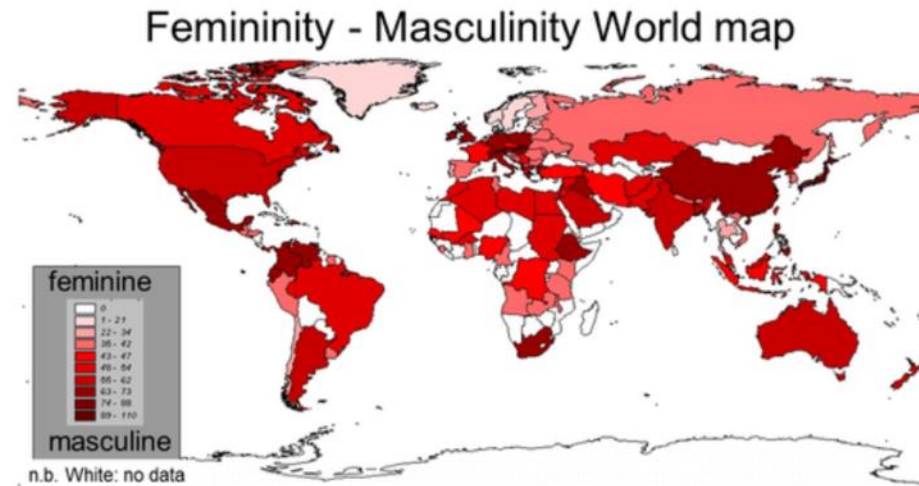
**Femininity:** a preference for cooperation, modesty, caring for the weak and quality of life. More consensus-oriented.

“tough versus tender” cultures

*For more info:*

<https://www.youtube.com/watch?v=Pyr-XKQG2CM>

## *Dimension maps: Masculinity*



Source and more info:

<https://geerthofstede.com/culture-geert-hofstede-gert-jan-hofstede/6d-model-of-national-culture/>



# MASCULANITY VERSUS FEMINITY IN CHINA

- Scores: **66**/100
- A Masculine society, success oriented and driven

## ➤ Work & Leisure:

- Many Chinese will sacrifice family and leisure priorities to work.
- Service people (such as hairdressers) will provide services until very late at night. Leisure time is not so important.



# LONG-TERM ORIENTATION (LTO)

**Long-term oriented**  
societies foster pragmatic  
virtues oriented towards  
future rewards

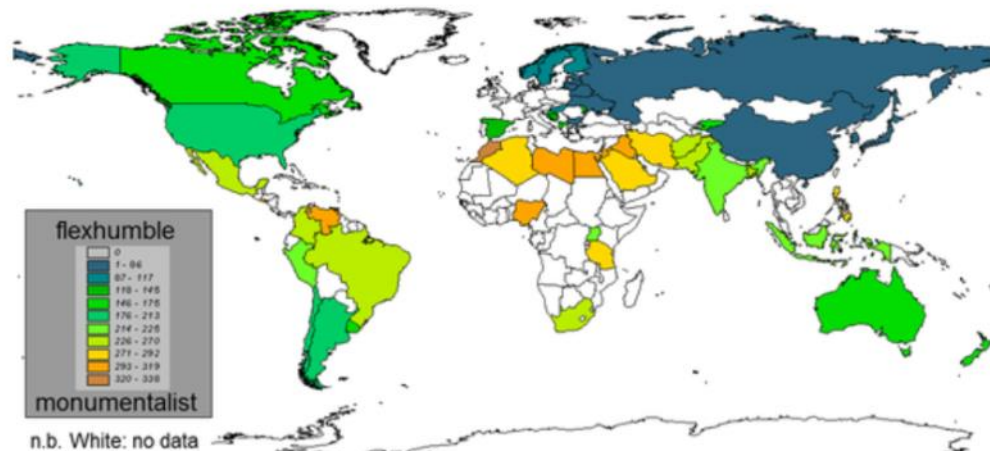
## *Dimension maps: Long-term Orientation*

**Short-term oriented**  
societies foster virtues  
related to the past and  
present

*For more info:*

<https://www.youtube.com/watch?v=H8ygYIGsIQ4>

Short-term orientation (Monumentalism) – Long-term orientation (Flexhumility) World map (based on WVS)



Source and more info:

<https://geerthofstede.com/culture-geert-hofstede-gert-jan-hofstede/6d-model-of-national-culture/>

# LONG-TERM ORIENTATION IN CHINA



- Scores: **87**/100

➤ **Pragmatic culture:**

- people believe that truth depends very much on situation, context and time.

➤ **Ability to adapt traditions:**

- a strong propensity to save and invest, thriftiness, and perseverance in achieving results.

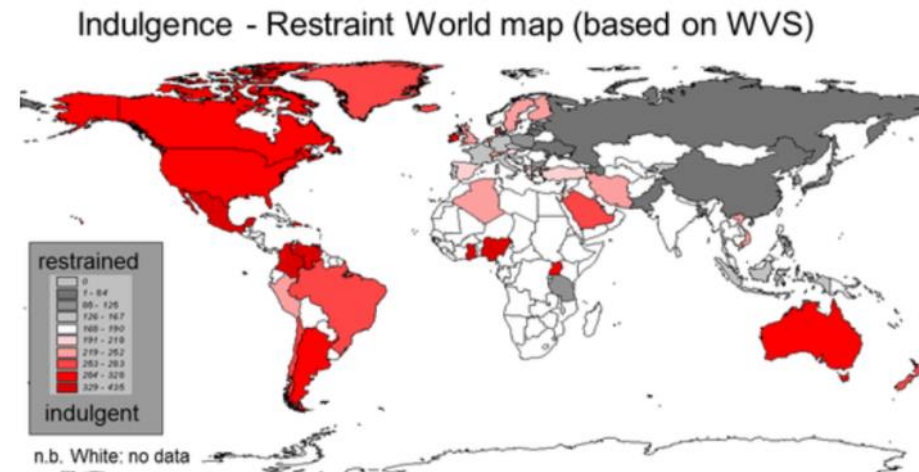
# INDULGENCE VERSUS RESTRAINT (IND)

**Indulgence**= a society that **allows** relatively free gratification of basic and natural human drives related to enjoying life and having fun.

**Good things in life**

**Restraint**=a society that expect **social norms to be closely followed**, and impose restraint on individual gratification

*Dimension maps: Indulgence*



Source and more info:

<https://geerthofstede.com/culture-geert-hofstede-gert-jan-hofstede/6d-model-of-national-culture/>

For more info:

<https://www.youtube.com/watch?v=V0YgGdzmFtA>

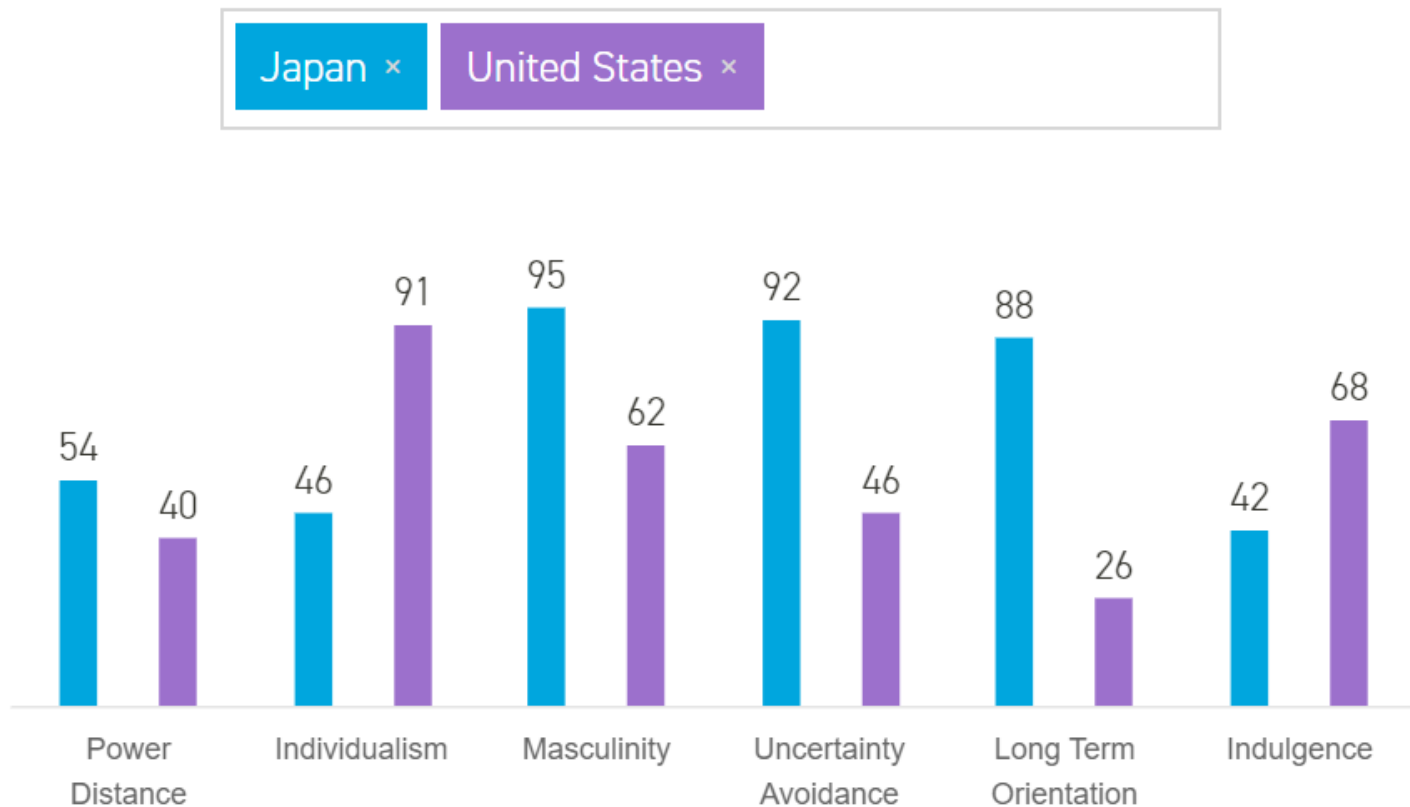
# INDULGENCE VERSUS RESTRAINT IN CHINA

- Scores: **24**/100
- **Restrained society:**
  - in contrast to Indulgent societies, Restrained societies do not put much emphasis on leisure time and control the gratification of their desires. People with this orientation have the perception that their actions are Restrained by social norms



# COUNTRIES CAN BE COMPARED...

... <https://www.hofstede-insights.com/product/compare-countries/>



# ANOTHER WAY OF INVESTIGATING CULTURE: GLOBE PROJECT

„The GLOBE (Global Leadership and Organizational Behavior Effectiveness) research program was founded by Robert House in 1991. GLOBE became a multi-phase, multi-method, multi sample research project in which investigators spanning the world are examined the interrelationships between societal culture, societal effectiveness and organizational leadership” (Source: [https://globeproject.com/study\\_2004\\_2007?page\\_id=data#data](https://globeproject.com/study_2004_2007?page_id=data#data))



## SOCIETAL CULTURE

*With the words of GLOBE: „Shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectives that are transmitted across generations”*





# DIMENSIONS OF SOCIETAL CULTURE

**Performance Orientation:** the degree of a collective encouragement and rewarding of group members for performance improvement and excellence.

**Assertiveness:** the degree of individuals assertiveness, level of confrontation and aggression in their relationships.

**Future Orientation:** the degree of individuals engagement in future-oriented behaviors e.g. in planning or investing in the future

# DIMENSIONS OF SOCIETAL CULTURE

**Humane Orientation:** the degree of collective encouragement and rewarding of individuals for being fair, generous, caring, altruistic and kind to others.

**Institutional Collectivism:** the degree of organizational and societal institutional practices encouragement and rewarding of collective distribution of resources and collective action.

# DIMENSIONS OF SOCIETAL CULTURE

**In-Group Collectivism:** the degree of individuals expression of pride, loyalty, and cohesiveness in the organizations or families.

**Gender Egalitarianism:** the degree of a collective's efforts to minimize gender inequality.








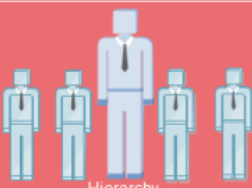


# DIMENSIONS OF SOCIETAL CULTURE

**Power Distance:** the degree of the community's acceptance and endorsement of authority, power differences, and status privileges.

**Uncertainty Avoidance:** the degree of society's, organization's or group's relying (on social norms, rules, and procedures to reduce unpredictability of future events.

# YOUR TASK NOW IS...

- With the use of Hofstede's dimensions of culture and its database on countries (<https://www.hofstede-insights.com/product/compar-e-countries/>) compare the national cultures represented in Your group!
- While doing the comparison, focus on the big differences and great similarities.
- Bring your own stories, own real life examples!

Fun Comparison between Western and Eastern Culture	
Western Culture	Asian/Chinese Culture
Life Style	Life Style
 Individualism	 Collectivism
Me	Me
 Emphasis on Personality	 Emphasis on Group Interests
Anger	Anger
	
The Boss	The Boss
 Equality	 Hierarchy
Weekends on the Road	Weekends on the Road
 Desire Serenity	 Like Gathering

# **INTERNATIONAL HUMAN RESOURCE MANAGEMENT EPRG Model**

EFOP-3.5.1-16-2017-00004

# TEACHERS' GUIDE

Objectives of this seminar:

- Be able to determine and describe what the EPRG model is
- Be capable of using the EPRG model as an international management/business tool
- Be able to see the different management actions and tools needed for each strategy
- Be able to determine to which category certain companies belong

# TEACHERS' GUIDE

Prewrite – looking for a company well-known for the members of the group

Teaching method

- Content Delivery in 20-30 mins – the main concept of the EPRG model
- In-class exercise 50 mins – in class task description
- Reflection/Feedback 10 mins



# TEACHERS' GUIDE

Evaluation based on: the looks of the ppt, presentation style, content – the company is positioned correctly or not, reasons why choosing the certain category (are there any reason? Are the reasons correct?)

Literature used:

Drachal, K. (2014): What do we know from the EPRG model?. ECOFORUM, Vol. 5, Issue 2 (5), pp. 85-92.

# TEACHERS' GUIDE

## In-class task description

„Look for a firm that You know well. Prepare a presentation of all together 5 slides - Slide 1 Group members & group name, Slide 2 brief introduction of the chosen company, Slide 3 to which category the chosen company belongs in the Perlmutter model and why You think so, Slide 4 HR implications & Slide 5 for thanking the attention. Be prepared to present Your work. The whole group should present!”  
Compare the results with the ones of the Bartlett-Ghoshal model!

# PERLMUTTER'S EPRG MODEL

- EPG Model is an international business model including three (four) dimensions:
  - ethnocentric,
  - polycentric and
  - geocentric
  - (regiocentric)
- It has been introduced by Howard V. Perlmutter
- These dimensions allow executives to more accurately develop their firm's general strategic profile
- The aim of the model: to identify orientation of the organization → identification of the right orientation is essential!



# PERLMUTTER'S EPRG MODEL

- The EPG model is a framework for a firm to better pinpoint its strategic profile in terms of international business strategy. The importance of the EPG model is mainly in the firm's awareness and understanding of its specific focus.
- In performing an EPG analysis, a firm may discover that they are oriented in a direction that is not beneficial to the firm or misaligned with the firm's corporate culture and generic strategy. In this case, it would be important for a firm to re-align its focus in order to ensure that it is correctly representing the firm's focus.



Ethnocentrism



Polycentrism



Regocentrism



Geocentrism

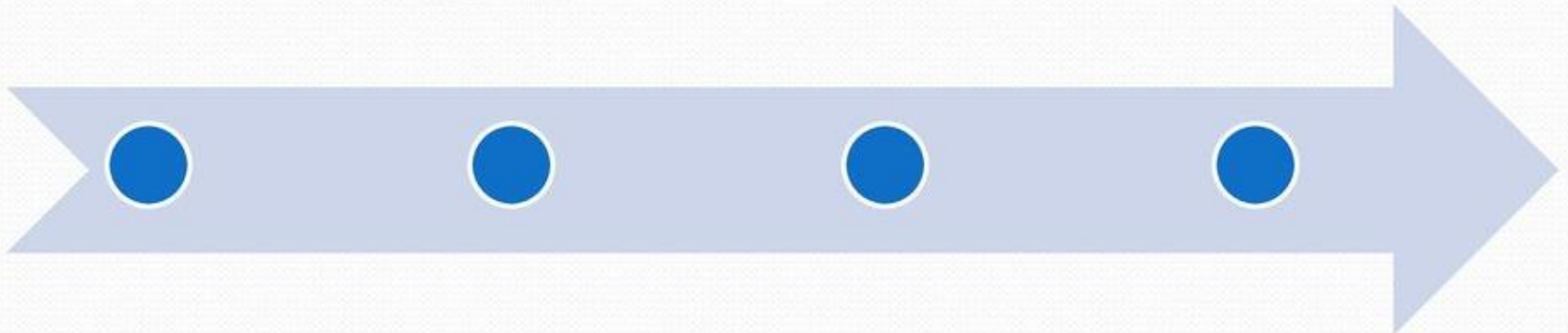
# EPRG – THE MAIN CONCEPT

**Ethnocentric:**  
Home country is superior; sees similarities in foreign countries

**Regiocentric:**  
Sees similarities and differences in a world region; is ethnocentric or polycentric in its view of the rest of the world

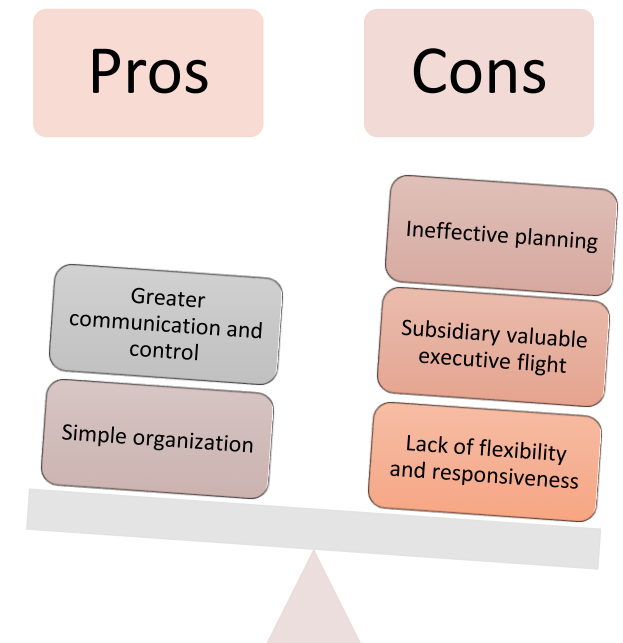
**Geocentric :**  
Worldview! sees similarities and differences in home and host countries

**Polycentric:**  
Each host country is unique; in foreign countries



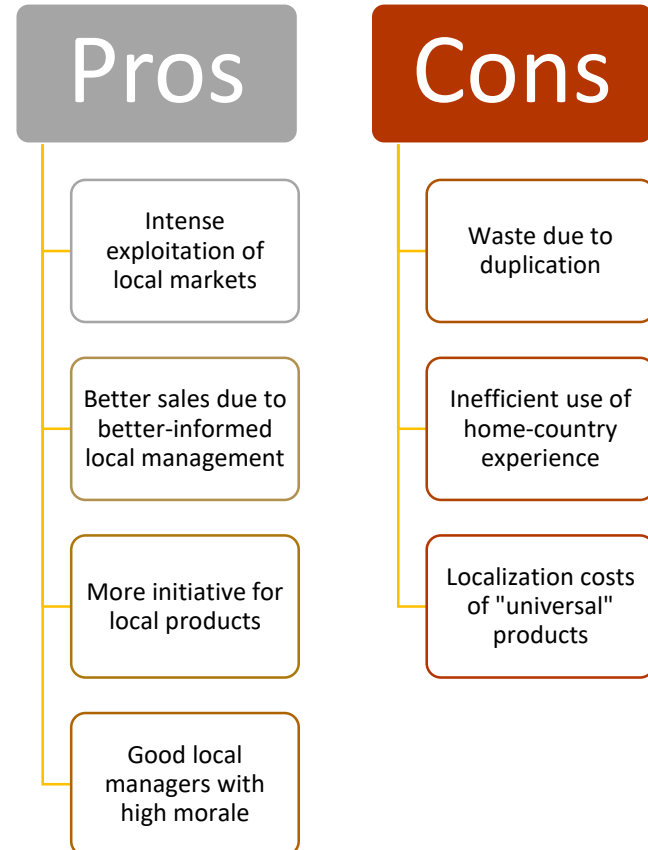
# ETHNOCENTRISM

- Main orientation – domestic market
- Activity on foreign market – temporary, secondary
- Patterns of market behaviour – experience gained from domestic market
- No significant modification for the foreign market (basically the same as domestic)
- Organizational culture, marketing etc. Are copies from the domestic market
- Domestic culture is superior – domestic strategies are the best ones and superior
- Managers to subsidiaries are brought from the domestic country
- Highly centralized hierarchy
- HRM implications – e.g. recruitment issues and compensation issues



# POLYCENTRISM

- Close to ethnocentrism BUT requires actions taken on several foreign markets
- Connected to specialization
- A polycentric organization needs to and is interested in studying the specifics of the foreign markets
- Distinguishes foreign market characteristics from the domestic market
- Better to use local methods to cope with the local problems – „When in Rome do what the Romans do”
- No strict control by the hq – allows some freedom
- Conflict between local managers and the headquarter



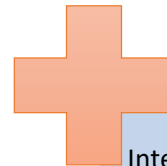
# REGIOCENTRISM

- Close to polycentrism BUT not only recognizes the specific features of foreign markets, also sees similarities among them
- Makes groups of similar markets – regions – with similar features
- Allows to address both local and global needs
- Company's focus – less on a country more on a region
- This assumes: all countries of the region can be regarded as a single market
- Associated with the increase in decentralization



# GEOCENTRISM

- Treats all foreign markets as the one global market
- Global market = single market
- Focuses on strong, decisive behavior and takes benefits from the economies of scale
- High costs associated with HR and personnel management
- No special distinction between foreign and domestic markets
- Managers – the most competent
- No explicit barrier between the hq and subsidiaries



Integrated global outlook, Better quality of products and services, Worldwide use of best resources, Improved local country management, Greater commitment to global objectives

High communication and travel costs, Educational costs at all levels, International headquarters bureaucracy, "Too wide" distribution of power, Personnel problems, especially those of international executive reentry

# INTERNATIONAL RECRUITMENT BASED ON EPRG

## Ethnocentrism

- to hire management that is of same nationality of parent company
- places natives of the home country of a business in key positions at home and abroad

## Polycentrism

- limiting recruitment to the nationals of the host country (local people)
- The companies that adopt this method normally have a localized HR department, which manages the human resources of the company in that country

## Regiocentrism

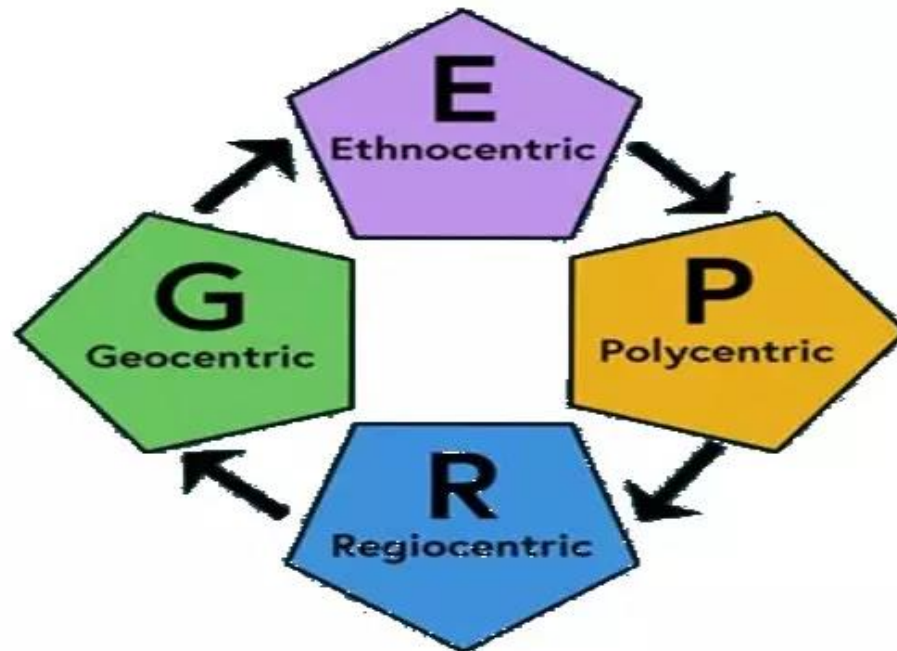
- uses managers from various countries within the geographic regions of business
- One shortcoming of the regiocentric approach is that managers from the region may not understand the view of the managers at headquarters. Also, corporate headquarters may not employ enough managers with international experience.

## Geocentrism

- recruiting the most suitable persons for the positions available in it, irrespective of their nationalities
- For international recruitment, especially on foreign soil, organizations generally use manpower agencies or consultants with international connections and reputations to source candidates, in addition to the conventional sources

# YOUR TASK NOW IS...

- Look for a firm that You know well.
- Prepare a presentation about the company's position according to the Perlmutter model, be able to reason your choice. Add HR implications as well!
- Be prepared to present Your work!
- Compare the results with the ones of the Bartlett-Ghoshal model!



# **INTERNATIONAL HUMAN RESOURCE MANAGEMENT**

## **Bartlett-Ghoshal Model**

EFOP-3.5.1-16-2017-00004

# TEACHERS' GUIDE

Objectives of this seminar:

- Be able to determine and describe what the Bartlett-Ghoshal model is
- Be capable of using the Barlett-Ghoshal model as an international management/business tool
- Be able to see the different management actions and tools needed for each strategy
- Be able to determine to which category certain companies belong

# TEACHERS' GUIDE

Prewrite – looking for a company well-known for the members of the group

Teaching method

- Content Delivery in 20-30 mins – the main concept of the Bartlett-Ghoshal model
- In-class exercise 50 mins – in class task description
- Reflection/Feedback 10 mins

# TEACHERS' GUIDE

Evaluation based on: the looks of the ppt, presentation style, content – the company is positioned correctly or not, reasons why choosing the certain category (are there any reason? Are the reasons correct?)

Literature used:

Bartlett, Christopher A., Sumantra Ghoshal, and Paul Beamish. Transnational Management: Text, Cases and Readings in Cross Border Management. 5th ed. Burr Ridge, IL: McGraw-Hill/Irwin, 2008.

<https://www.youtube.com/watch?v=C9NxcRCZsxQ>

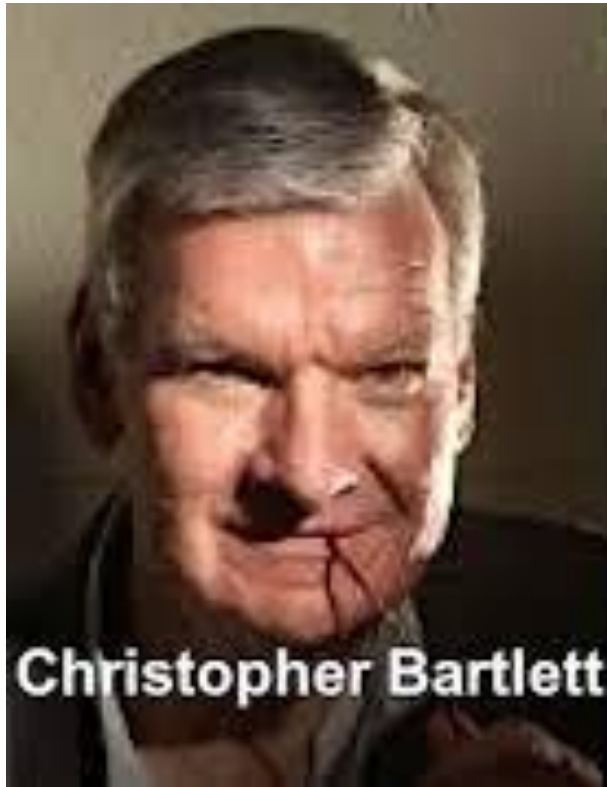
# TEACHERS' GUIDE

## In-class task description

„Look for a firm that You know well. Prepare a presentation of all together 5 slides - Slide 1 Group members & group name, Slide 2 brief introduction of the chosen company, Slide 3 to which category the chosen company belongs in the Bartlett & Ghoshal model and why You think so, Slide 4 HR implications & Slide 5 for thanking the attention. Be prepared to present Your work. The whole group should present!”  
Compare the results with the ones of the EPRG model!



# THE BARTLETT-GHOSHAL MODEL



# THE BARTLETT-GHOSHAL MODEL

The Bartlett & Ghoshal Model shows the strategic options for businesses aspiring to manage their international operations based on two forces: local responsiveness & global integration.

# THE BARTLETT-GHOSHAL MODEL

## Force for local responsiveness

- This studies questions such as:
  - ❖ Do customers in every country expect the product to be adapted to meet their local requirements?
  - ❖ Do local, domestic competitors have an advantage based on their ability to be more responsive?
- Local responsiveness typically involves different marketing strategies and
- product differentiation But lack of standardisat → raise costs
- Pressures for local responsiveness arise from national differences in:
  - ❖ Consumer tastes and preferences
  - ❖ Infrastructure
  - ❖ Distribution channels
  - ❖ Requirements of the government of the host country



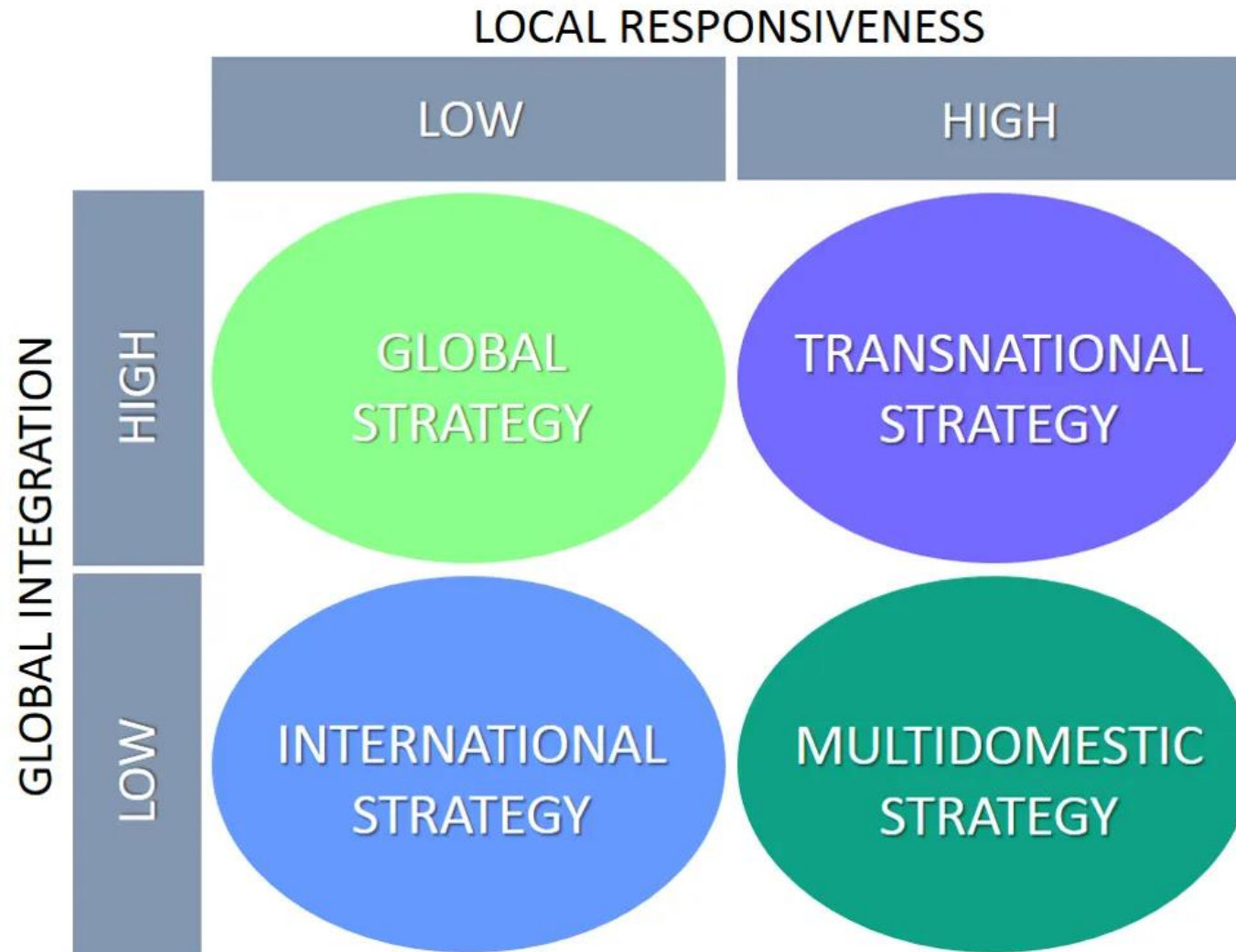
# THE BARTLETT-GHOSHAL MODEL

## Force for global integration –

- This considers questions like:
  - ❖ How important is standardisation of the product in order to operate efficiently?
  - ❖ Is consistent global branding required to reach international success?
- Also called as pressure for cost reduction...
- It is particularly intense in:
  - ❖ Industries manufacturing ‘standard’ products) where product differentiation is challenging, and price is the main source of competition
  - ❖ Industries where the main competitors are based in low-cost locations



# THE BARTLETT-GHOSHAL MODEL - STRATEGIES



# INTERNATIONAL STRATEGY

- Low pressure for local responsiveness and Low pressure for global integration
- Little adaption to local needs
- International operations managed centrally
- Aims to reach efficiency by focusing on the domestic activities
- Also referred as exporting strategy – production in the home country and then sent to consumers all over the world



International

# MULTIDOMESTIC STRATEGY

- High pressure for local responsiveness and low pressure for global integration
- The focus is on customising/ tailoring the goods and/or services to consumer tastes and preferences in different local markets
- Aims to maximize the benefits of meeting the local needs
- Decentralized decision making
- Subsidiaries operating relatively autonomously and independent from the hq.
- Different strategies for each foreign market
- Local businesses are treated as separate businesses



Multi-domestic



# GLOBAL STRATEGY

- Low pressure for local responsiveness and high pressure for global integration
- Applicable for industrial products serving universal needs, but not so much to consumer products
- Selling a standardised products to capture benefits from economies of scale → focus on efficiency → reduce costs as much as possible
- Highly centralized, subsidiaries very often depend on HQ.
- Little sharing of knowledge and expertise with locals



Global





# TRANSNATIONAL STRATEGY

- High pressure for local responsiveness and high pressure for global integration – the most complex strategy
- Firm have to:
  - –Realise location advantages and economies of scale at the same time – maximize local responsiveness and gain benefits from global integration also
  - –Differentiate products and leverage product offerings of foreign subsidiaries
- Complex task to achieve
- Wide sharing of knowledge and expertise (staff, technology)
- A transnational company is characterised by an integrated and interdependent network of subsidiaries all over the world. These subsidiaries have strategic roles and act as centres of excellence



Transnational



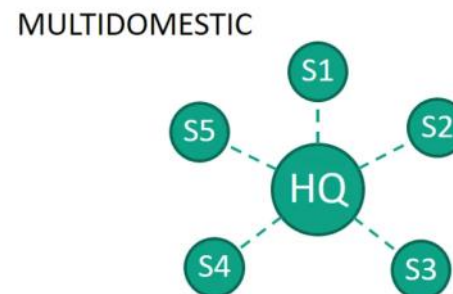
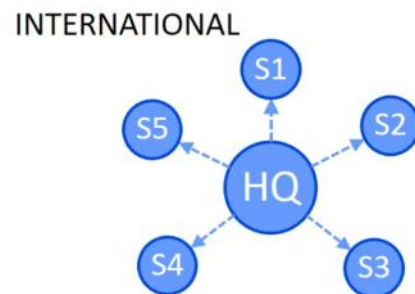
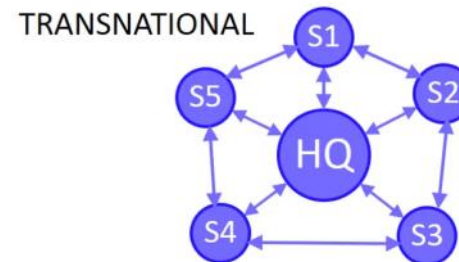
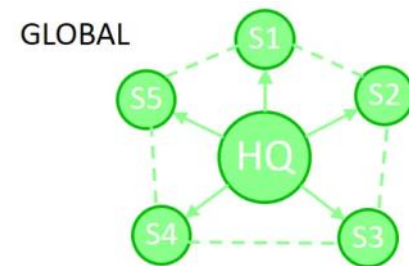
# TYPES OF MULTINATIONAL COMPANIES ALONG THE BARTLETT-GHOSHAL MODEL

TYPES OF MULTINATIONAL COMPANIES			
ORGANIZATIONAL STRATEGY	MULTIDOMESTIC	GLOBAL	TRANSNATIONAL
Decentralized federation	High	Low	Low
Network structure	Low	Low	High
Inter-subsidiary flows	Low	Low	High
HQ's pipeline	Low	High	Low/Medium
Centre of excellence	Low	Low	High
Local production	High	Low	Medium
Local R&D	High	Low	Medium
Product modification	High	Low	High
Adaption of marketing	High	Low/Medium	High
Total level of interdependence	Low	High	High
Level of HQ dependence	Low	High	Medium
Level of subsidiary dependence	Low	Low	High

Source and more info: <https://www.business-to-you.com/international-business-strategy/>

# YOUR TASK NOW IS...

- Look for a firm that You know well.
- Prepare a presentation about the company's position according to the Bartlett-Ghoshal model! Be able to reason your choice. Add HR implications as well!
- Be prepared to present Your work!
- Compare the results with the ones of Perlmutter's EPRG model!



# **INTERNATIONAL HUMAN RESOURCE MANAGEMENT**

## Gallup's Employee Engagement

EFOP-3.5.1-16-2017-00004

# TEACHERS' GUIDE

Objectives of this seminar:

- Be able to determine and describe what employee engagement and Gallup's Q12 survey is
- Be capable to see the importance and relevance of this tool and why it is used at companies
- Be able to use this tool and understand the results
- Let the students to give feedback (student engagement survey)

# TEACHERS' GUIDE

## Teaching method

- Content Delivery in 20-30 mins – what employee engagement and Gallup's Q12 survey, why they matter
- In-class exercise 50 mins – running the student engagement survey and discussing results, hearing out the students' point of view
- Reflection/Feedback 10 mins

Evaluation based on: test compilation and involvement in the discussion

## Literature used:

- <https://q12.gallup.com/public/en-us/Features>
- <https://www.gallup.com/access/239201/employee-surveys.aspx>
- [https://www.gallup.com/access/239210/employee-engagement-survey.aspx?g\\_source=link\\_wwwv9&g\\_campaign=item\\_237425&g\\_medium=copy](https://www.gallup.com/access/239210/employee-engagement-survey.aspx?g_source=link_wwwv9&g_campaign=item_237425&g_medium=copy)

# TEACHERS' GUIDE

## In-class task description

„Please fill in the following student engagement survey:  
<https://forms.gle/ouq7DLWsZkS6mnhK8> . After collecting the results done by the teacher and shared with You, please be involved in result discussion.  
Please give feedback.”

# EMPLOYMENT ENGAGEMENT

Employee engagement= the ability to capture the heads, hearts, souls of employees to instill an intrinsic desire and passion for excellence.

OR

Employee engagement, also called Work engagement, is a concept that is generally viewed as managing discretionary effort, that is, when employees have choices, they will act in a way that furthers their organization's interests. An engaged employee is a person who is fully involved in, and enthusiastic about, his or her work.





# EMPLOYMENT ENGAGEMENT

Why does it matter?

- Engaged employees want their organization to succeed because they feel emotionally, socially, spiritually connected to its mission, vision and purpose
- Engaged employees are
  - The most productive and efficient workers
  - Involved and enthusiastic about what is happening in their local work environment



# ABOUT THE GALLUP Q12 SURVEY

- Gallup's Q<sup>12</sup> survey is the most effective measure of employee engagement and its impact on the outcomes (such as worker productivity, customer loyalty, and sales growth) that matter most to organization's business
- Gallup consultants sifted through hundreds of questions in hundreds of surveys before choosing the twelve questions with the highest correlations to external measures



# ABOUT THE GALLUP Q12 SURVEY

- It is a unique tool that is systematic, simple and gives feedback to employers about how employees feel at the organization
- An international tool that can be used generally
- Makes communication to 2-way – employees can give feedback



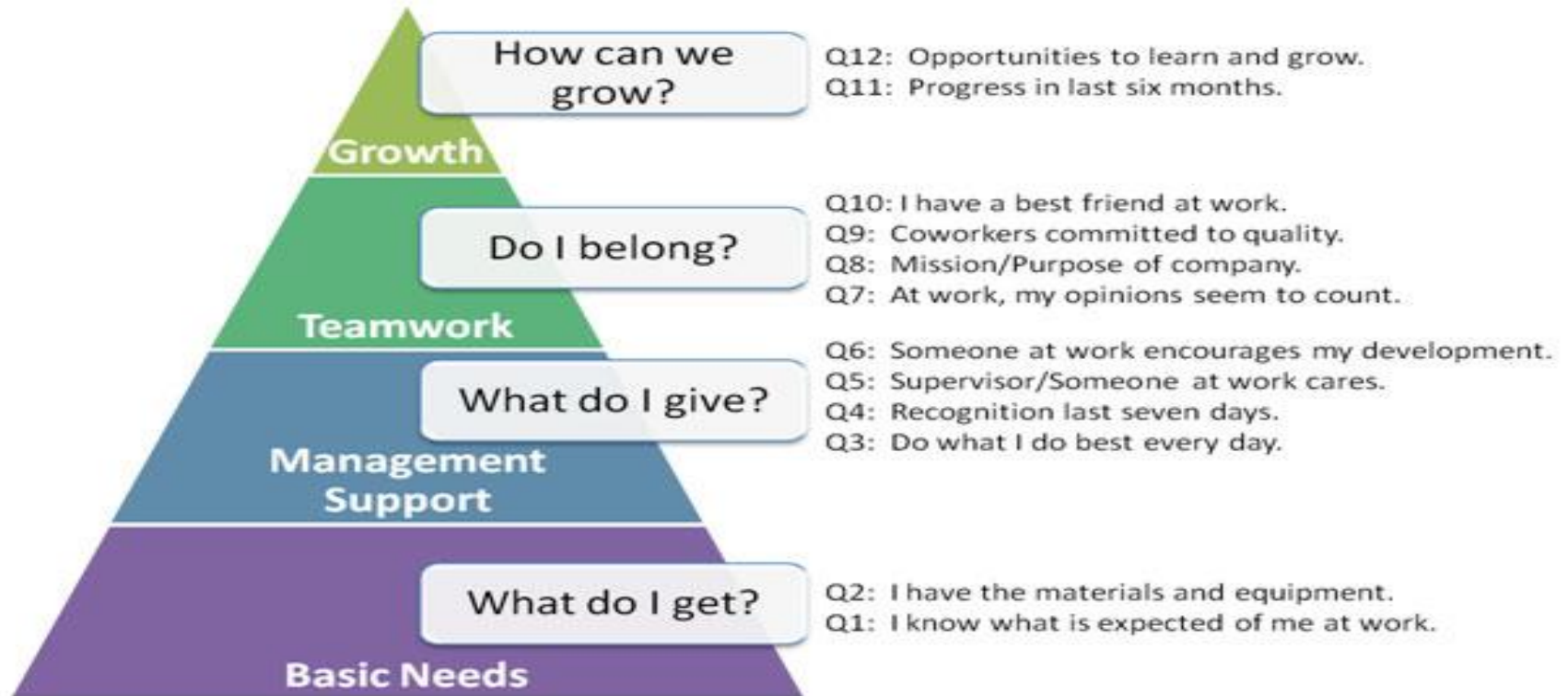
# ABOUT THE GALLUP Q12 SURVEY

- Topics covered include workplace expectations, supervisory relations, even working with a best friend - 12 simple questions measuring them (in hierarchical order from basic needs to an employee's growth needs)
- Each of the 12 questions is rated on a five-point scale and is one of the following four dimensions:
  - Basic Needs (What do I get?) – 2 questions
  - Management Support (What do I give?) – 4 questions
  - Teamwork (Do I belong?) – 4 questions
  - Growth (How can we grow?) – 2 questions



# EMPLOYEE ENGAGEMENT HIERARCHY

## Gallup Engagement Hierarchy



# LEVELS OF ENGAGEMENT

The ratings from all twelve questions are then combined into an index, which can be used to segment employees into three categories:

- **Engaged** employees work with passion. Because they feel a strong connection to the organization, they work hard to innovate and improve
- **Not-Engaged** employees do the work expected of them, but do not put in extra effort
- **Actively Disengaged** employees aren't just unhappy, but are spreading their unhappiness to other staff



# SURVEY OUTCOMES

- After employees complete the Q12 survey, they can use their results to quickly and easily identify areas of strengths and opportunities, and begin to take action
- An overall and group-level Q<sup>12</sup> survey reports are provided which includes:
  - Organization's overall engagement score (GrandMean) and how it compares to Gallup's database
  - Scores for each of the Q<sup>12</sup> survey questions and how they compare with Gallup's database
  - The number of employees who completed the survey and the number who completed each question
- What to do with results?
  - Discuss them
  - Then select specific issues
  - Work on the specific issues and improve them



# WHY GALLUP

- The Q12 database, with 5.4 million responses, is by far the largest employee benchmark available. Gallup clients can benchmark their organizations employee-engagement levels against research across 620,000 workgroups, 504 organizations, 16 major industries and 137 countries





# WHY GALLUP

- Measuring and managing engagement via the Q12 survey & Gallup's management strategies tie directly to better:
  - Productivity
  - Profitability
  - Employee retention
- Gallup backs up its benchmarking with a full human-resource consulting program to help organizations use the results to improve your organization's employee-engagement levels



# WHY GALLUP

- Fill in the following student engagement survey:  
<https://forms.gle/ouq7DLWsZkS6mnhK8> .
- Be involved in result discussion.
- Give feedback on future improvement possibilities!
- Propose solutions for the weak areas!



# **INTERNATIONAL HUMAN RESOURCE MANAGEMENT**

**Encouraging the Heart: A Leader's  
Guide to Rewarding and Recognizing  
Others**

# TEACHERS' GUIDE

Objectives of this seminar:

- Understand the role of Leadership
- Set framework for best practice on leadership behaviour

# TEACHERS' GUIDE

Prewrite: open application platform for students, collect applications for book chapters

Teaching method

- Content Delivery by the students – 80 mins
- Reflection/Feedback 10 mins

Evaluation based on: presentation style & content delivery

Literature used:

KOUZES, J. M., & POSNER, B. Z. (1999). Encouraging the heart: a leader's guide to rewarding and recognizing others. San Francisco, Calif, Jossey-Bass ISBN: 978-0-787-95317-1

# TEACHERS' GUIDE

## In-class task description

„Please present the book chapter that You have previously applied for, in approximately 7-9 mins. Concentrate on the key messages, core information!”

# THE HEART OF LEADERSHIP

- Genuinely caring for people

- Encouragement & Satisfaction

- Personal initiative & Responsibility

- Recognition and performance

- Accomplishments & celebrating success

- Communication & emotions

- Inclusion, control & affection

- Non financial reward- thank you

# THE SEVEN ESSENTIALS OF ENCOURAGING

.Set clear  
standards

Expect the  
best

Pay  
attention

Personalize  
recognition

Tell the  
story

Celebrate  
together

Set the  
example



# THE ENCOURAGEMENT INDEX (EI)

•Ordinary people

Capacity for self-improvement

Leadership development is self-development

EI is a self-reflection & self-evaluation process

21 statements about the behaviour of leaders

Numerically answered by a 10-point scale

Determining problem areas

# THE FIRST ESSENTIAL: SET CLEAR STANDARDS

Goals and Values  
(Principles)

Commitment:  
Personal values  
versus Organizational  
Values

Engagement and  
Dialogue

Goals: Purpose,  
Focus and Direction

Clarity

Increase  
Performance Effort  
(Goals + Feedback)

Encouragement as  
Feedback

Heart to Heart (trust)

**Not just Money but  
make Meaning**

# THE SECOND ESSENTIAL: EXPECT THE BEST

❖ Self-fulfilling  
prophecy

Pygmalion effect

Set-up-to-fail  
syndrome

High expectation-  
high performance

Positive  
imagination-  
Experiment with  
Bowlers

Expectations lead  
the leader

Self-esteem  
matters-a lot

# THE THIRD ESSENTIAL: PAY ATTENTION

Ditch the  
shiny badge

Release the  
positive

Put others  
first

Listen with  
your eyes and  
your heart

Hang out

Be a friend  
and open up

Seek and ye  
shall find

# THE FOURTH ESSENTIAL: PERSONALIZE RECOGNITION

❖ Doing more than a simple Thank you Note

❖ Recognition can Hurt When Not Personalized

❖ Know what They like

❖ Personalize means Culturalize

❖ A Unique Recognition is Always more meaningful

# THE FIFTH ESSENTIAL: TELL THE STORY

The power of  
storytelling as a  
mean of  
persuasion

Stanford University  
study

Narrative can  
motivate, mobilize  
and teach within  
the organization

Storytelling as a  
leader's tool

How to tell a great  
story?

Technology as an  
assistant!

# THE SIXTH ESSENTIAL: CELEBRATE TOGETHER

❖Bragging board

❖Celebration serves as an organization's heart and influences performance.

❖The MathWork's fundamental belief- we serve our people first

❖We want to involve others in our lives

❖Celebrations are quite literally life giving forces.

❖Celebrations build community

❖What meaning am I trying to create celebrations

# THE SEVENTH ESSENTIAL: SET THE EXAMPLE

The heart emanates  
from the top (everyone  
becomes a leader;  
everyone sets  
examples)

Credibility is the  
Foundation  
(DWYSYWD)

Signal what you expect  
from others

Start your morning with  
encouragement

Leaders go First

Encouraging the heart  
should be a priority

Personal Involvement

“THANK YOU” Motivate  
others

**Daily planner, talk to everyone, turn routine task to fun, give others first - In the end, Receiver and Giver both feel Uplifted**



# FINDING YOUR VOICE

❖ Leading out of  
your own  
experience

❖ What we do as  
what we are that  
counts

❖ Connecting one's  
voice to one's  
touch

❖ Your own unique  
style

❖ Awakening  
initiatives & Self  
answering  
questions

# **INTERNATIONAL HUMAN RESOURCE MANAGEMENT**

## **Case Study 1 – in a Word of Pay**

EFOP-3.5.1-16-2017-00004

# TEACHERS' GUIDE

Objectives of this seminar:

- Analyse a real example
- Practice skills of
  - Debate
  - Managing Ambiguity

# TEACHERS' GUIDE

Prework: open the application for focus tasks, form the groups

Teaching method

- Content Delivery by the students – 15-20 mins
- In class deiscussion – 60-70 mins
- Reflection/Feedback 10 mins

Evaluation based on: presentation style & content delivery

Case study used:

Harward Business Review's In a Word of Pay Case Study

# TEACHERS' GUIDE

## In-class task description

„As a group, prepare a presentation on the given case study. Focus on the HRM/IHRM related issues, problems. Only the selected best team will have to present its solutions. Prepare a written report of 4-6 pages. The team with the best presentation does not have to prepare the written report.”

# AGENDA

- Problem review
- Features of the current system of payments and compensations
- Why Anne? What are the cost of her recruitment?
- Experts' advice
- Concluding remarks



# PROBLEM REVIEW

- Typware AG: German software company, 4,800 employees
- Share of expatriates: 15%
- Whether to hire an American professional or not
- Anne has another offer
- Her pay offer almost higher than the marketing director's
- Anne has: outstanding career achievements
- Crucial offered position
- High pay expectations



# FEATURES OF THE CURRENT SYSTEM OF PAYMENTS AND COMPENSATIONS

- Weaknesses in the field of compensations
- The salary system of the company is out of order
- Pay is not rationalized, salary and benefit disparities
- discriminative features
- CEO has no interest in stabilizing salaries in general
- The salaries and compensation of expatriates - not structured
- individual expatriate packages more and more complicated - every case is special
- Non-unified, unstructured and not stable system of payments of Typware causes the company and HRM many trouble!





# WHY ANNE?

- Anne is:
  - American marketing professional,
  - Director of an American software company,
  - Great achievements,
  - Intelligent and careful strategist who showed finesse
  - Understands deeply the global software industry
  - Speaks German fluently
- The position has strategic importance (strategy of the company is to raise international revenues by 10 percent)

# WHAT ARE THE COST OF HER RECRUITMENT?

- Problems:
  - Anne asks for a salary which is almost as high as her possibly future director's
  - issue of not having any experience in hiring a foreign executive to work at the headquarter
  - Anne has another offer
- Costs:
  - Considering an offer of 244,000 € → explained by cost-of-living differences → dissatisfaction & complaints
  - Differences in tax rates, benefits, inflation, floating currencies and other factors
  - Anne's sons schooling
  - Healthcare issues



# EXPERTS' ADVICE I.



- Milkovich:
  - strategic clarity
  - develop a unified compensation strategy that is coherent with the business strategy
  - make Anne see the total value the company can give to her
  - offer two pay packages & let the CEO decide
- Thinnes:
  - offer a package attractive enough for Anne
  - leave some variables as incentives
  - determine which compensation benefits are fundamental

# EXPERTS' ADVICE II.

- Yaffe:
  - recruiting Anne on a temporary assignment basis
  - work for Typware's US affiliate
  - Duties like the ones of a permanent worker in Germany
  - issuing stock options
- Kokott:
  - leave room for flexibility
  - paying for expatriate support is a necessary
  - develop and enforce a policy that every empl understands → conflicts can be avoided
  - The policy should be: specific, consistent and transparent



# CONCLUDING REMARKS

- The management should clarify its business prospects
- Unified payment system is inevitable
- Consider the value and improvements Anne could bring → try to estimate if her recruitment is profitable for the company
- Create a common expatriate policy which applies for everybody
- Consider to hire Ann on a temporary basis
- Consider the creation of two different compensation packages
- Inevitable for Typware to make clear strategies and practices!!!



# YOUR TASK NOW IS...

- Prepare a presentation on the given case study.
- Focus on the HRM/IHRM related issues, problems.
- After the presentation, take part in the in-class discussion!
- Make notes!
- Prepare a written report of 4-6 pages.



**CASE STUDY**

# **INTERNATIONAL HUMAN RESOURCE MANAGEMENT**

## **Case Study 2 – Cirque du Soleil**

EFOP-3.5.1-16-2017-00004

# TEACHERS' GUIDE

Objectives of this seminar:

- Analyse a real example
- Practice skills of
  - Debate
  - Managing Ambiguity



# TEACHERS' GUIDE

Prewrite: open the application for focus tasks, form the groups

Teaching method

- Content Delivery by the students – 15-20 mins
- In class discussion – 60-70 mins
- Reflection/Feedback 10 mins

Evaluation based on: presentation style & content delivery

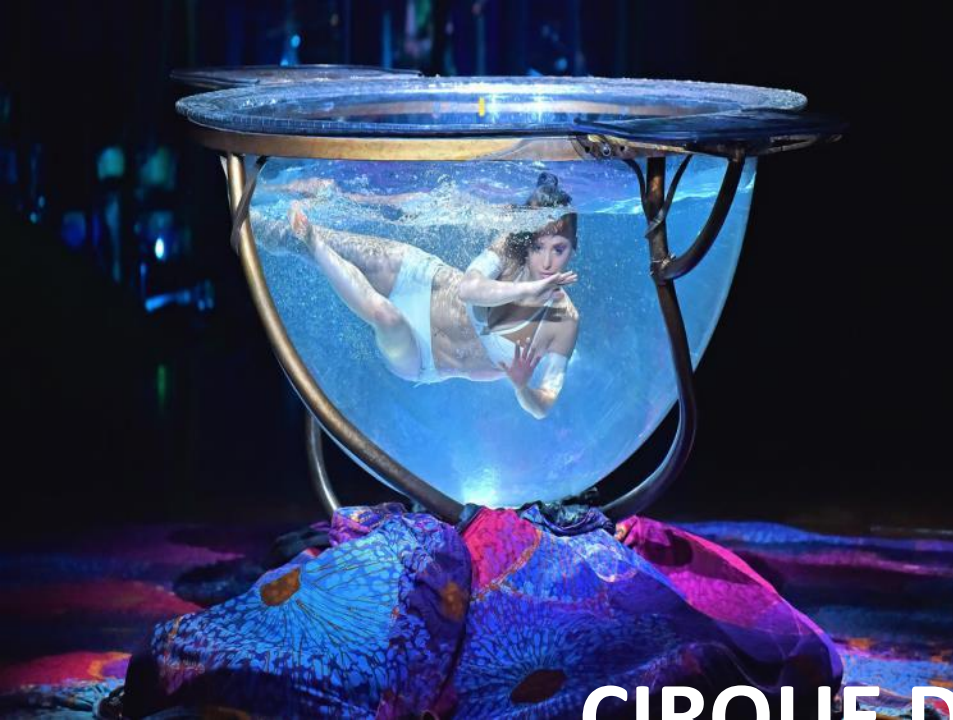
Case study used:

IBS Center for Management Research's Cirque du Soleil's Global Human Resource Management Practices Case Study

# TEACHERS' GUIDE

## In-class task description

„As a group, prepare a presentation on the given case study. Focus on the HRM/IHRM related issues, problems. Only the selected best team will have to present its solutions. Prepare a written report of 4-6 pages. The team with the best presentation does not have to prepare the written report.”



# CIRQUE DU SOLEIL





Founded in 1984

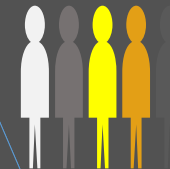
Animal-free circus

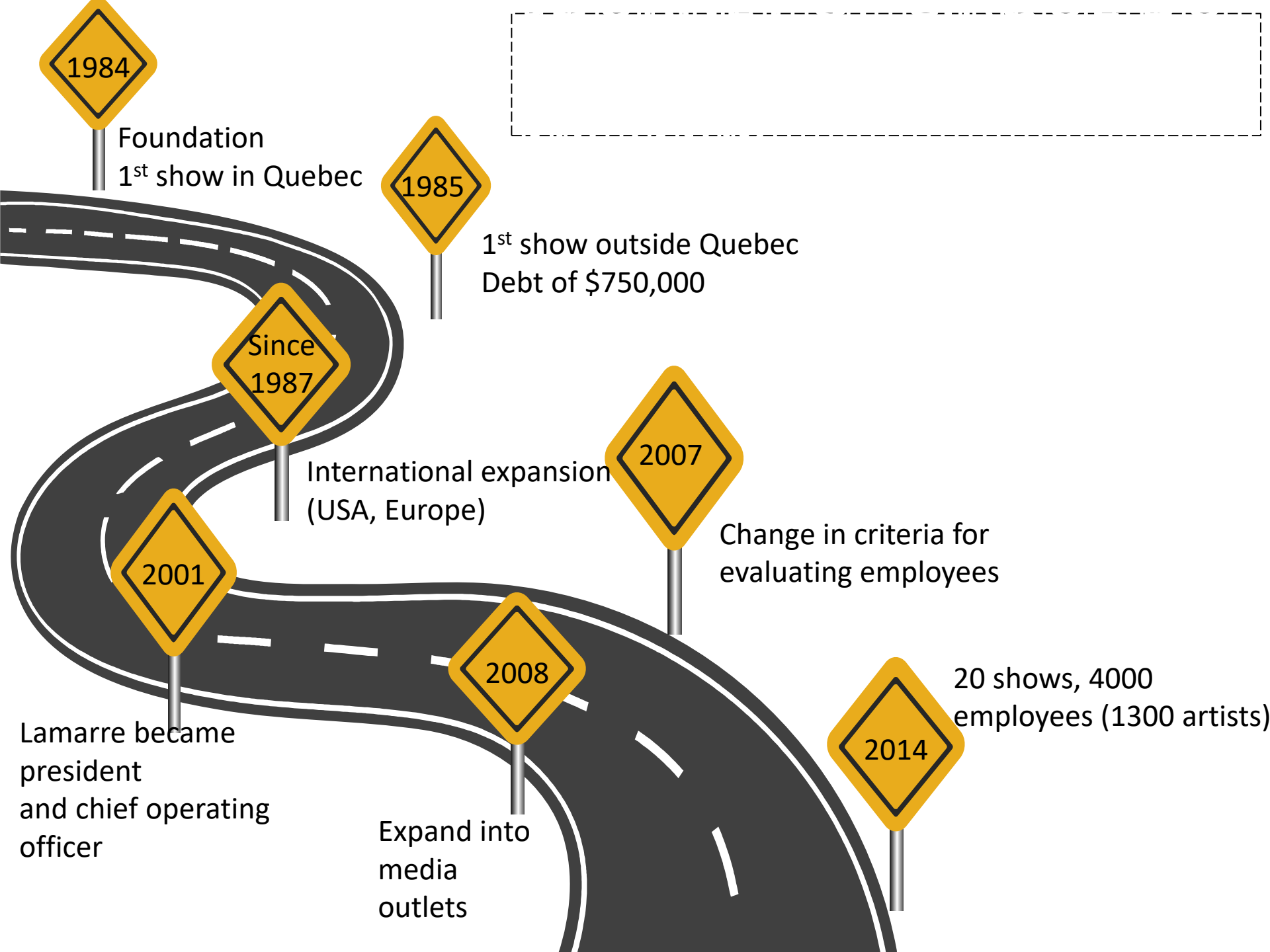
150 million spectators  
in nearly 300 cities

Blue ocean strategy

Montreal-based artistic  
entertainment company

More than 4000 employees  
from more than 50  
different countries





1984

Foundation  
1<sup>st</sup> show in Quebec

1985

1<sup>st</sup> show outside Quebec  
Debt of \$750,000

Since  
1987

International expansion  
(USA, Europe)

2001

Lamarre became  
president  
and chief operating  
officer

2008

Expand into  
media  
outlets

2007

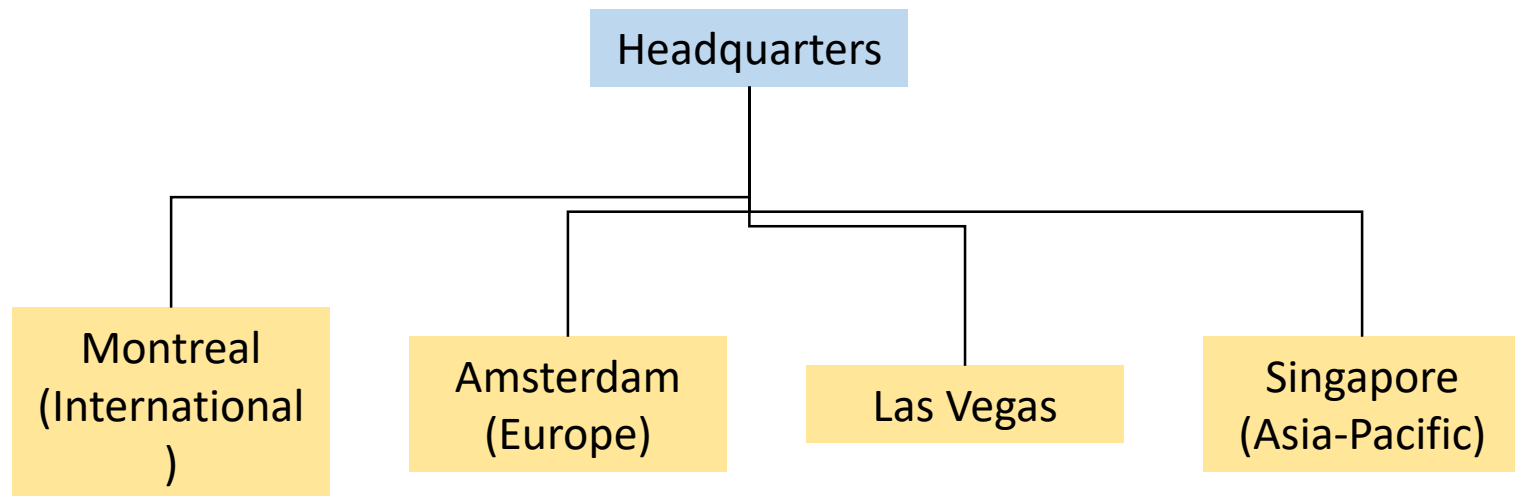
Change in criteria for  
evaluating employees

2014

20 shows, 4000  
employees (1300 artists)



# Organizational structure: Global area division





# Recruiting policy



Global  
recruitment  
policy

Global treasure-  
hunting

Ambassador for  
Cirque

Selection  
process for  
artists

5 Evaluation  
criteria





# Training policy



Formal training  
in the beginning

Anti-  
discrimination  
training

Training  
connected with  
occupational  
hazards

Basic language  
training  
program

Mentor  
program







# Programme & Service policy



Wide range of  
benefits

Developmental  
opportunities

Regular  
meetings

Professional  
help offer for  
mental health

Career  
transition  
program and  
career advisors





## Web-based recruitment tools

- Start from 2004
- Seven languages
- Recruitment process can be done online

## Internal communication tools

- Hotline in 2006
- Interactive intranet



## Global communication tools

- “Hand to Hand” magazine
- “The Ball” magazine
- “Under the Bleachers” magazine

## PARAMETERS OF EVALUATION

Creativity

Commitment

Responsibility

Team-play

Passion





- Recruit and retain talented artists
- Replace unique artists

- Competitive backgrounds of artists
- Integration with the company's culture

- Cultural adaption in different countries
- Cultural diversity in the company

Criticism: Too structured, not allowing individual performers to excel, providing few career advancement opportunities





Since 2008

- Declining profits
- Competition grows
- Prestige decreases

2012

- No profit  
→ Termination of employment for 8% of the company's global workforce  
→ 1/3 of the shows were reduced

2013

- Result: Revenues dropped
- Further reasons:  
→ Tough economic conditions  
→ Poor ticket sales

- Preservation of its creative culture and family atmosphere → Lack of uniqueness
- Accusation of safety violation





## Resolution

- Sale of shares in company
- Revision of structure and growth plan
- Expansion to new markets
- New ventures

## HR contribution

- Ensure that no further employees are laid off and protection of the reliable existing HR policies
- Inclusion of the HR department and alignment with the HR strategy
- Create new culture introducing trainings and hire local people
- Foundation of an innovation management department, search for lead users
  - Possible ventures: Consultation branch, training school for children





**The HR contribution for business change resolution offers some possible solutions for the current HR and business challenges.**

## **HR contribution**

- Training schools for children
- Culture introducing trainings
- Consultation branch
- Foundation of an innovation management department

## **Solution for**

- Recruitment and replacement of rare talents
- Cultural adaption
- Dropping revenues
- Lack of uniqueness



# YOUR TASK NOW IS...

- Prepare a presentation on the given case study.
- Focus on the HRM/IHRM related issues, problems.
- After the presentation, take part in the in-class discussion!
- Make notes!
- Prepare a written report of 4-6 pages.



**CASE STUDY**



# **CIRQUE DU SOLEIL'S GLOBAL HRM PRACTISES**





*,Recruitment  
& retainment  
of talents'*

*,Training and  
development'*

*,Hear  
every  
voice'*

*,Corporate  
culture'*

*,Anti  
discrimination'*

*,Cultural  
aspects'*

*,Global  
employee  
base'*

*,Enjoyable  
work  
environment'*

*,HR practise in  
a decentralized  
HRM system'*

*,Artists from  
different  
backgrounds'*

*,Unique  
artist  
replacement'*

*„Growing competition“*

*„Profitability issues“*

*„New destinations“*

*Artistic Challenges*

*Competitiveness of the shows*

*Geographical spread*

*Corporate culture challenge*

*„Prestige decrease“*

*„Poor sales“*

*„Diversification & open new markets“*

*„Cost cuts & layoffs“*

*„Maintaining attractive standard of HR services“*

*„Too similar shows“*

*„Quality vs revenues & costs“*

*„High production costs & expenses“*

*„Revise growth plan“*

*„Marketing & market research“*

*„New shows“*

*„Revise structure“*

*„Innovation team“*

*„Accusation of safety violation“*

*„Establishing  
specific  
subsidiaries“*

*„New culture  
on trainings,  
hiring local  
people“*

*„Foundation of  
an innovation  
management  
department“*

*„Improve  
relationship  
with  
audience“*

*„Protection of  
the reliable  
existing HR  
policies“*

*„Increasing  
contract  
lengths“*

*„Change  
evaluation  
method“*

*„Improved  
readiness for  
change“*

*„Form  
dynamic  
HR team“*

*„Greater work  
security“*

*„Improved  
working  
conditions“*

*„Artists as  
mid-  
managers“ -  
trainings*

# **INTERNATIONAL HUMAN RESOURCE MANAGEMENT**

## **Era of Transformers**

EFOP-3.5.1-16-2017-00004

# TEACHERS' GUIDE

Objectives of this seminar:

- Meet a Business Manager facing and driving challenges in business life

**SZÉCHENYI** 2020



HUNGARIAN  
GOVERNMENT

European Union  
European Social  
Fund



INVESTING IN YOUR FUTURE

# THANK YOU FOR YOUR KIND ATTENTION!

**Pályázat címe:** Duális és kooperatív  
képzések és azokat támogató  
szolgáltatások fejlesztése a Szegedi  
Tudományegyetemen

**Pályázati azonosító:**

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