



LEVEL 7 ASSESSMENT SPECIFICATION

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Academic honesty / referencing:	Academic honesty is required. In the main body of your submission you must give credit to authors on whose research and ideas your work is based. Append to your submission a reference list that indicates the books, articles, etc. that you have used, cited or quoted in order to complete this assessment.		

Human Resources Consultancy Report

The Disneyland facing Staff Recruitment challenge when expanding to France and China

EXECUTIVE SUMMARY

Disneyland Park which is a well-known multi-national organization with a variety of resources is still failure to manage the staff recruitment when expanding to other countries. With neglect of cultural issue, it brings out a lot of unexpected conflicts. Although Disneyland Paris and Disneyland China had opened two decades apart. They were both impacted by the culture difference and this problem cannot be solved rapidly.

The main issue to hit Disney Paris is culture problem, French people is proud of their culture, traditions and customs. Disney was trying to transform the staff into Americanize which actually had affected the workplace relationship and led to low productivity. Another hits were misunderstanding of labor law and staff allocation.

As for Disney Shanghai, time consuming and huge cost had been involved in training and recruiting by hiring any inexperience staff. It would also lead to shortage of staff as they were tendency to leave once they got well-trained and look for better career from other competitors.

Human Resources should work closely with senior management to develop a strategic plan that would align with the organization objectives. Seeking advice from local professional that can ensure no missing parts occurred. Some events would be workable to get all employees connected from different countries to be awareness of their culture and language better. By enhancing their relationship, it benefits their productivity and is easier to solve any problems.

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1.0 BACKGROUND

Abbreviations used in the Report

- Disney: Disneyland Park
- US: United States of America
- HR: Human Resource

The Disneyland Park is a part of The Walt Disney Company, the founder, Mr. Walt aimed to build up an amusing, joyful and family atmosphere park and the first park was opened on July 17, 1955 at Anaheim, California in United States of America. With success in the theme parks, another 2 areas have been chosen, one is France opened in 1992 and another opened in China in 2016 (The Walt Disney Company, 2019 ; Tribune News Service 2016).

The Staff Recruitment is one of the main critical issue to Human Resources Management. As the employees are the main valuable asset in the company that they have to pay so much effort on recruitment process in order to hire the right candidates. There are variety of problems facing during the recruitment process as they are not familiar with the countries well.

Cultural is the biggest obstacles as different countries have their own culture. Local employment labor law, language, benefits and religion regulations are also another concerns. With better understanding and sufficient communication, it can help bring up with good impact of recruitment.

2.0 STAFF RECRUITMENT CHALLENGE

The **Disneyland Paris**, France which is the third oversea Disneyland Park opened since 1992 was invested over USD \$5 billion. The park is located in a high population area with 17 million of Europeans living less than a two-hour drive. With support of various incentive from the French government by offering more than USD \$1 billion which have created 30,000 jobs (Campbell P. and Rickard, R.,2014; Selly Novela, 2017).

Flat steady growth in Disney France but high incline growth in Disney China of the number of visitors (refer to Table 1)

Number of Visitors					
Locations	2014 (millions)	2015 (millions)	2016 (millions)	2017 (millions)	2018 (millions)
China	Not yet opened	Not yet opened	5.6 Open on June 2016	11	30 (estimated)
France	9.9	9.8	8.4	9.6	9.8 (estimated)

Table 1 - The number of visitors in Disneyland Park in China and France

Source:

Tribune News Service (2016) 'How Disney made sure Shanghai Disneyland doesn't put off Chinese visitors', *South China Morning Post*, 12 th July.

Rubin, J (2017) *Theme Index and Museum Index: The Global Attractions Attendance Report*: Burbank: Themed Entertainment Association

Rubin, J (2015) *Theme Index and Museum Index: The Global Attractions Attendance Report*: Burbank: Themed Entertainment Association

As a matter of fact, the human resource management did not have well-planned in policy and culture when the Disneyland Paris was first opened. The French intellectuals nicknamed it "Cultural Chernobyl" because the management had

misunderstood the local labor law, French culture, tradition and living habit. The Human Resources has implemented the same term of flexible working hour and job classifications as hometown in US. As a result, it really made some employees upset that they were sent home when no work involved during non-peak time. This term was against the local labor law. (Karadjova-Stoev, G. and Mujtaba, B., 2016)

Also, the management had enforced all cast members strictly following the America's style of dress code and appearance as the typical "Disney Look". This issue brought up a culture shock and made employees feel that the company did not respect to their heritage and tradition. Due to complaints from employees and negative public news, Disney finally changed the dress code policy in 1994 (Karadjova-Stoev, G. and Mujtaba, B., 2016)

Disney was trying to Americanize the French, all internal meeting should be required in English only. In this case, it had provided uncomfortable environment for French employee as English is not their mother tongue. Smiling is the signature of Disney, all employees were supposed to be smiling. This did not reflect the French attitude at all. Moreover, the top management were mostly American instead of French, they were unable to manage the park efficiency when any mistakes made such as a cultural clash (Selly Novela, 2017)

The entertainment schedule of US had been wrongly applied to Disney Paris, the peak time was actually not the same. Therefore, the staff was allocated wrongly that led to lack of staff during peak days and surplus of staff during non-peak hour. It really provided a bad workplace for employees and cause high employment turnover.

The poor management has failed to adapt the local tradition in exchange of a low employee morale and frustration. Around 10% of employees had resigned during the first nine weeks since opened. A negative image of the park would lead to decrease in the number of the applicants that would affect the efficiency and profitability (Selly Novela, 2017).

The **Shanghai Disneyland** which is the biggest and most expensive resort opened in 2016 with USD 5.5 billion dollars invested. The park has taken more than 15 year in total from planning to completion. Therefore, the staff recruitment has never been easy especially for the massive number of approximately 10,000 employee. Different language and cultural are the huge challenge facing to Human Resources in China. (Ren and Zuo 2016 and Fritz 2016).

Disneyland had planned to recruit more than 10,000 new employees. Due to limited resources, they would consider anyone without any working experience or related background as per Sara Wong, Kelly Service of the Hong Kong director of recruitment process outsourcing. She also commented that Disney welcomes anyone who has positive attitude, friendly, courteous, open-minded, willing to learn that would be able fit into the organization.

During the whole recruitment process, they had organized many public job fairs and university campus roadshow in order to target talented candidates. As per Sara Wong, it spent a huge effort and time consuming when resume screening and sorting.

The false information which were always found on resume created a big impact on the process (Chang, 2016).

By hiring inexperience employees, effective training programme are required to ensure all employees well-trained and being aware of the functioning of each role.

About 200 selected candidates were offered two-month internship at the Walt Disney in Florida in US. (Chang, 2016). These trainings were certainly benefit the employees from gaining confidence and insight into their workplace. However, these would involve huge costs on training and travelling. On the other hand, these employees

might get more valuable skills to look for a better offer from other competitors in the future.

Shanghai Disney would face huge competition as there are 59 new theme parks opening by 2020. As employees were well-trained, they may be tendency to leave. It leads to shortage of staff and increases the workload of existing staff accordingly.

As a matter of fact, the average employment turnover rate in privately own company is about 19% and it showed the Human Resources facing the problem of staff turnover and it is difficulty to identify the loyalty of the employee. Furthermore, the real wage rate is about 12% that reflects the economy growth in China. Increase in wages may be additional consideration as they are facing shortage of labors. (Ginkgo Search Partners, 2017). Refer to Table 2

Locations	Language	Cultural	Recruiting right candidate	Private owned Company Average Employment turnover rate	Private owned Company grow wage rate	False Resume details
China	Chinese is the official language	Totally different	Not easy find people with theme park experiences	19%	12%	Often happen
France	French is the official language	European	Moderate	0.5%	0.6%	Not often

Table 2 - The Staff Challenges in China and France

Source:

- Ginkgo Search Partners (2017) Top 5 Human Resources Challenges in China
- Tavernier, J (2019) Insee Information Rapides. Montrouge: Institut national de la statistique et des études économiques

3.0 ANALYSIS

The below is the Fishbone Analysis (Wickham L. and Wilcock J., 2016) for in-depth explanation for Disney Paris dividing into four categories – HR Management, Employee, Line Management and workplace.

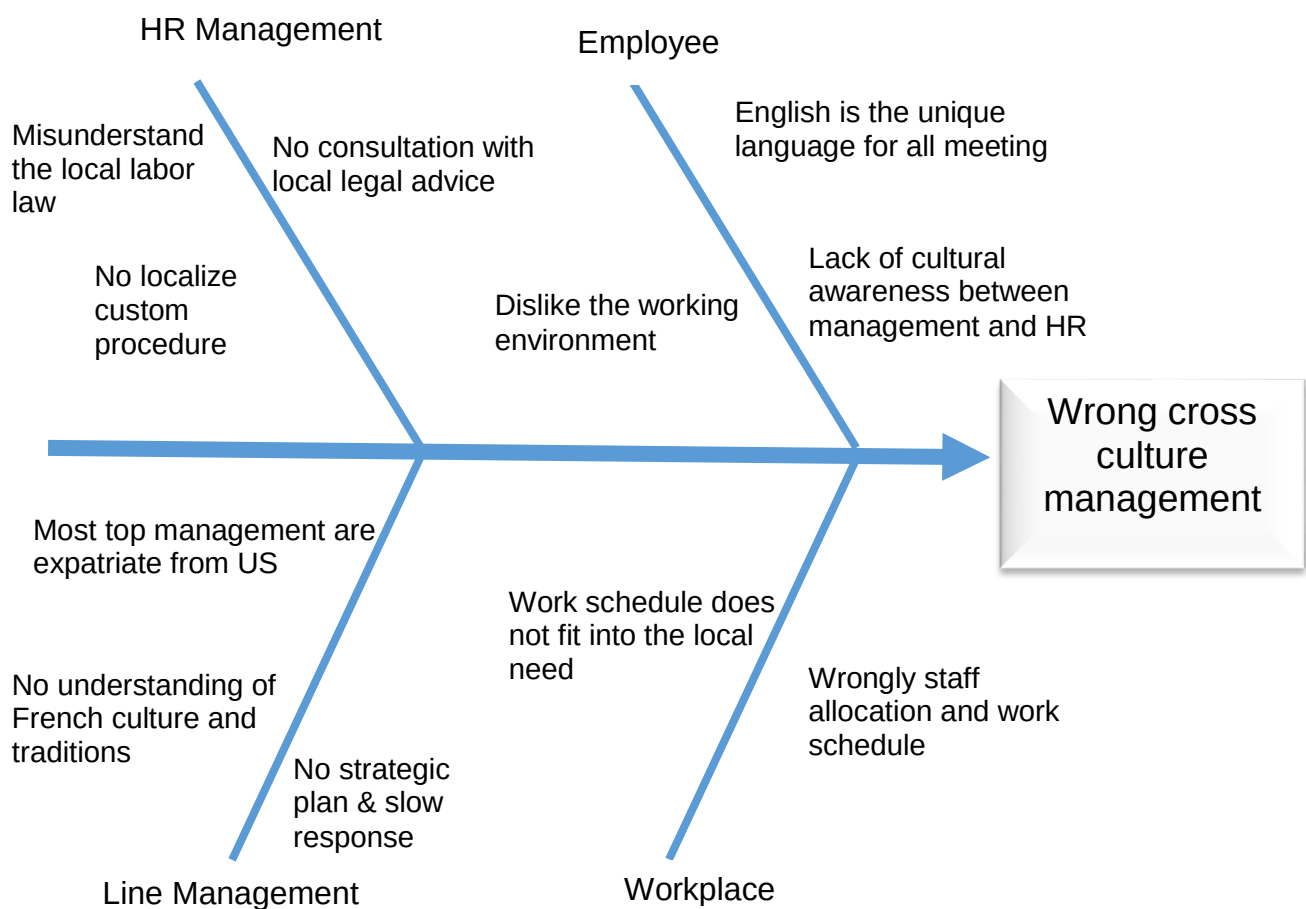


Figure 1 - Fishbone Analysis of Disney Paris

The below is the SWOT Analysis (Wickham L. and Wilcock J., 2016) for in-depth explanation of staff recruitment for Disney Shanghai:

SWOT Analysis		
Internal	Strengths - Well-known organization offering job security - Good employment benefits package - Many future opportunities like promotion, internal training - Enhancing communication skill with different people from multi-culture.	Weaknesses - Hiring new inexperience employees - High employee turnover rate causing heavy workload on recruitment process - Staff recruitment process involving huge amount of time on arrangement, interview and training.
	Opportunities - Coordinating with outsourcing recruiters for the right candidate - Recruiting via platforms in China - Received best employment in 2017 and easy to attract candidate	Threats - Facing competitors in the same region - Trained staff can access jobs for better prospect. - Shortage of skilled labor - Increasing salary rate

Table 3 - SWOT Analysis of Disney Shanghai

4.0 CONCLUSION

As a conclusion, Disney has faced many challenges when expanding overseas but both HR and management have not been able to prevent and resolve the issues in a timely manner. Any of these negative news will impact the corporate image and can directly affect the staff recruitment because of no attractive to any talent candidates.

The HR was planning to apply “one size fits all” approach but it has failed to develop a strategic plan and local employment procedure that will fulfill all the requirements. The local countries traditions & customs should always be put into consideration as the rules might be different in some regions.

The minimum qualification and requirements of the candidates are targeted too broad and wide, these results in an additional training, time consuming and higher cost involved. Due to competitions, the high employment turnover rate will be incurred and creates an additional workload from shortage of staff and reduces the productivity in a long run accordingly.

Lastly, the staff recruitment process was mostly handled by Disney directly and it caused a lot of time consuming on screening resumes and is hard to access to any talent candidates easily.

5.0 RECOMMENDATION

Here are the recommendations for both Disney Paris and Disney Shanghai:

- Before processing the staff recruitment, the HR and management should develop and execute a strategy planning with local stakeholder like lawyer, compliance consultancy and accounting firm by understanding the local employment laws and taxation.
- Working as a partner with Local recruitment agency can speed up the recruitment process as they have already build up a local network with a variety of candidates available in the market. This enables them to hire the talent candidate shortly. Hiring experience staff will benefit from minimizing the training cost accordingly. Moreover, HR can put more time focusing on the strategy planning rather than on recruiting only.
- Recruiting those candidates who studied in US and relocating them to their home countries to work. It helps minimize any cultural conflicts and adapts the environment easily without any language barrier. This certainly does work for any top management as they can solve the problem quickly with better awareness of the culture.
- Organizing multicultural festival through food, music and dance after work, it enable stress relief and get all employees connected by sharing their culture. Building up good connection between each other can benefit their workplace relationship too.

- Recruiting a minority group, promoting cultural diversity, organizing culture awareness training can also develop good workplace relationship among the employees.
- Offering non-transferable incentive benefit for loyalty employees who have been contributed for long-term service. The benefit could be free park tickets, meals coupons and oversea Disney visit.

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Student Self Evaluation Form			
Student name:	Wong, Si Ming Kyle	Student number:	1812211
Programme:	Human Resources Management	Year of programme	1.5 years
Assignment Title:	Human Resources Consultancy Report - The Disneyland facing Staff Recruitment challenge when expanding to France and China		

This section repeats in brief the common assessment criteria detailed on previous pages. The *extent* to which these are demonstrated by you determines your mark. Using these criteria, tick the box that best indicates the level of achievement you feel you have achieved with regard to each of them.

Common Assessment Criteria Applied	Level of Achievement						
	REFER			PASS		DISTINCTION	
	FAIL	FAIL	MARGINAL FAIL	SATISFACTORY	GOOD to VERY GOOD	EXCELLENT	EXCEPTIONAL
1. Engagement with literature	0-29%	30-39%	40-49%	50-59%	60-69%	70-84%	85-100%
	☐	☐	☐	☐	☐	☐	√
2. Knowledge and Understanding	0-29%	30-39%	40-49%	50-59%	60-69%	70-84%	85-100%
	☐	☐	☐	☐	☐	√	☐
3. Cognitive and intellectual skills	0-29%	30-39%	40-49%	50-59%	60-69%	70-84%	85-100%
	☐	☐	☐	☐	√	☐	☐
4. Practical Skills	0-29%	30-39%	40-49%	50-59%	60-69%	70-84%	85-100%
	☐	☐	☐	☐	☐	√	☐
5. Transferable Skills for Life and Professional Practice	0-29%	30-39%	40-49%	50-59%	60-69%	70-84%	85-100%
	☐	☐	☐	☐	☐	√	☐

PLEASE COMMENT ON AREAS IN WHICH YOU FEEL THAT YOU HAVE PERFORMED WELL		PLEASE COMMENT ON AREAS YOU FEEL THAT YOU NEED TO DEVELOP	
Attended all the classes and be able to apply the Human Resources Management skill at assignment		Still have a room to enhance my knowledge of market research, report preparation, presentation and time management.	
Student's Name	WONG, Si Ming Kyle	Date	May 1, 2019
Student's Signature	<i>Kyle Wong</i>		