

<https://www.youtube.com/watch?v=GOHvMz7dl2A>

HSBC think global act local

Think global act local



<https://www.youtube.com/watch?v=d3SXLxzP3E>

Merge between Chrysler and Daimler- Benz

Opposing Cultures

Chrysler	Daimler-Benz
Encouraged creativity	Methodical decision-making
Egalitarian relations among staff	Respect for authority, bureaucratic precision, and centralized decision-making
American CEOs were rewarded handsomely	Disliked huge pay disparities
Performed little paperwork and liked to keep their meetings short	Used to lengthy reports and extended discussions
Favoured fast-paced trial-and-error experimentation	Detailed plans and precise implementation
Flat structure	Top-down management approach

Human Resources Management

What is the link between HRM en OC

What are HRM tasks concerning managing cultural diversity

HRM as a best practise

Understanding culture, history and context of where the best practise has been developed

Understanding culture and context of where the best Practise will be implemented

-History of HRM

Influence of national culture on the development of HRM best practices

- HRM role

implementing Enhancing
Organisational Culture

-HRM Instruments

Different Instruments to implement org. Values

-performance management and HRM



History *(Dignity, security, stability)*

- HRM origin from the U.S
- development of HRM (ad-hoc, **fire fighters** personnel problems)
“personnel management came about because of a crisis
- **1915** unions arranging strikes (better employment practise)



sit-down strike
GM-cars
manufactory
US

History

(Dignity, security, stability)

1920 (25% of manufactory companies US
has a Personnel department)

***after WWI -unemployment rate 20%**

*** foreman power unethical (hiring / firing)**



Personnel department:

- developing recruitment procedures
- hiring practices
- skill needs
- job description
- standardised pay skills

History

(Dignity, security, stability)

1930

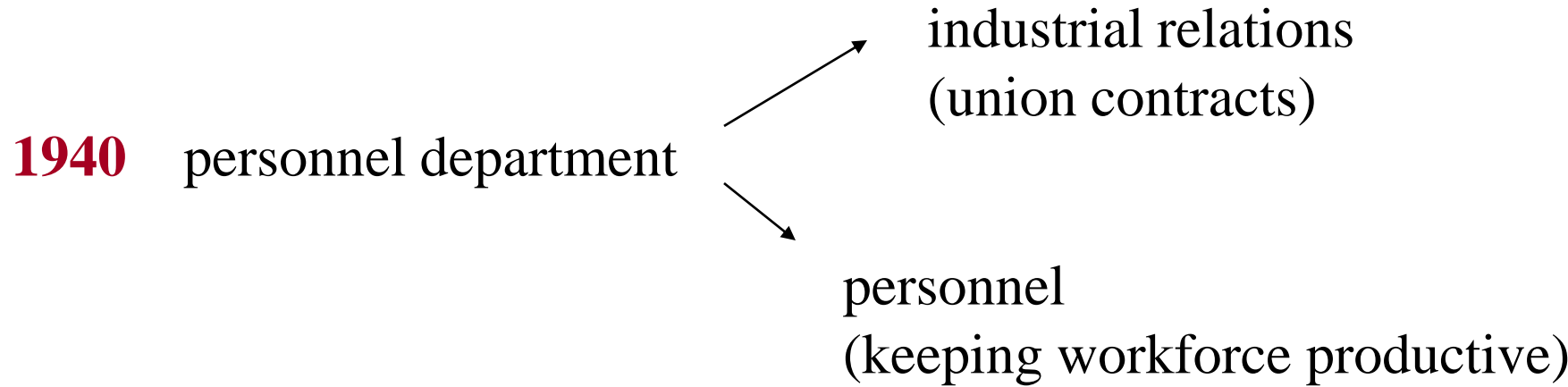
- spread of **unionisation**
 - good working conditions
 - fair wages
 - fair hiring / firing

1935

64% of large companies had Personnel department

History

(Dignity, security, stability)



Worldwar II

recruiting people, training women

1945

88% of companies has personnel department
understanding the motivation of your employees

History

(Dignity, security, stability)

1950 booming economy
(motivating people by promotion- training)

Personnel department growing discipline (hierarchies)
systematised procedures:

- recruitment
- hiring
- discharge
- training
- compensation and benefits

career development, professional ethics and certification

personnel department → **economical point of view**

History

(Dignity, security, stability)

1960

- companies growing / money for personnel department

“Human relations”

- Bonus plans
- employee suggestion system
- performance management programs

Personnel department  **psychological point of view**

History

(Dignity, security, stability)

Womens liberation: “workplaces / career ladders more accessible”

- revised job qualification / hiring procedures
- in house training development programs



- personnel department
(lawyers to create new workplace policies)

History

(interesting, challenging)

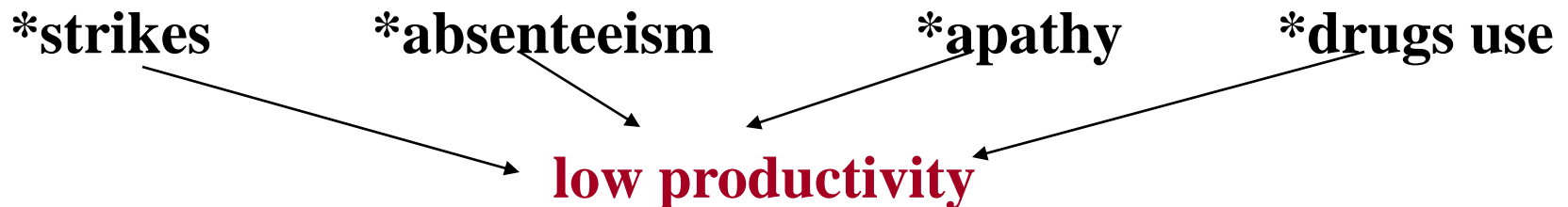
1970 legalities employment relationship

- OSHA (safety Health)
- ERISA (retirement)

Protest against bureaucracies (restrictive job categories)

More job challenges/ opportunities (job description)

US companies facing competition —————> **need for productivity**



History

(interesting, challenging)

1970

* **job-hopping** → continual turnover

Civil Rights Movement

companies forced to deal with attitude and behaviours



value contribution of individuals (regardless race /gender)

* employee satisfaction

* moral

Personnel department → **Human Resource Department**

History

(interesting, challenging)

1980

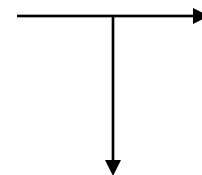
companies implementing

- quality circles
- task force
- team-building
- employee involvement programs

Technology computerised system

Downsizing dilemma

Increase productivity /commitment



eliminating jobs

employee-involvement programs

History

(interesting, challenging)

1980


- Employee involvement in work redesign (satisfaction[↑])
- working in teams (commitment[↑])

*aids

*sexual harassment

*work/ family issues

***The only competitive capabilities of a company was
quality-and performance Workforce***

HRM  PROFITABILITY

History

(interesting, challenging)

1990 -2000

* Retention

- high tech persons

(bonus system / shares)

* work stress illness

(massage, sport)

* part-time workers

* outsourcing / Flex workers

* home based work (network)

Cultural differences

U.S

- time is to be controlled
- like change
- individualism
- personal privacy
- informality
- individual competition
- equality
- short-term tendency relationship
- **live to work**
- task emphasis
- direct / explicit
- action bias

Other countries

- time is fluid
- traditional
- group oriented
- openness, accessibility
- formality
- co-operation
- hierarchy / authority
- long term emphasis
- **work to live**
- human relations
- indirect / implicit
- planning / preparation

HR cultural clash

Japan / US

Japan:

- lifetime employment
- social welfare
- housing social activities
- assistance planning children`s education
- day care
- emphasis on corporate team
- loyalty

HR cultural clash

Japan / US

HRM IS AN IMPORTANT SKILL FOR ALL DEPARTMENTS

*No written policies

*No job descriptions

*Hiring team oriented people

*Promotion seniority

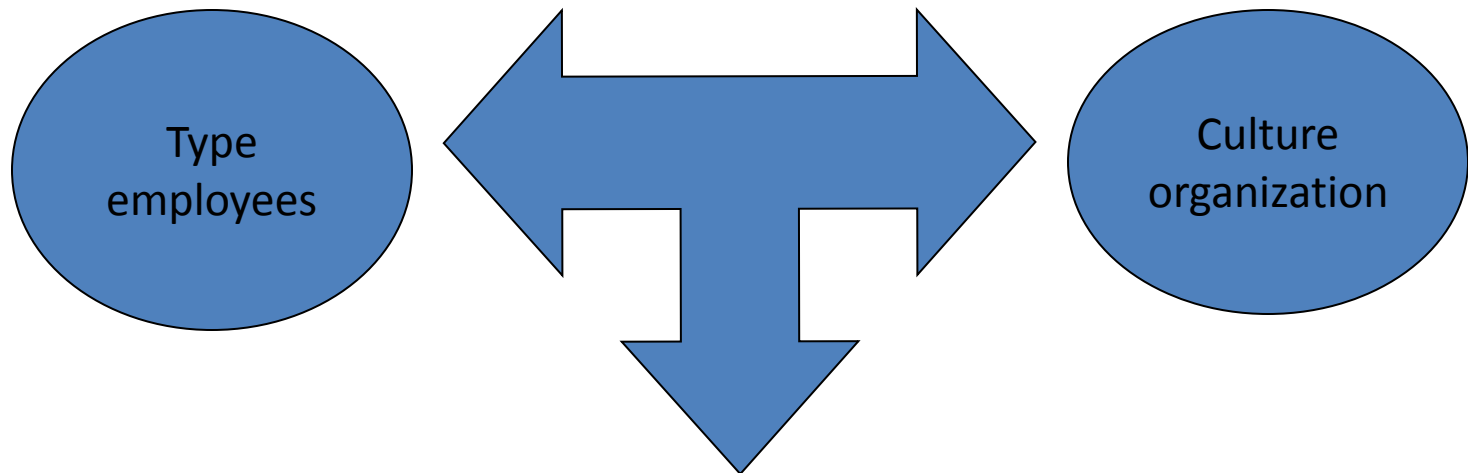
*Managers no special benefits

*overtime billings

*Training on the job

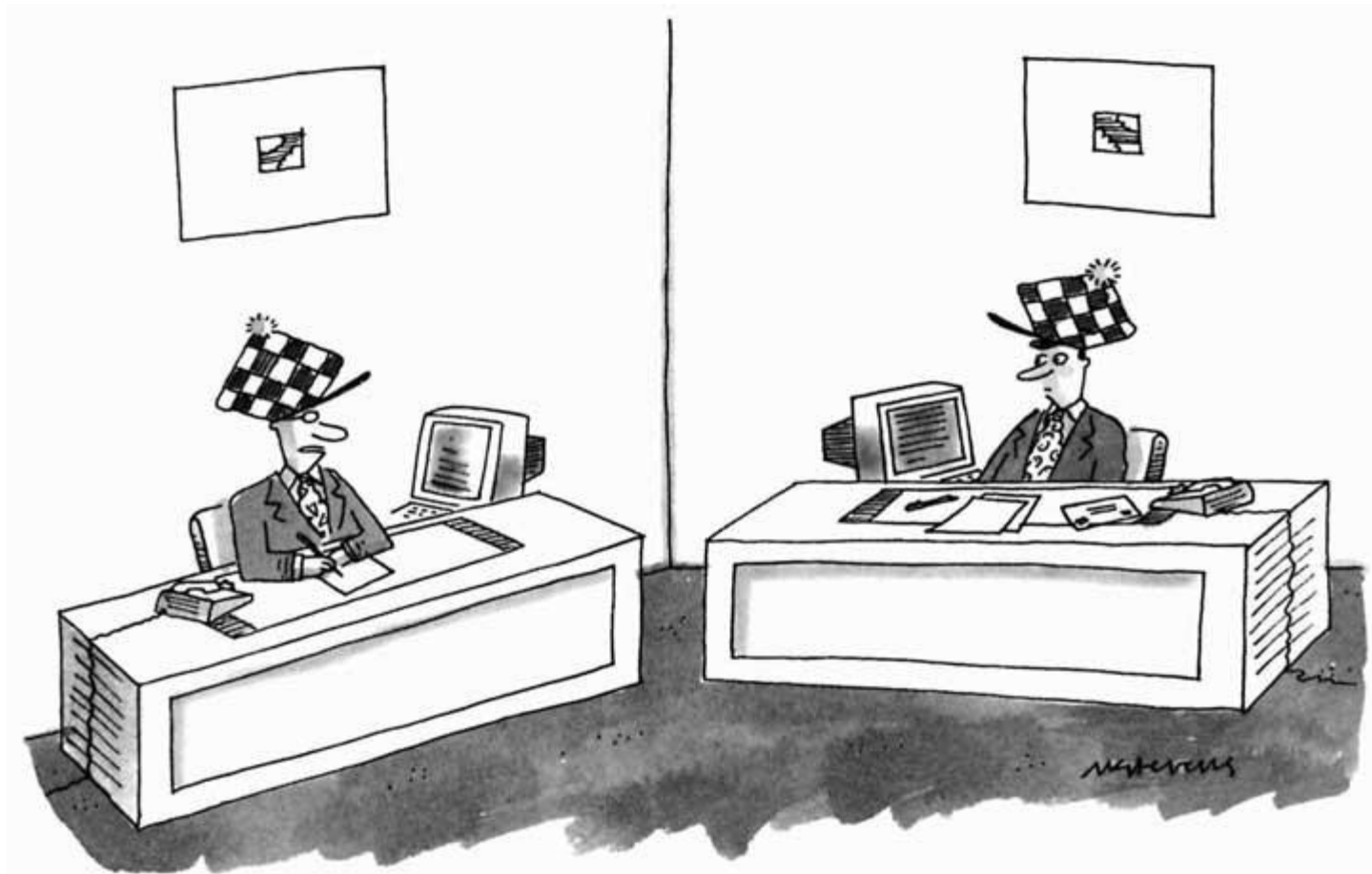
HRM standarization versus localisation

HRM PRACTICES NEED TO FIT THE MARKET NICHE THE BUSINESS OCCUPIES

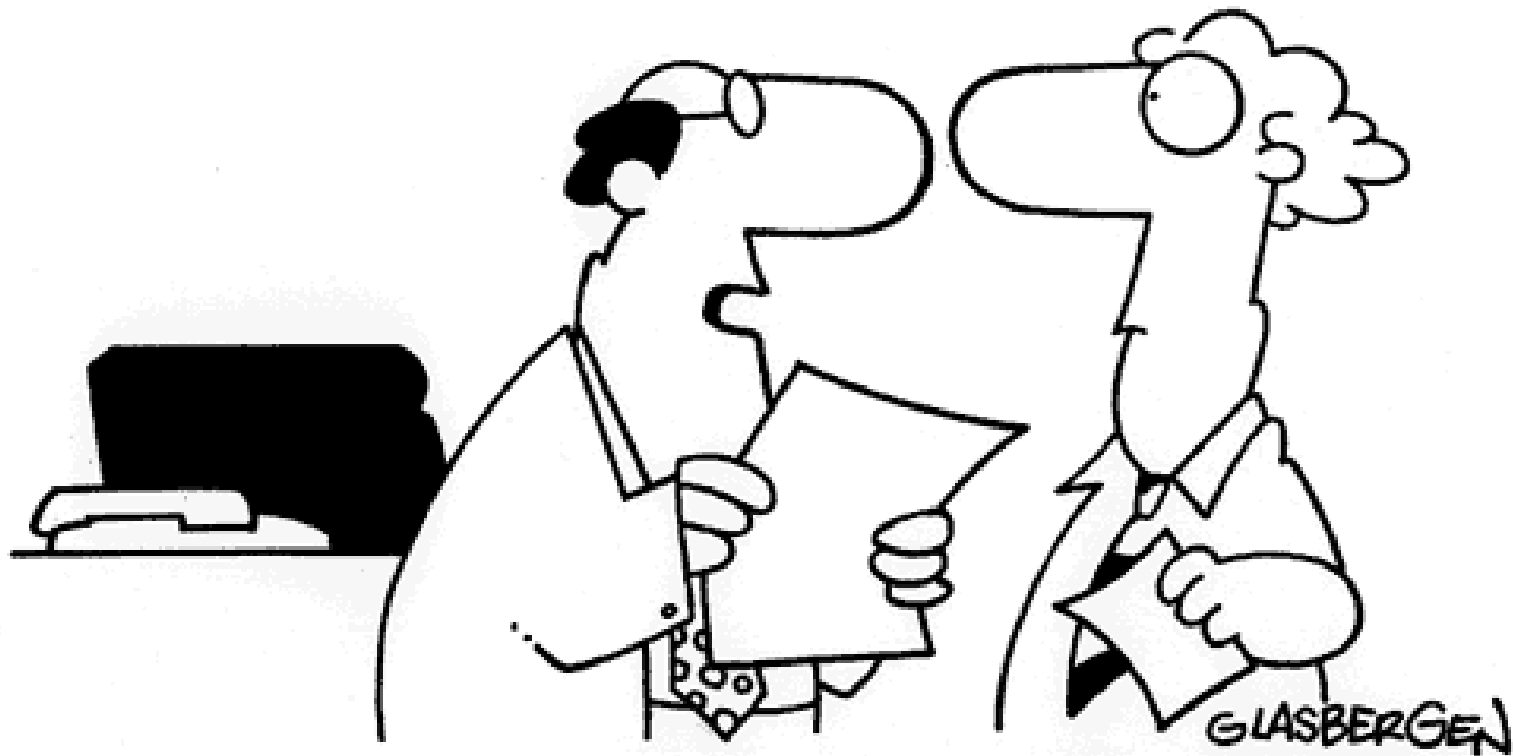


most sustainable source of competitive advantage

Type of people and values are the most difficult to imitate



"I don't know how it started, either. All I know is that it's part of our corporate culture."



“I want the public to think of us as ‘The Company With A Heart’. But I want you to think of us as the company that will chew you up, spit you out and smear you into the carpet if you screw up.”

<https://www.youtube.com/watch?v=5CcLIPaUz3E>

Zappo`s company culture

<https://www.youtube.com/watch?v=-uINIExpJ3I>

Importance company culture

<https://www.youtube.com/watch?v=ol8IYbAWiiU>

Zappo HR department

<https://www.youtube.com/watch?v=SMFyT2CU9No>

Zappo core values

<http://www.youtube.com/watch?v=9I1Rq1KjEMI>

Zappo employee handbook

<http://www.slideshare.net/eremedia/culture-and-core-values-the-zappos-family-way>

Slide show zappo

http://theweek.com/emergingleaders/downloads/Joseph_Michelli.pdf

Book chapter on culture case study zappo

HRM enhancing organisational culture

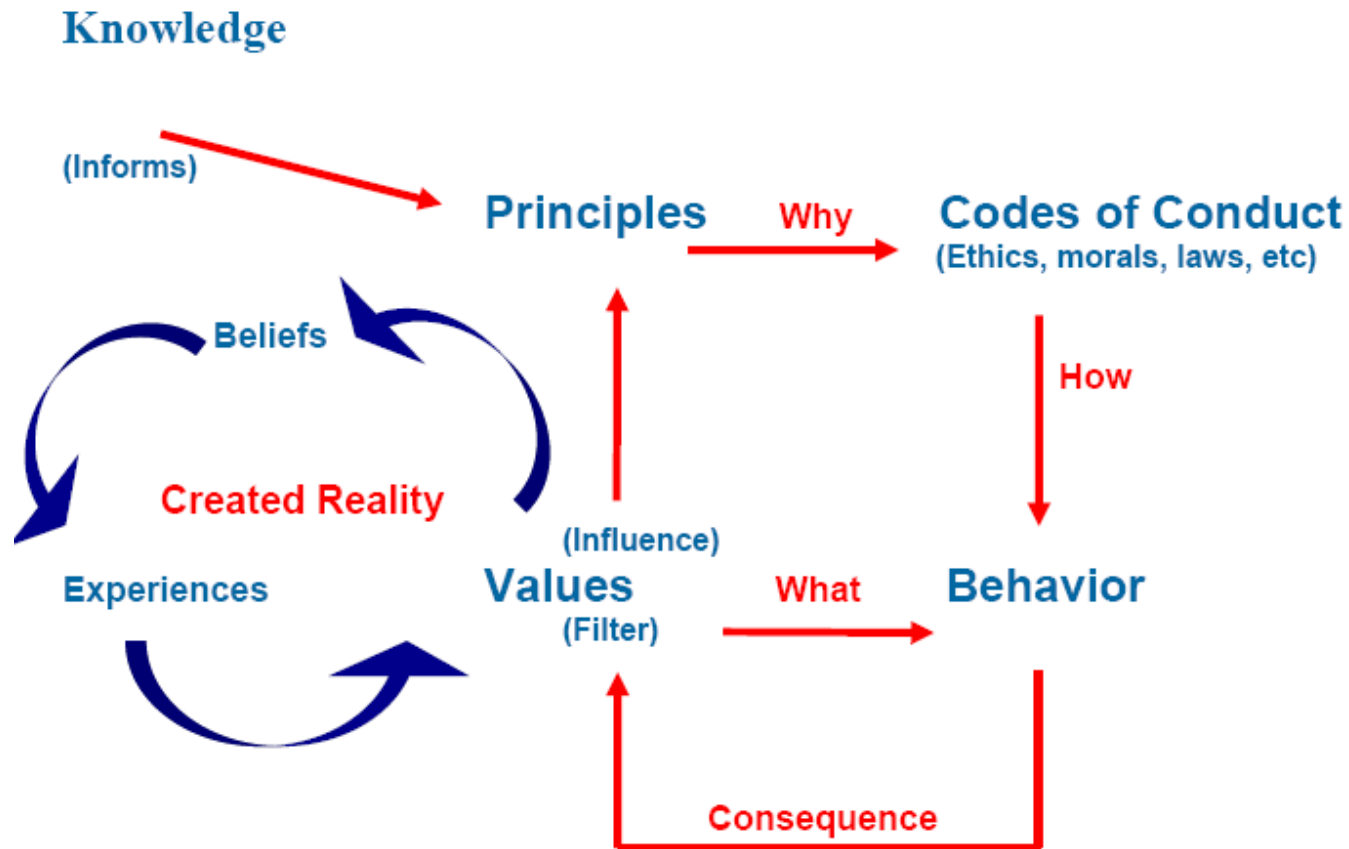
- **Organisational values versus personal values**
- **employee handbook (rules of conduct)**
- **Induction training**

Organisational values versus personal values

Values motivate, morals and ethics constrain.

Values: what is important in a person's life,

Ethics/morals: prescribe considered (not) appropriate behaviour



Organisational values versus personal values

Values, part of complex attitude sets that influence our behaviour and the behaviour of all those with whom we interact.

What we value guides:

- our personal choices
- our perceptions of the worth of others.

Shockley-Zalabak 1999

Ethics:

standards by which behaviours are evaluated for their rightness or wrongness.

ALIGNING VALUES

Concretization. Prioritize values

"Until you make the unconscious conscious, it will direct your life and you will call it fate." - Carl Jung

Purpose. organisational values, vision and mission statements.

"Where there is no vision, the people perish." - Proverbs 29:18

Will. Each person reflects

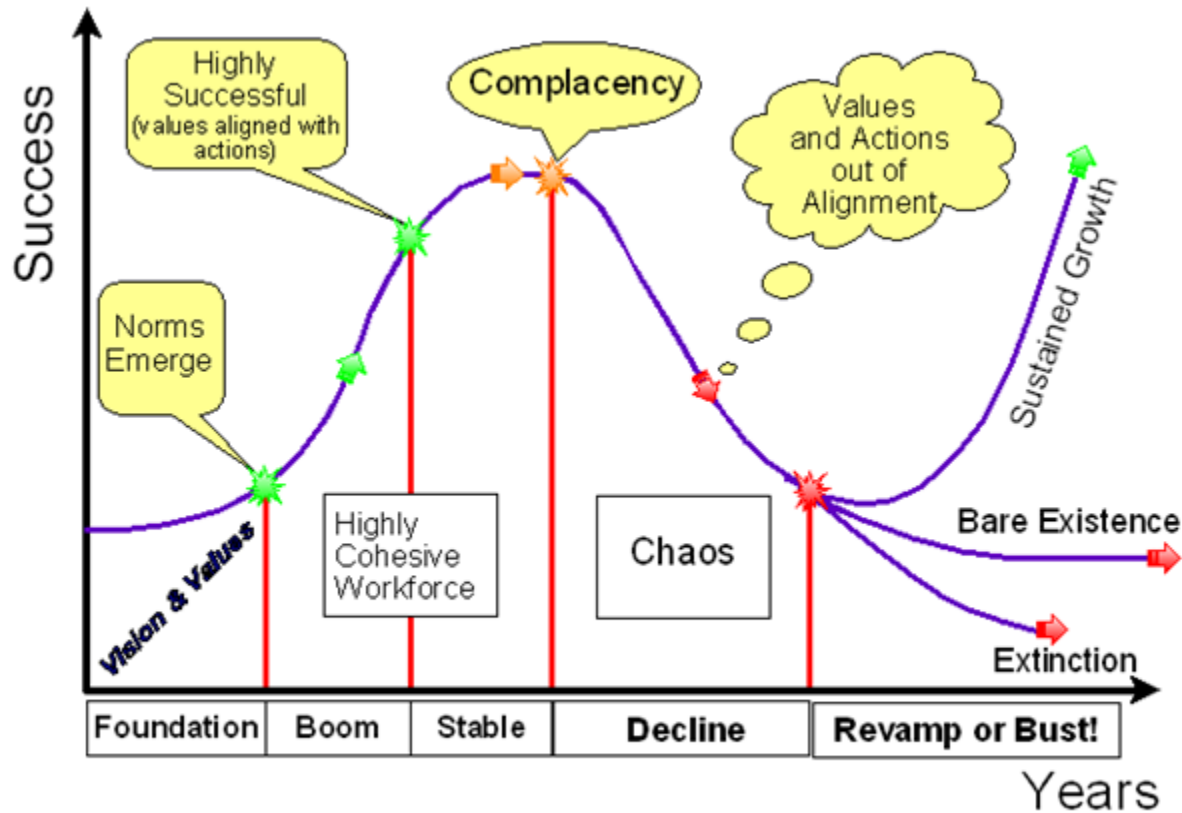
"Will this organisation enable you to be passionate about and motivated by your vision values?"

Capability. SQ = Spiritual Intelligence, EQ = Emotional Intelligence and IQ = intellectual intelligence,

"Do all have the skills, resources and abilities to live our values in our workplace?"

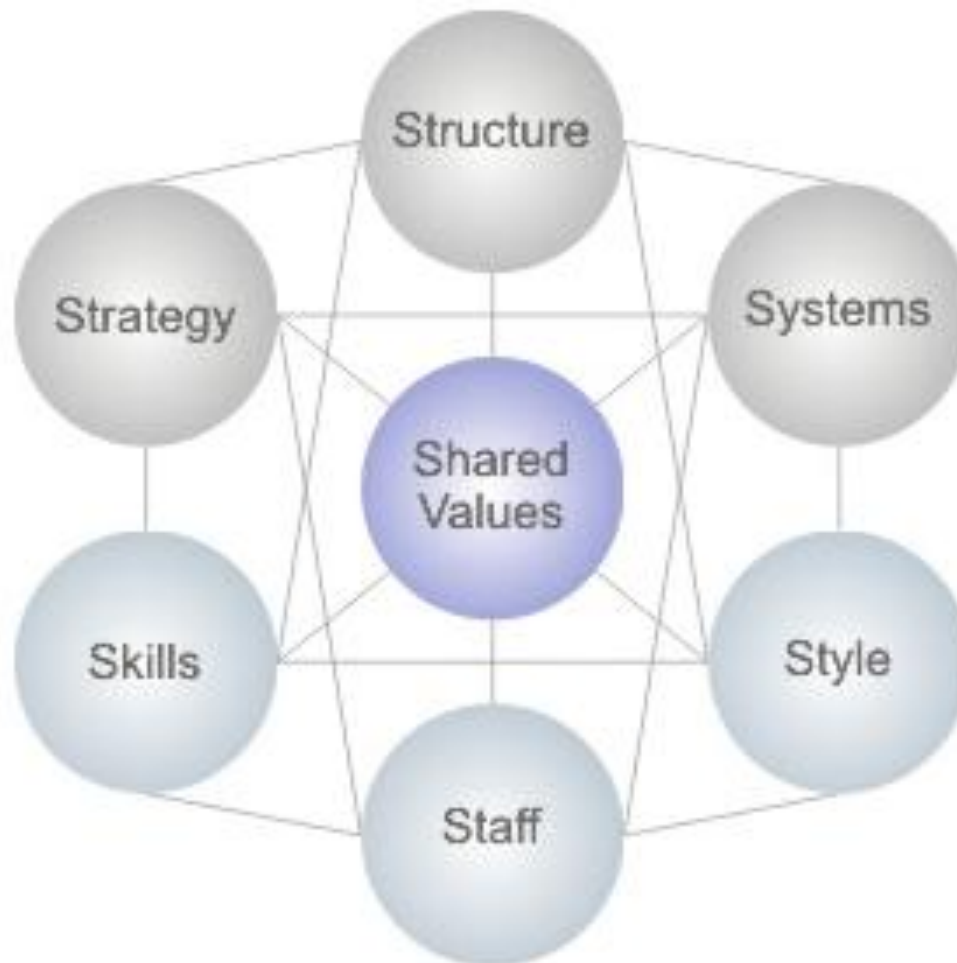
Effect of values on business performance

Group/Organisational Lifecycle



<http://minessence-ezine.blogspot.nl/>

Organisational performance McKinsey 7-S model

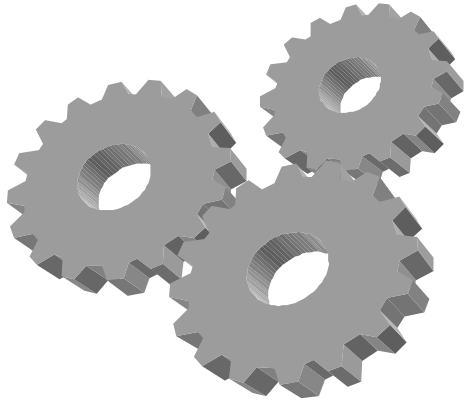


Translation of values into action



Behaviour at work / daily practice

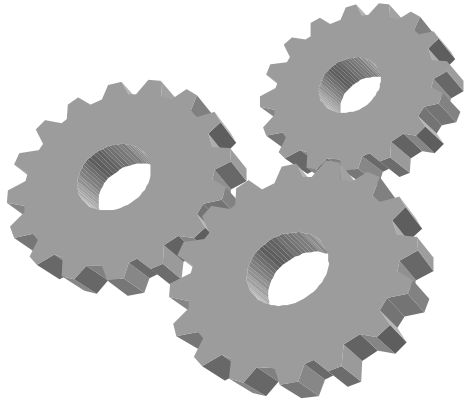
Translation of values into action



Organisational processes

- supervision
- internal communication
- trust
- reward system
- recruitment
- selection
- promotion
- performance management
- quality management
- problem management
- management of change
- conflict management
- communication
- risk taking
- innovation
- etc..

Translation of values into action



Organisational processes categorised

1. Organization structure & design
2. Policies & procedures
3. Compensation & benefits structure
4. Motivation and retention program

A blue surface with yellow squares and the text "corporate identity" in white.

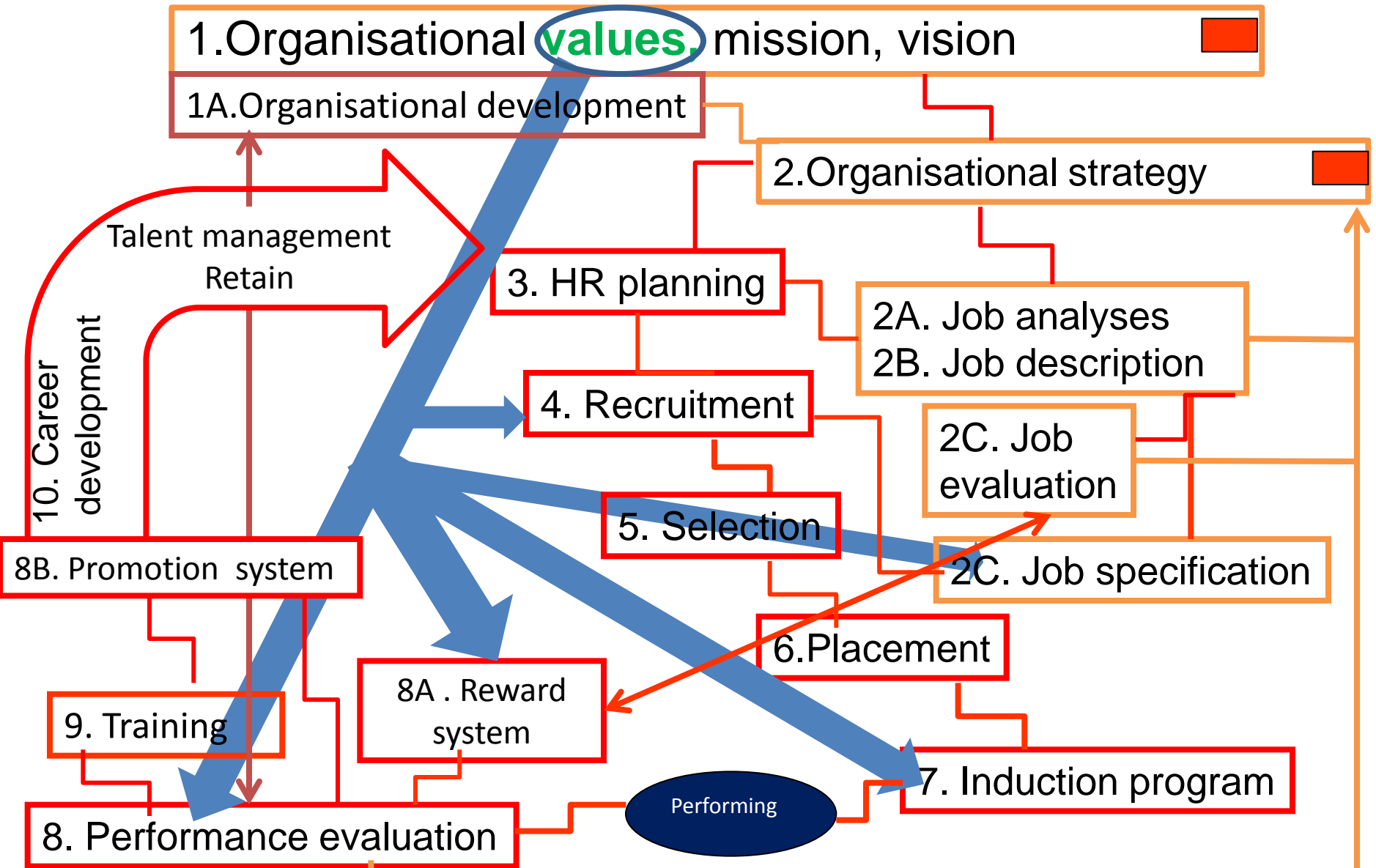
corporate identity

Translation of values into action

HRM instruments / systems

- Recruitment and selection system
- Induction period
- Employee handbook
- Performance system
- Training
- Reward system / Discipline system
- Career development / Talent management

HRM as a system / HRM framework



Human Resource Planning

- **translating business plan in HR demands**
- **devise personnel inventory of available knowledge, abilities, skills and experiences of present employees**
- **forecast of internal external HR supply and demand**
- **action plans (career path planning, training , transfers, promotion, recruitment)**
- **specifying control / evaluation procedures**



2A. JOB ANALYSES

WHAT :

To identify and determine

- Job duties
- Responsibilities
- Knowledge, skills and experience requirements
- Importance of duties
- relationship with other jobs
- core competence

How:

Observing, interviewing and reflecting with seniors experts on the job

2B. JOB DESCRIPTION

- Job description for recruitment not performance evaluation
- Job advertisement should be in line with job description
- To avoid
 - disappointment
 - frustrated
 - incompetent
 - scared

CLASSIC JOB DESCRIPTION

Four elements job description

1. Accountabilities/ responsibilities, duties
2. Dimensions (level or size responsibility)
3. Framework (organigram)
4. Relationships

role / tasks and responsibility
job description



Translation of values into action

COMPETENCE BASED JOB DESCRIPTION

- General organisational competence
(based on values company and organisational culture)

- Specific individual competences
specific for that particular job

Job Evaluation

Organisational judgement on the importance or worth of each job to the organisation as a whole (in terms of money)

SKILLS

- education
- experiences
- initiative and ingenuity

EFFORT

- physical demand
- Mental / visual demand

RESPONSIBILITY

- equipment or process
- material or products
- safety of others
- work of others

JOB CONDITIONS

- Working conditions

Translation of values into action

FROM JOB DESCRIPTION TO JOB SPECIFICATION

Quantifiable terms

The person requirements for the job

Job description = what the job is

Job specification = kind of person you need to do that job
also called person profile
personal values inline with Org. values

Translation of values into action



Job specification person profile

- physical
 - health
 - appearance
- Achievements
 - education
 - experience
 - training
- Aptitudes
 - equipment
 - words
 - figures
- Values
 - relationship
 - etc

PERSON PROFILE

QUATIFYING THE JOB SPECIFICATION

	Essential	desirable
Experience		
Knowledge		
Physical		
Achievements		
Qualifications		
Skills		
competence value		

QUANTIFYING JOB SPECIFICATION

Variable Competence	attributes	Indicator	WF %	Questions
communication	Report writing			
	Chairing meeting			
	Selling ideas			
	Giving presentation			
teamwork	Helping co-workers			
	Sharing ideas knowledge			
	Respecting others			

Translation of values into action



RECRUITMENT & SELECTION PROCESS

- Development of job vacancy (**selling org. values**)
- Post job vacancy
- Short listing received applications
- Set up screening test
- INTERVIEW CANDIDATES
- Placement decision

Translation of values into action

- Employee handbook
- Induction Training



HRM strategic role in performance management

- Translating org performance into team versus individual performance
- HR Planning
- HR redundancy
- Talent management
- Retention
- HRD
- Outsourcing
- Compensation system

Organisational Performance



Research London's school of economics

company's culture is eight times more influential on performance variance than a company's strategy or business plan.

90% of all organisations have a business plan or strategy, less than 5% have a plan for developing their organizational culture.

Performance Management

PURPOSE

- identify enhancing desirable work behaviour
- reinforcing this behaviour
(rewards to measure performance)
- developing desired competencies
building human capital

Management By Objectives

ELEMENTS:

1. GOAL SETTING

- establish long range strategic objectives
- formulate specific overall organisational goals
- agree departmental objectives
- set individual performance targets

Specific **M**easurable **A**chievable **R**ealistic **T**ime-bounded

2. ACTION PLANNING

- draw up action plans

Management By Objectives

3. SELF CONTROL

- implement and take corrective action

4. PERIODIC REVIEWS

- review performance against objectives
- appraise overall performance, reinforce appropriate behaviour, strengthen motivation through:
 - management development
 - reward
 - career and HR planning



Compensation system & performance

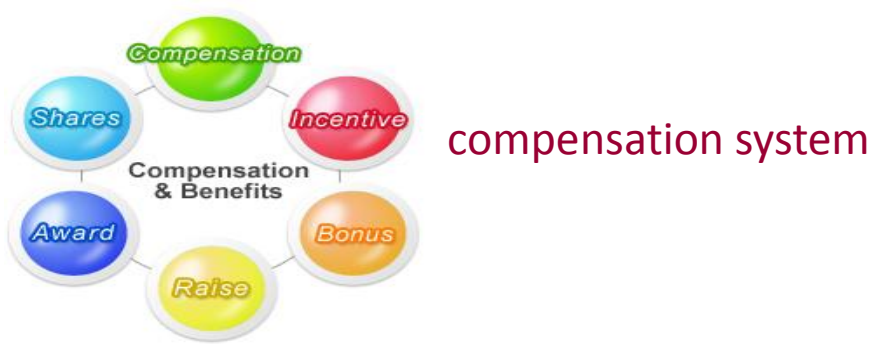




compensation system

Traditional Compensation Systems

1. Set wages or salaries
 - fixed payments (age, responsibility, seniority)
2. Payment by results
 - payment on quantity / quality of work
 - payment on value contribution



Performance Related Pay

1. appraisal related pay schemes

- merit pay- person`s annual increase
- individual incentives (gifts)



Performance Related Pay

2. collective performance schemes

- Bonus paid
- Profit related pay
- option schemes purchase of shares

HR appraisals

Systematic description of individual relevant strength / weakness

2 processes

- observation
- judgement

Purpose:

- to promote outstanding performance
- to terminate marginal / low performance
- to train transfer discipline others
- justify merits increases
- administrating a formal organisational reward and punishment system



HR appraisals

Objective performance measurements → **outcome /results**

- volume sales / number of sales
- number production units
- accidents
- absences



HR appraisals

Subjective performance measurements —————> **behaviour**

- employee comparison method (ranking, pair comparison)
- checklist (select statements that most describe employee)
- mixed standard rating scale (good, average, poor performance)
- BARS Behaviour rated anchor scale (critical incidents)
- BOS Behaviour observation scale (frequencies of behaviour)
- 360 degree feedback

Rating errors



- **disagreement** on ratee score between rates (unreliability)

- **inter-rater**

- rate everyone to high → leniency
- rate everyone to low → strictness
- gives everyone average rate → central tendency
- rather big / small differences → narrow/ wide range

- **Halo errors**

- **Rating based on expected consequences of rating**

constructing behaviourally anchor scale

Group I conferences:

- identify/ define aspects for successful performance

Group II conference:

- Provide for each aspects examples of high, average, low performance

Group III conference:

- list of aspects, list of examples allocate each example to an aspect

Group IV conference:

- consider each of the examples and put a scale on it
(mean, standard deviation)

Constructing BOS

4 CATEGORIES

- communication skills
- interpersonal skills
- decision making skills
- ability to meet deadlines

5 point scale

1= almost never

5= almost always

Criticisms of PRP

- fairness
- managerial judgement
- the value of reward
- the relationship with company performance
- de-motivation (20% 60% 20%)
- PRP and flexibilities
- conflict with team philosophy

Manifest of cultural differences in international project management

Equality	Hierarchy
Embracing risk	Avoiding risk
Individual	Group
universal	Circumstantial
task	Relationship
achievement	Standing status
sequential	synchronic
conflict	Consensus
theoretical	pragmatic

Achievement / standing status

(How you accord status)

Achievement:

accord status to people on the basis of their achievements

refers to doing

Standing status

Accord status to people on the basis of virtue of age, class, gender, education.

Refers to being

sequential

Do one thing at a time

Concentrate on the job

Take time commitments
deadlines, schedules seriously

Are Low-context and
need information

Are committed to the job

synchronic

Do many things at a time

Are highly distractible and
subject to interruptions

Consider time commitments
an objective to be achieved

Are high-context and already
have information

Are committed to people and
human relationships

Sequential

Are concerned about not disturbing others; follow rules of privacy and consideration

Show great respect for private property; seldom borrow or lend

Emphasize promptness
need information

Are accustomed to
short-term relationship

synchronic

Are more concerned with those who are closely related (family, friends than with privacy

Borrow and lend things often and easily

Base promptness on
the relationship

Have strong tendency to build
life-time relationships

ELEMENTS OF ORGANIZATIONAL CULTURE

- Assumptions
- Values
- Narratives
- Symbols
- Heroes
- Rites, Ceremonies, and Rituals

REINFORCERS OF ORGANIZATIONAL CULTURE

- Organizational Mission/Vision
- Leadership Skills
- Growth/Development Opportunities
- Team Development
- Communication
- Performance Management Systems
- Incentives and Rewards
- Human Resource Systems

INDIVIDUAL/TEAM OUTCOMES

- Job/Career Satisfaction
- Organizational Identification
- Job Involvement
- Commitment
- Discretionary Effort
- Job Performance

ORGANIZATIONAL EFFECTIVENESS

Individual Level

- Attendance
- Turnover
- Productivity
- Work Quality
- Recruiting/Retention Success

Group/Team Level

- Creativity/Innovation
- Problem Solving
- Team Cohesiveness and Communication

Enterprise Level

- Market Share
- Profitability
- Achievement of Formal Organizational Goals