

Developing a Global Management Cadre

INTRODUCTION

Multi-national organizations are omnipresent in today's business environment. For a firm to "fit" into an international environment, its structure must be a fit to the organization's overall strategy. This week we look at how an organization can evolve with a multi-national business environment; seeing the different changes that need to be made to survive in this structure. Current and future global trends are shaping the ways today's organization does business, and we will look at various strategies to take advantage of this reality.

The Expat Life

What is it like to take an assignment abroad? Is it an adventure or a hardship? Many of our military students understand the trials, tribulations, and joys of living and working abroad. Experiences vary by job type, and especially by location. In many circumstances, the adventure, which started out with many concerns, turns out to be one that the expats and their families do not want to end. The opening segment discusses life as an Expat and details some of the pros and cons of working abroad including perks and the possibility of getting laid off in the current environment. Philip Shearer, Group President of Clinique, Estee Lauder states, "You learn common themes when you live all over the world. People will trust you and relate to you whatever your culture is, provided you are trustworthy and credible."

Expatriate Career Management - Preparation, Adaptation, And Repatriation

- To maximize long-term retention and use of international cadre through career management so that the company can develop a top management team with global experience
- To develop effective global management teams
- To understand, value, and promote the role of women in international management in order to maximize those underutilized resources
- To work with the host country labor relations system to effect strategic implementation and employee productivity

Effective human resources management of a company's international cadre does not end with the overseas assignment. It ends with the successful repatriation of the executive into company headquarters. A study by Heidrick and Struggles revealed that international experience has become much more important to get to the top of FTSE 100 companies than a decade ago.

However, the 2008 KPMG Global Assignment Policies and Practices Survey found that just 4 percent of 430 HRM executives agreed they handled the repatriation process well.

Reverse culture shock occurs primarily because of the difficulty of reintegration into the organization, but also, the longer a person is away, the more difficult it is to get back into the swing of things. For companies to maximize the long-term use of their global cadre, they need to make sure that the foreign assignment and the reintegration process are positive experiences. This means careful career planning, support while overseas, and the use of the increased

The Role of the Expatriate Spouse

Many companies are beginning to recognize the importance of providing support for spouses and children. Firms often use informal means, such as intercompany networking, to help find the trailing spouse a position in the same location. They know that with the increasing number of dual-career couples, support must be provided for both the employee and spouse. If the spouse does not find a position the manager will very likely turn down the assignment.

A mentor program to monitor the expatriate's career path while abroad and upon repatriation. As an alternative to the above, the establishment of a special organizational unit for the purposes of career planning and continuing guidance. A system of supplying information and maintaining contacts with the expatriate so that he or she may continue to feel a part of the home organization.

The Role of Repatriation in Developing a Global Management Cadre

In the international assignment, both the manager and the company benefit from the enhanced skills and the experience gained by the expatriate. Many returning executives report an improvement in their managerial skills and self-confidence.

Managing Transnational Teams

In addition to the managerial and cross-cultural skills acquired by expatriates, the company benefits from the knowledge and experience those managers gain about how to do business overseas, and what new technology, local marketing, and competitive information they acquire. Often, this knowledge may be successfully integrated into the organization. The company should benefit from the enhanced management knowledge if it wants to develop a globally oriented and experienced management cadre—an essential ingredient for global competitiveness—in particular where there is a high degree of shared learning among the organization's global managers.

Global Management Teams

Global management teams are collections of managers from several countries who must rely upon group collaboration if each member is to experience the optimum of success and goal achievement. The role of, and importance of, international teams increase as the firm progresses in its scope of international activity. For global organizations and alliances, we find the same cross-cultural interactions as in MNCs and, in addition, considerably more interaction with the external environment at all levels of the organization. Therefore, worldwide international teamwork is vital, as are the pockets of cross-cultural teamwork and interactions that take place at many boundaries.

When a firm responds to its global environment with a global strategy and then organizes with a networked “global” structure, various types of international teams are necessary for global integration and local differentiation. These include headquarters subsidiary teams and those coordinating alliances outside the organization. In joint ventures, in particular, multicultural teams work at all levels of strategic planning and implementation, and on the production and assembly floor.

Virtual transnational teams are a horizontal networked structure, with people around the world conducting meetings and exchanging information via the Internet, enabling the organization to capitalize on 24-hour productivity. The ability to develop effective transnational teams is essential in light of the increasing proliferation of foreign subsidiaries, joint ventures, and other transnational alliances.

The advantages of synergy include greater opportunity for global competition by being able to share experiences, technology, and a pool of international managers; and opportunities for cross-cultural understanding and exposure to different viewpoints. The disadvantages of international teams include problems resulting from differences in language, communication, and varying management styles; complex decision-making processes; fewer promotional opportunities; personality conflicts; and greater complexity in the workplace.

IMPORTANT VARIABLES IN BUILDING GLOBAL TEAMS ACCORDING TO GOVINDARAJAN AND GUPTA ARE:

- Cultivating trust among members
- Overcoming communication barriers
- Aligning goals of individual team members
- Obtaining clarity regarding team objectives
- Ensuring that the team possesses necessary knowledge and skills

Conclusion

The expatriate workforce (including the spouse and family) play a crucial role in the global business environment. There is a tremendous amount of pressure on both the organization and the individual to have the proper skill-set to thrive in this challenging assignment. Next week we will put this all together when we discuss the cross-cultural challenges facing business.

APUS, (n.d.). Retrieved from APUS Lesson Week 6