**Problem-Based Learning (PBL) Scenario: Atlantis Global Corporation**

In the 21st-century global economy, talent management has become a key strategic tool, which places greater responsibility on the shoulders of human resources (HR) managers and senior leadership in organizations. The ability of organizations to manage their global talent efficiently makes the difference between success and failure, competitive advantage and bankruptcy. Rapidly changing connectivity, technology advances, economic and business transformations, the ever-emergent competition, demographic changes, and the coming to age of a new generation of workers are having an impact on talent supply and demand.

The quest to gain a competitive advantage and tap into new and emerging markets has created a significant shift in organizational operation and growth patterns. Organizations today are increasingly operating across their home continents and beyond. Companies are no longer operating in silos.

**An Overview**

Atlantis Global Corporation (AGC) is a multinational organization that engages in the development, manufacture, and marketing of electronic circuit boards for use in high-definition TV screens. Although the design centers are located in the United States, the bulk of the manufacturing processes are carried out at their overseas subsidiaries. The electronic circuit boards are primarily sold to Original Equipment manufacturers located in North and South America, Africa, and the Asia/Pacific region. Headquartered in the Midwest United States, AGC has subsidiaries in three locations, on three continents: Subsidiary A in Asia, Subsidiary B in Africa, and Subsidiary C in South America. In all three locations, the subsidiaries are located in industrial parks or centers. These locations were selected for strategic reasons, including an abundance of raw materials for the company’s products, the availability of a labor force, and a rapidly growing customer base. Within the industrial parks, it is not uncommon to find two or three organizations competing in the same market segment and for the same labor force.

As part of its global human capital staffing strategy, AGC relocated several key people to leadership positions at each of the three subsidiaries. By placing key personnel from headquarters in leadership positions, AGC assumed a unified culture. Senior leadership envisioned that the subsidiaries would be self-sustainable in 2 years and profitable thereafter. A lot of capital, both tangible and intangible, has been committed to making the subsidiaries functional.

AGC has approximately 84,000 employees, most of whom are highly skilled and specially trained in the operations they perform. On average, it takes 3–6 months to fully train employees in each of the many operations of the parent company and its subsidiaries. Although the head count at the three subsidiaries has remained fairly constant, there have been a number of employees who have left the company for a variety of reasons. As employees leave, others are hired to replace them, but no one knows the exact number of employees who left the company or the reasons why they have separated.

At the subsidiaries, line and middle managers are concerned with having the right number of employees at each function or workstation. The operations manual, which the line and middle managers follow religiously, indicates that all staff must be fully trained and certified before they should be allowed to work on their own. Further, this requirement indicates that if someone has been certified before leaving the company, he or she must be retrained and recertified if rehired—no exceptions—even if his or her absence has just been a week. On the other hand, a trained and certified employee who is out on vacation or medical leave for a month is not similarly required.

**The Issues**

Since operations began in the three subsidiaries, AGC has failed to meet its financial obligations, and profits are lagging. This is beginning to show in the company’s balance sheets and is taking a toll on the organization’s financial bottom line. Although the company’s structure is designed for adaptability in a fast-changing market, several other factors were overlooked when the company selected locations for the subsidiaries. These include, but are not limited to, the following:

* Intercultural communication issues
* Political and regulatory conditions of the host country and the subsidiaries
* Diversity and multiculturalism
* Employee retention and motivation issues
* Employee dissatisfaction
* Performance issues
* An overall global human capital strategy that takes into account the home and host country nationals

AGC, often considered the leader in this market, is in jeopardy of losing that title when the end-of-year reports come out in 3 months. This is a critical time for the organization and the senior leadership team is very concerned. They need to find out what is happening to the organization, report to the shareholders, and rectify the situation.

John Dawson, the CEO, COO, and Chairman of the Board of Directors at AGC, is deeply concerned about the future of this company. Past strategies have not advanced AGC to a leadership position in the global market. John believes that he has done everything that can be done to optimize the company and is reluctant to change the present strategic course. He is a reluctant risk taker and must be convinced that changes to the organization have value before changing direction.

John is currently working with Shawn Williams, the newly recruited Vice President of Global Human Capital Management at AGC. His priority is to help diagnose and address the company's human capital issues. Shawn brings with him extensive experience in resolving global problems, and he is recognized as an expert in the field of change management and viewed as a motivational leader. John and Shawn will be meeting soon to align goals and set a new strategic path for Atlantis Global Corporation.

As the new external consultant for AGC, you will be working closely with Shawn to establish a cross-cultural team that will address the company's global challenges. You will provide guidance and recommendations regarding each objective and anticipated outcome. This is a critical assignment because failure could lead to the dissolution of AGC.