



Course Learning Outcomes for Unit VIII

Upon completion of this unit, students should be able to:

8. Predict trends and future challenges, both managerial and academic, that are likely to have an impact on IHRM.
 - 8.1 Analyze mode of operation and IHRM.
 - 8.2 Explain ownership issues relating to IHRM requirements of organizations other than the large multinationals, such as non-government organizations.
 - 8.3 Analyze security, safety, and terrorism issues.

Reading Assignment

Chapter 10:

IHRM Trends and Future Challenges

Cases:

Case 1-Case 8, pp. 283-333

Unit Lesson

Chapter 10: IHRM Trends and Future Challenges

The Unit VIII lesson highlights issues and emerging trends in international human resource management (IHRM). These trends include international business ethics, modes of operations, and ownership issues related to IHRM. The discussions are primarily based on case studies drawn from different transnational companies as well as the experiences of individuals working in international assignments. The first case study points out three important issues related to international assignments: role expectations in career planning, pre-departure and in-country planning, and repatriation. The second case study explores the complex and dynamic relationships between international assignments and the selection of expatriate management teams for such assignments. The case points out that it is necessary for international organizations to establish mechanisms for balancing gaps in the tradeoff between job descriptions and availability of candidates for international assignments.

The third case study addresses strategies that can be used to design an effective transnational compensation and reward system. Although the case study is based on a German pharmaceutical company, the concepts discussed in the case can be applied to other transnational enterprises. An important focus in this case study is the call for international compensation programs to be tied to compensation regimes in both the host country and the mother country. In the fourth case study, the issue of staffing in international assignments has been critically evaluated. In this case, it is noted that proper personnel and staffing are critical success factors in the success of multinational enterprise subsidiaries.

Management of employee expectations in international assignments is extensively explored in case five. In particular, the case highlights various strategies for managing international assignments while taking into consideration the expectations of employees. This case study points out that employee expectations are varied and complex and that no one specific approach can be adopted when dealing with such expectations. The sixth case study outlines strategies for increasing the cost-efficiency of international assignments. The case is based on latest research data on effective cost-reduction policies for international assignments. The case concludes by arguing that compensation programs for international assignments should be designed to be in line with an organization's cost-reduction policies. This way, multinational organizations can attain healthy balance sheets (Dowling, Festing, & Engle, 2013).

Case seven deals with challenges encountered when translating corporate values developed in the mother company to the context of international subsidiaries. This case study acknowledges that differences in cultural and societal values between countries can be a major hindrance to the successful management of employees in international assignments. The last case explores family issues during international assignments. Some of the issues discussed in this case include third culture kids, family finances, dual-career issues, and career expatriates.

Unit VIII is designed to stimulate discussions on important issues and trends in IHRM. The scope of the case studies in this chapter reflects the importance of establishing effective strategies and policies for successful expatriation. An understanding highlighted in the chapter has the potential to contribute to competitive advantage realization in international assignments (Drake, 2010).

References

- Dowling, P. J., Festing, M., & Engle, A. (2013). *International human resource management* (6th ed.). Boston, MA: Cengage Learning.
- Drake, J. (2011, April 30). *Global human resource management* [Video File]. Retrieved from <https://www.youtube.com/watch?v=n2ZAmwpwMFg>.

Key Terms

1. Bribery
2. Disaster protocols
3. Industrial espionage
4. In-facility security
5. Macro level terrorist threats
6. Micro level terrorist threats
7. Risk management