

Human Resource Management

MBA

Master of Business Administration
University of Wales Trinity Saint David

Instructor - Dr Alice Te
Day 1 – November 2, 2024



What we will cover today

1. Know each others
2. Overview of this module
3. What is HRM?
4. HRM in Globalization context
5. What do you want to achieve?



Dr Alice Te

Credentials

- HKU PhD Faculty of Education
- University of Technology Sydney – MA Training & HRM
- HKU Bachelor of Soc Sc (Management)

Vice President, HK Public Administration Association

Teaching in Universities

- HKU Faculty of Education Lecturer
- HK PolyU Visiting Lecturer
- UWTSD DBA course - Converting Research into Practice; MBA course – Human Resource Management
- UWTSD DBA Supervisor & Director of Studies
- UWTSD DBA Thesis Examiner

Academic Publishing

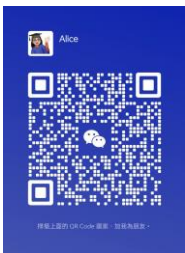
- Managing Editor of Emerald - *Public Administration & Policy Journal*
- Author of an academic book published by Routledge

Sales & Management, Training & development, Program design

- 80s - HK Government Transport Department
- 80s - IBM Sales Management
- 90s to 2000 – HK Telecom Sales & Marketing
- Post 2000 – HKU Programme Director

Research areas

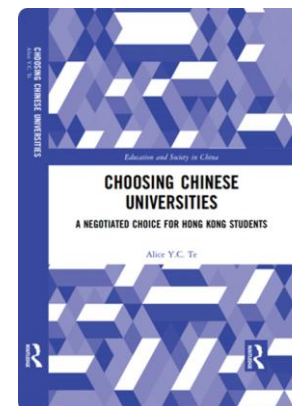
- Human resources management
- Higher education & policy
- Training and development
- Program design and management
- Chinese – English translation
- Workplace English – columnist of Jiu Jik (SCMP), HK Economic Times videos



Email: aliceteyc@yahoo.com.hk

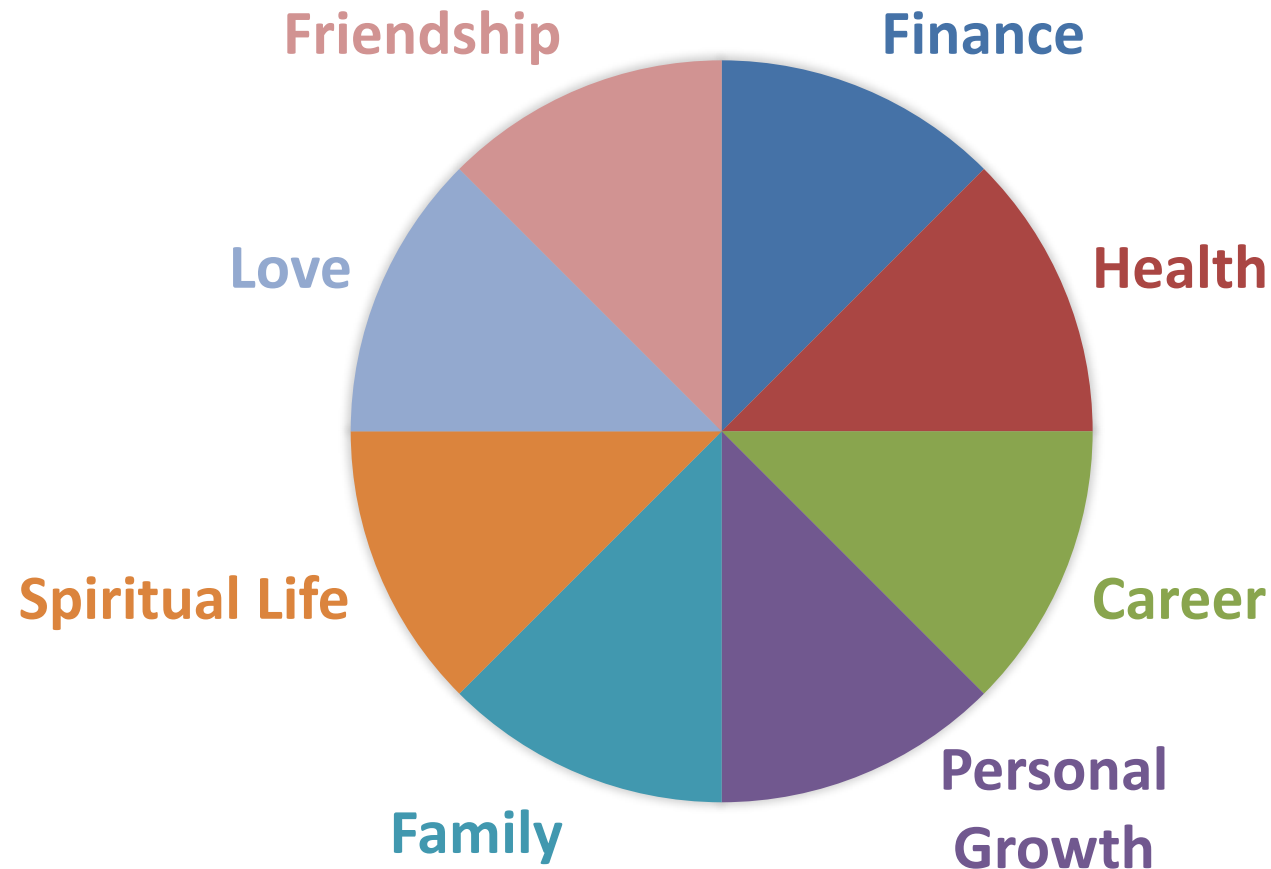
WhatsApp: 97778916

WeChat: Alicete



Dr Alice's Wheel of Life

Life-time Learning



Dr Alice's Three Basic Principles in Teaching

1. The Principle of Partnership in Teaching and Learning
2. The Principle of Mutual and Joint Responsibility in Teaching and Learning
3. The Principle of Construction and Ownership of Teaching and Learning

Teachers and students are **partners** in teaching and learning, bearing joint responsibility for the quality of student learning.

Teachers should serve as **facilitators** to help students construct and own their learning.

Teacher is the major architect of learning, and students are the builders, developers, and owners of their learning.

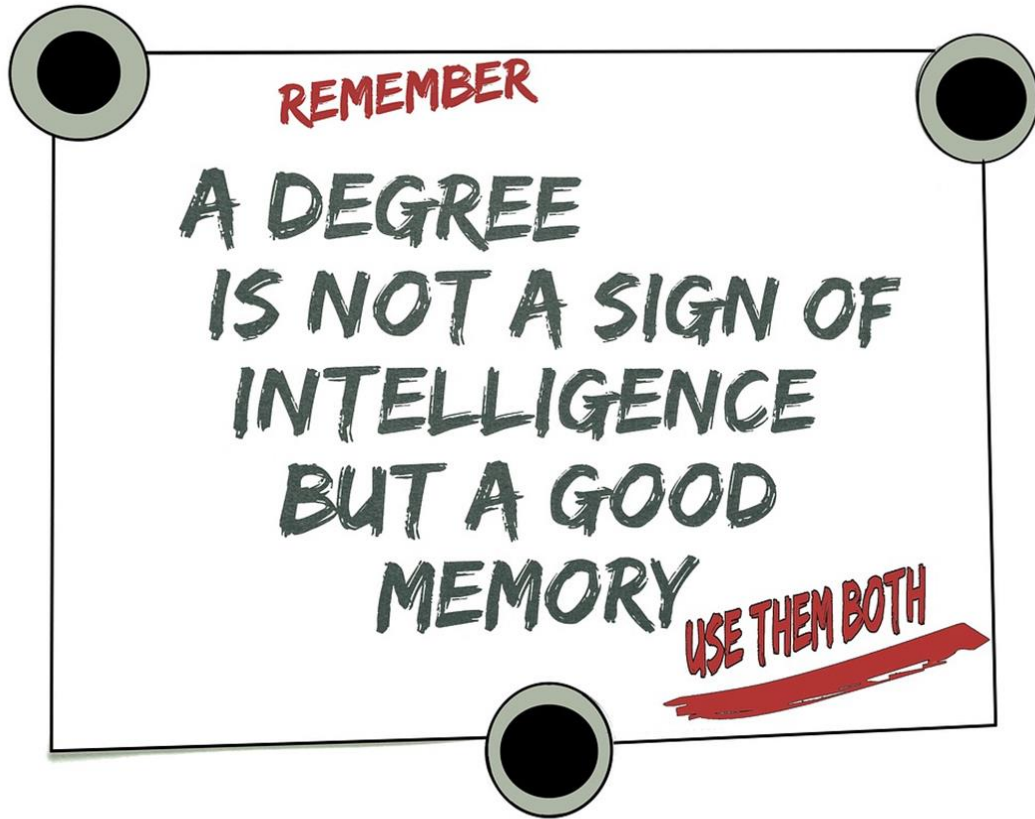
How about YOU?

Self introduction

- Where are you from?
- What is your expertise?
- Why do you join this programme?
- What do you expect from this programme?



How much Time and Effort would you Commit?



Soft skills for the 21st Century

- Creativity
- Critical (analytic) thinking
- Communication
- Cross-cultural skill
- Problem solving
- Innovative solutions

Higher learning skills

- ✓ **Respect** others' values and opinions;
- ✓ Develop your ability to be **assertive**;
- ✓ **Disagree** pleasantly;
- ✓ Know when to interrupt and when not to;
- ✓ Understand the flow of discussion and how to change people's minds, and;
- ✓ Understand situations to know what can change and what can't.

Value added

- Communicate with others **who bring different backgrounds and perspectives** to the conversation.
- In short, intellectual disagreement is constructive.

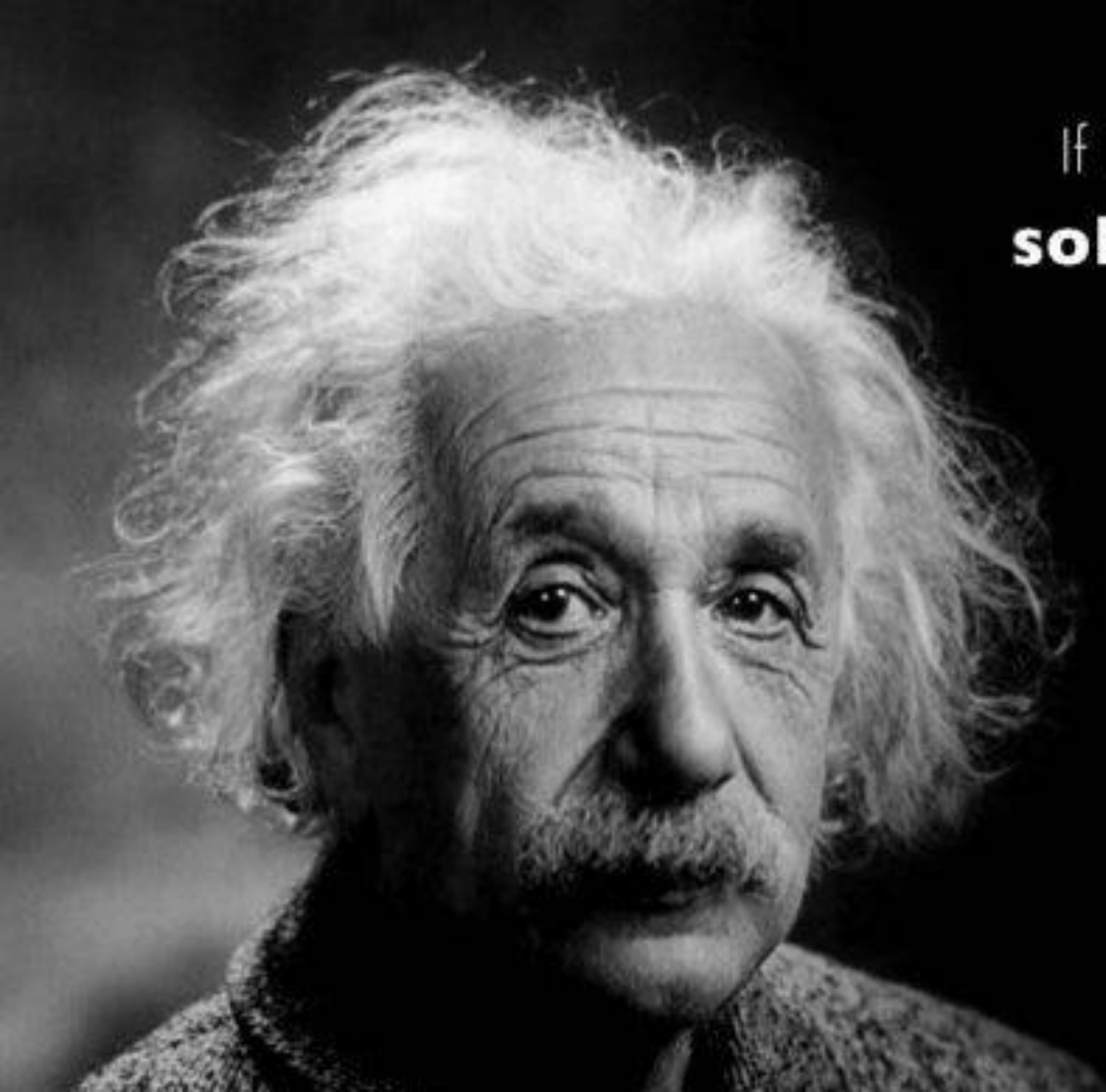
**RULES in this
classroom**

**Enjoy and have
many coffee
breaks**

*In the 21st Century, knowing all the answers
won't distinguish someone's intelligence ---
**rather, it is the ability to ask all the right
questions will be the mark of a genius.***

JEK III

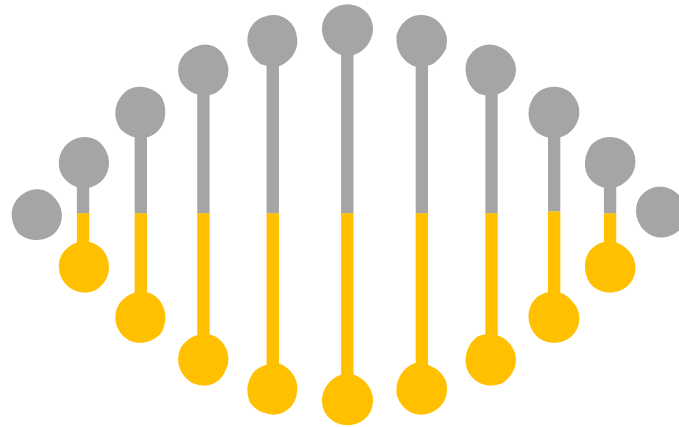
Senior VP IBM Cognitive Solutions

A black and white portrait of Albert Einstein, showing his characteristic wild, white hair and mustache. He is looking directly at the camera with a slight, thoughtful expression. The background is dark and out of focus.

If I had an hour to
solve a problem and my
life depended on it,

I would use the
first 55 minutes
determining the
proper questions to ask.

Albert Einstein



Overview of this module

Human Resource Management Module

Seven key topics

HRM: Globalization, Strategic Roles

Culture, Law, Ethics, AI

Staff Planning and Recruitment

Training and Development

Performance Management

Compensation and Benefits

Employee Relations



Human Resource Management

Course Components

8-day classes

Nov 2, 10, 16, 23, 30

Dec 7, 14, 22, 2024

Essay (50%)

Submitted by

Jan 6, 2025

**Individual
Presentation
(50%)**
on Dec 22, 2024



Essay - 2500 words

- Select a **global, regional company, or a publicly listed company in Hong Kong** or **overseas stock exchanges**.

For example, you can select company name A which is based and listed in Hong Kong Stock Exchange.

Company A recently **expanded its operations** to another country or places outside Hong Kong. You may also wish to choose a second company, Company B for comparison if you think appropriate.

- The objective is to analyze the **HR management challenges** that arose during this regional or international expansion, and examine the **actions taken** when the local HR team transitioned into a regional or international HRM role.



Essay

Select **1 or 2 HRM functional areas** for your analysis:

- Employee Recruitment
- Performance Management and Appraisal
- Compensation and Benefits
- Talent Management
- Training and Development
- Employee Relationship
- Others (subject to prior approval by the lecturer)

Essay

Deadline
Jan 6, 2025

Include at least the following:

- ✓ Background of the company (or the two companies).
- ✓ Identify 1 or 2 functional areas within HRM as the focus then explore the challenges associated with the regional or international expansion.
- ✓ Scope – Description of the context of the challenges/problems, root cause(s) of the issues, and who are the stakeholders being impacted. The scope should also include the similarities and differences in Company A and B (if applicable) on their challenges; and the way how the HR managers experience and approach to solve the issues.
- ✓ Analysis – Analyse the challenges, their problem solving initiatives, the positive and negative impacts, and identify potential areas of improvement needed.
- ✓ Recommendation for solution – Propose the short-, mid- and long-term action plan (with timelines), the pros and cons of the plan, the required resources and impacts, and the potential outcomes of the action plan.
- ✓ Conclusion

Use of Generative AI

Proofreading

For this assessment, you can use Generative AI to check your own text/creation for grammatical and syntactical mistakes, including rephrasing of your own work within specific standards.

A student can use AI to:

- Check a text they have written themselves for readability, grammar and syntax
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- Rephrase text that they did not write themselves
- Rephrase or paraphrase text that another person has written

Essay - Assessment Criteria

Five criteria:

- ❑ 15% Engagement with literature skills
- ❑ 25% Knowledge and understanding skills
- ❑ 25% Cognitive and intellectual skills
- ❑ 25% Practical application skills
- ❑ 10% Transferable skills for life and professional practice



Come gather around people
Wherever you roam
And admit that the waters
Around you have grown
And accept it that soon
You'll be drenched to the bone
If your time to you
Is worth saving
Then you better start swimming
Or you'll sink like a stone
For the times they are a-changing '

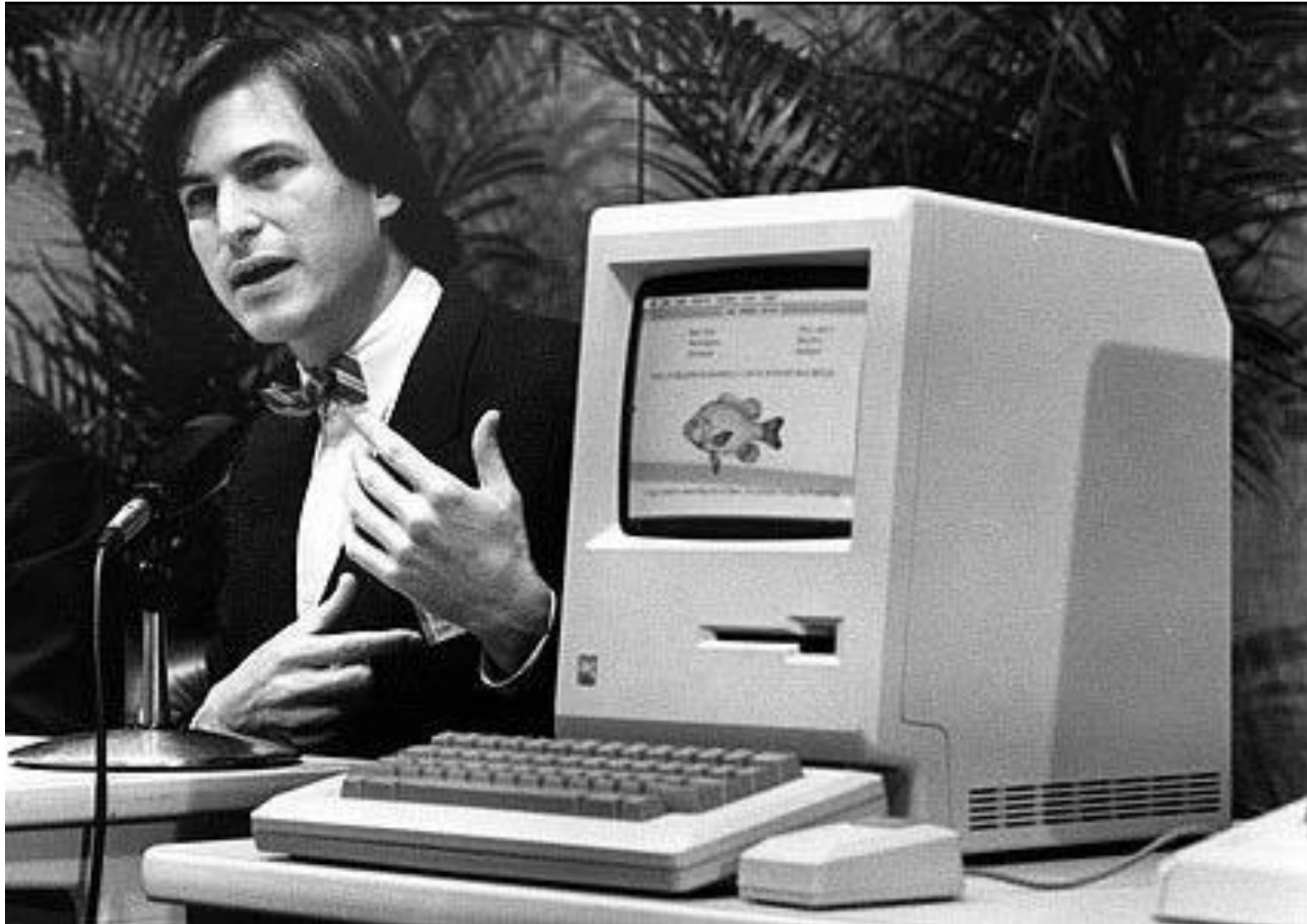
Come writers and critics
Who prophesize with your pen
And keep your eyes wide
The chance won't come again
And don't speak too soon
For the wheel's still in spin
And there's no telling who
That It's naming

For the loser now
Will be later to win

For the times they are a-changing '

For the times, they are a-changin'時代在變革 ~ 鮑勃 狄倫

Steve Jobs launched the Macintosh at the Apple shareholder meeting in 1984





Digit's First Day of Work at GXO - Agility Robotics

On June 5, 2024, Digit completed its first day of work for GXO Logistics, Inc. (NYSE: GXO) as part of regular operations. This is the result of a multi-year agreement between GXO and Agility Robotics to begin deploying Digit in GXO's logistics operations.

Individual Presentation

15 minutes

10-12 pages - include cover/end page & references

- Produce a presentation that analyses a contemporary HRM issue related to **digital transformation** and how **key change drivers** affect the way HR leaders manage in complex business environments.
- Contain **strategies, insights, solutions, and conclusions** derived from the findings and culminate in fully justified **recommendations** and an **implementation plan** for recommended changes.



Individual Presentation

- Key Change Drivers of Digital Transformation –
(1) Artificial Intelligence, (2) Robotic, (3) Cloud computing, (4) Machine Learning, (5) Block-chain, (6) cognitive technology, and (7) IoT (Internet of Things), etc., are changing the way organizations being managed.
- For example, the way we lead, attract, motivate, and retain staff, the way we lead as HR leader and team for performance, the way to serve our stakeholders (employees / customers / suppliers / investors / partners), the way we compete, and definitely have profound impacts to the way we manage and drive performance effectiveness in our organization today and future.
- **Select 1 of the above Key Change Drivers** in digital transformation and reference to at least 10 articles related to how the driver is being adapted and how it impacts on 1 to 2 key HR functions for higher performance today and in the future to provide an insightful critical analytical on the HR challenges.

Individual Presentation

Presentation

December 22, 2024

The presentation should cover the followings:

1. Brief introduction of the background and focus of the topic / key change driver.
2. Describe how the organization embraces and incorporates the change driver(s) and discuss the resulting impacts on HR functions.
3. Analyse and reflect key findings and learnings (impacts, insights, lessons, observations, arguments) from the articles.
4. Key challenges for HR leaders to apply learnings into their real workplace.
5. Provide recommendations/suggestions for better results.



Use of Generative AI

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Presentation - Assessment Criteria

Five criteria:

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- ❑ 20% Knowledge and understanding skills
- ❑ 20% Cognitive and intellectual skills
- ❑ 20% Practical application skills
- ❑ 25% Transferable skills for life and professional practice

Outline of the eight days (1)

Day one: Nov 2

- Introduction
- What is expected from this module
- HRM – globalization, strategic roles

Day two: Nov 10

- Culture, law, ethics, AI
- Research Ethics Process
- Your essay

Outline of the eight days (2)

- 
- Day three: Nov 16** Staff Planning and Recruitment
- Day four: Nov 23** Training and Development
- Day five: Nov 30** Performance Management
- Day six: Dec 7** Compensation and Benefits
- Day seven: Dec 14** Employee Relations
- Day eight: Dec 22** **Your Individual Presentations**

Human Resource Management

Aims of this course

- To develop a critical and analytical understanding of the importance and changing nature of HRM in a **global** context.
- To develop a professional understanding of what the **HR function** can help deliver in terms of **sustainable** organisation capability and innovation through **people**.



Learning Outcomes

Upon the successful completion of this module, the student should be able to:

1. Critically review and appraise current **HRM research** and advanced scholarship.
2. Critically evaluate **business** environments and analyse how resourcing an organisation is affected and informed by **internal and external factors** that in turn serve to influence the policies, procedures and processes adopted by the organisation;
3. Demonstrate a systematic, extensive and comparative knowledge and understanding of a number of **advanced and emerging issues** in HRM and **IHRM** within a variety of organisations and how these can influence fulfilment of the strategic aims of the organisation and affect competitive edge.

Reading List

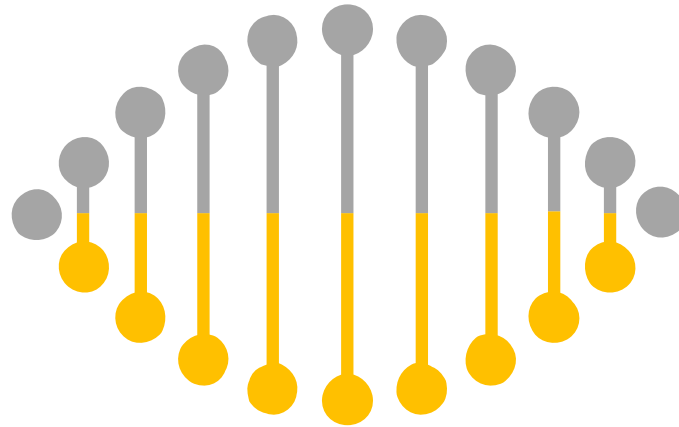
- Armstrong M. (2017) Armstrong's Handbook of Human Resource Management Practice, 14th edition, Kogan Page
- British Journal of Management
- Chartered Institute of Personnel and Development
<https://www.cipd.co.uk/>
- Harvard Business Review
- Henderson, I. (2017) Human Resource Management for MBA Students, London: CIPD, 3rd Edition.
- People Management (CIPD Journal)
<https://www.peoplemanagement.co.uk/>



Day 1

HRM:

Globalization Strategic Roles



What is Human Resource Management

Questions

- Why is managing people so hard?
- Why do people dislike management so much?
 - The answers to both questions involve paradoxes — seemingly incompatible ideas and practices that have to be made to work well together in organizations.
 - The purpose is ultimately to find ways to **make life better for employees** and to **enhance performance of an organization** as a whole.

Managing People

What, then is human resource management?

- If an organization can be defined as a **group of people** working toward a **goal**, and management can be defined as the **process** of accomplishing these goals through other people—viz., the development of **policies and practices for effective use of human resources in an organization**.
- **All decisions** affecting the relationship between the individual and the organization can be seen as dimensions of personnel management.
- **Psychological and productivity goals** are pivotal to this relationship. That is, the work performed must be **meaningful to employees** as well as **to the institution**. Not surprisingly, these two goals are interactive, reciprocal—and sometimes contradictory.

Managing People

Human resource management matters:

- It has a significant, even definitive effect on the **careers** of all employees and employers.
- Nothing is of more consequence; nothing is more difficult.

“Put human resource management first because it is the most important.”

The Paradox Puzzle

The cardinal human resource management problem:

- “Do organizational processes and procedures **help or hinder** the resolution of these two grand, bittersweet paradoxes in democratic and work life?
- Unmasking the false clarity found in taken-for-granted operational assumptions can bring about a broader view of the role of citizens in society and organizations.

“There is,” then, “nothing like a paradox to take the scum off your mind”

Justice Oliver Wendell Holmes, Jr.

The Paradox Puzzle

Ways to embrace paradoxes include:

1. inquiring into the bases of clashing perspectives
2. identifying and appreciating the **best of different viewpoints**
3. and striving to **create new viewpoints** that incorporate **a balance of divergent opinions**

“You cannot solve the problem,” Einstein once said, “with the same kind of thinking that created the problem.”

The key question is less “What should I do?” and more

“How should I think?”

Pathways Through Paradoxes

- An authentic opportunity now presents itself to “seize the day” and **think creatively** about managing people.
- Developing your own techniques of discovery: as long as you are going to think, think big.
- The best way out is through!



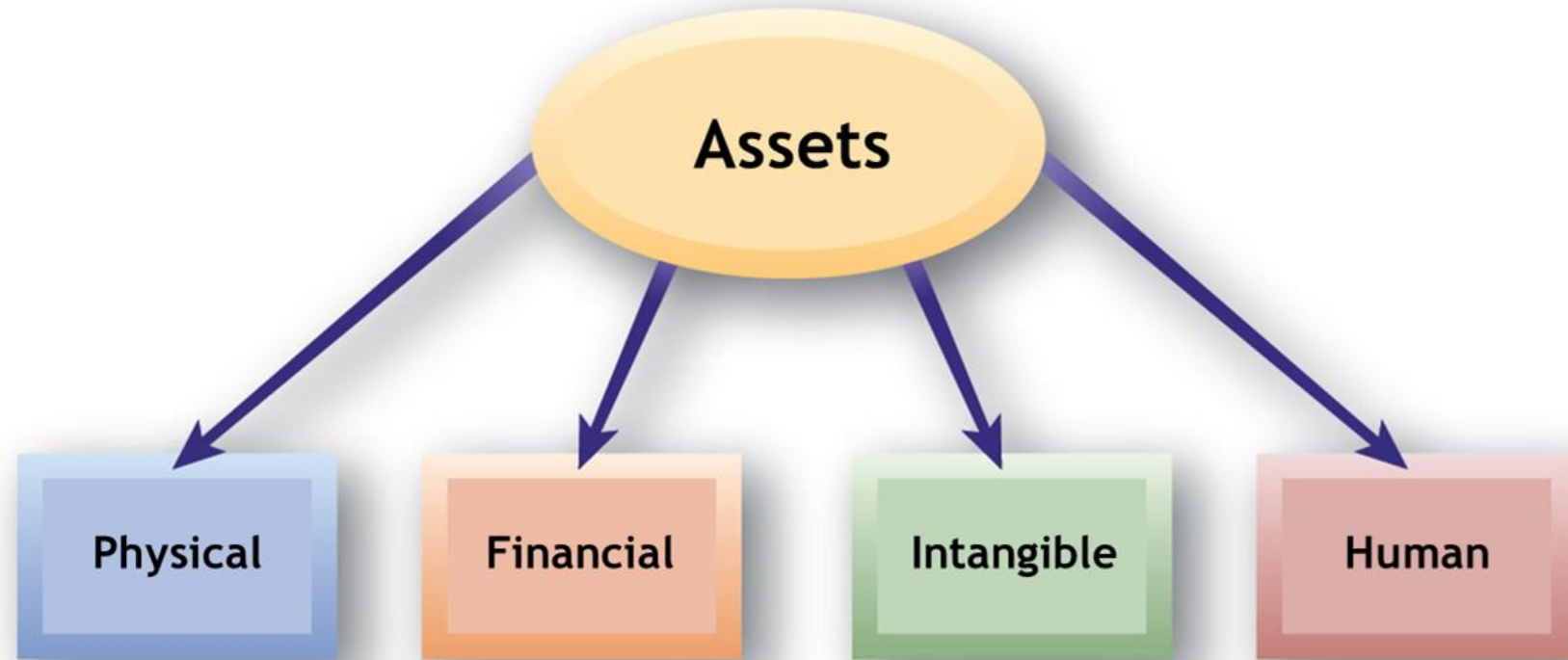
What is Human Resource Management?



What is the most important asset of an organization?



Types of organizational assets



Changes of focus



Personnel

**Talent
Management**

**Human
Resources**

What is Human Resource Management?

The policies, practices and systems that influence employees'

- ✓ behavior
- ✓ attitudes
- ✓ performance



Key responsibilities of HRM

1. **Attract**

- Recruitment / Staffing (RS)

2. **Motivate**

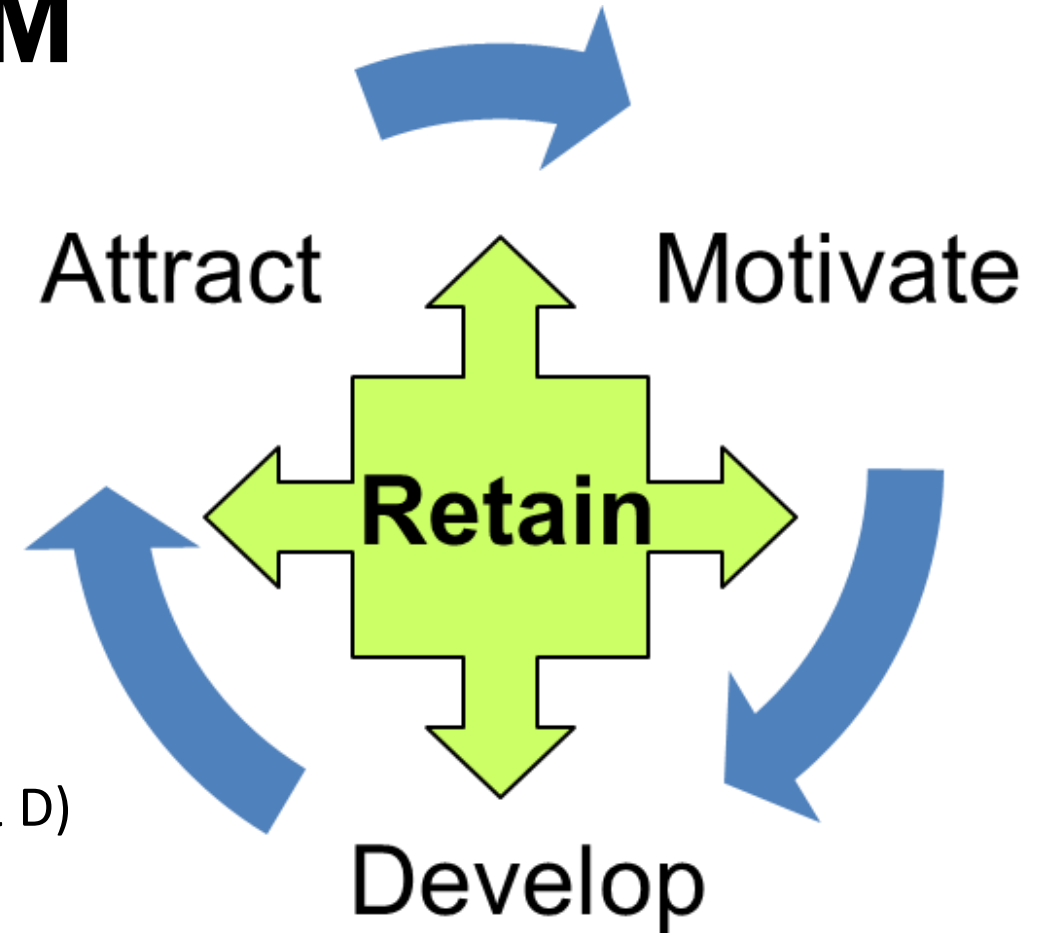
- Compensation and Benefit (C & B)
- Performance Management (PM)

3. **Develop**

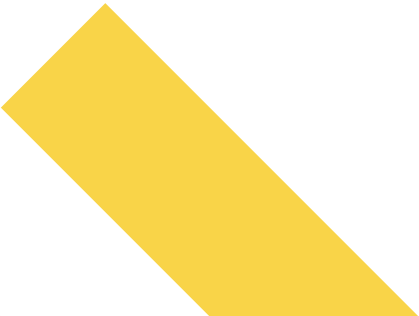
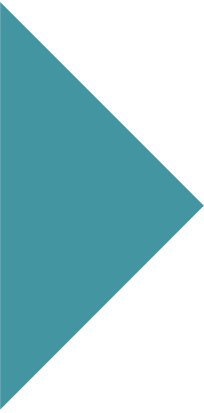
- Learning/Training and Development (L & D)
- Talent Management (TM)

4. **Retain**

- Employee Relations (ER)



Basic HR Concepts



- Getting results
 - The bottom line of managing



HR creates value by engaging in activities that produce the **employee behaviors** the company needs to achieve its **strategic goals**



HR Management Roles

Administrative

Operational and
Employee
Advocate

Strategic

What is HRM?

Management Process

The five basic functions of **planning, organizing, staffing, leading**, and **controlling**.

Human Resource Management (HRM)

The policies and practices involved in carrying out the **people** or **human resource** aspects of a management position, including **recruiting, screening, training, rewarding**, and **appraising**.

Major components of HRM



- **Human Resource Planning** responsible for job analysis and designing of organizational structures; formulation of HR regulatory frameworks and many more.
- **Human Resource Development** responsible for analysis of knowledge and skills levels; assessing credibility of training programmes and institutions and many more.
- **Human Resource Management Services** responsible for implementing human resource **regulatory frameworks** including counselling and many more.

Definition of HRM

Definition

- ✓ **Deliberated** processes to acquire candidates; train, appraise, compensate employees; develop and retain talents for effective organizational performance and leverage competitiveness

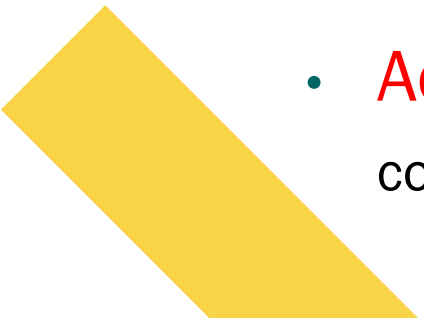
Human Resource Functions

1. Acquire, recruit and select **talented candidates**
2. **Train** new hires and develop existing staff
3. **Appraise** and manage performance in workplace
4. **Compensate** and provide incentives
5. Manage labour relations, health, safety, and fairness

Overview of HRM



HRM has prime responsibility to:

- Formulate, propose and gain acceptance for **personnel policies and strategies** of the organization
 - Advise and guide the organization's managers on the **implementation** of personnel policies and strategies
 - Provide **personnel services** for the organizations to facilitate the recruitment, motivation and development of sufficient and suitable employees at all levels
 - **Advise** the organization's managers on the human resources consequences of **change**.
- 
- 
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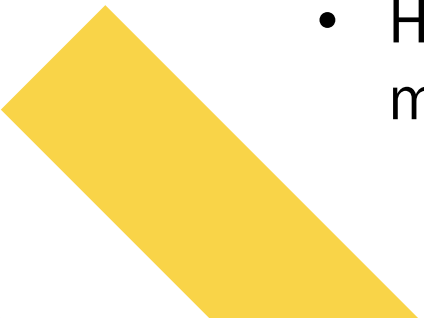
Nature of HRM



Human Resource Management

- Designing management systems to ensure that **human talent** is used effectively and efficiently to accomplish organizational goals.

Who is an HR Manager?

- In the course of carrying out their duties, **every operating manager is, in essence, an HR manager.**
 - HR specialists design processes and systems that operating managers help implement.
- 
- 
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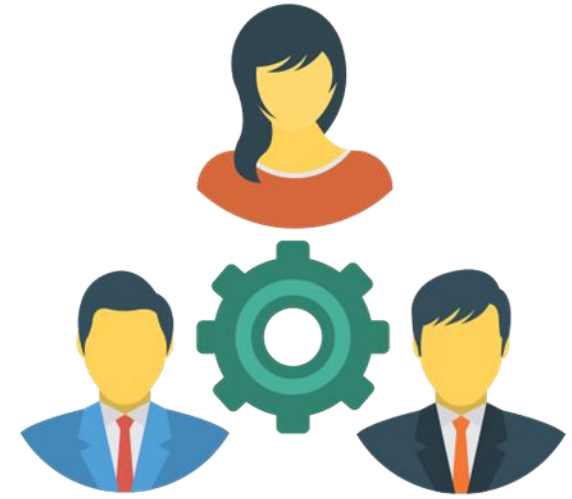
Why HRM is important?

Effective HRM can **AVOID** costly personnel mistakes

1. Interviewers **waste time** to conduct useless interviews with incapable candidates
(recruitment)
2. Management may be **taken to court** because of your discriminatory actions
(selection)
3. Employees have **low morale** as they think they are underpaid, comparing to others
(compensation)
4. Employees without proper training may cause occupational safety problem
(training)
5. Supervisor may commit unfair and biased appraisal (performance management)



Talent Management



- encompasses the entire **goal-oriented, integrated** process of planning, recruiting, developing, managing, and compensating employees throughout an organization.

Functions of the HR Manager

- A line function
 - The HR manager directs the activities of the people in his or her own department and in related service areas.
- A coordinative function
 - HR managers also coordinate personnel activities, a duty often referred to as **functional control**.
- Staff (assist and advise) functions
 - Assisting and advising line managers is the heart of the HR manager's job.

Cooperative Line and Staff HR Management

1. The line manager's responsibility is to specify the qualifications employees need to fill specific positions.
2. HR staff then develops sources of qualified applicants and conduct initial screening interviews
3. HR administers the appropriate tests and refers the best applicants to the supervisor (line manager), who interviews and selects the ones he or she wants.

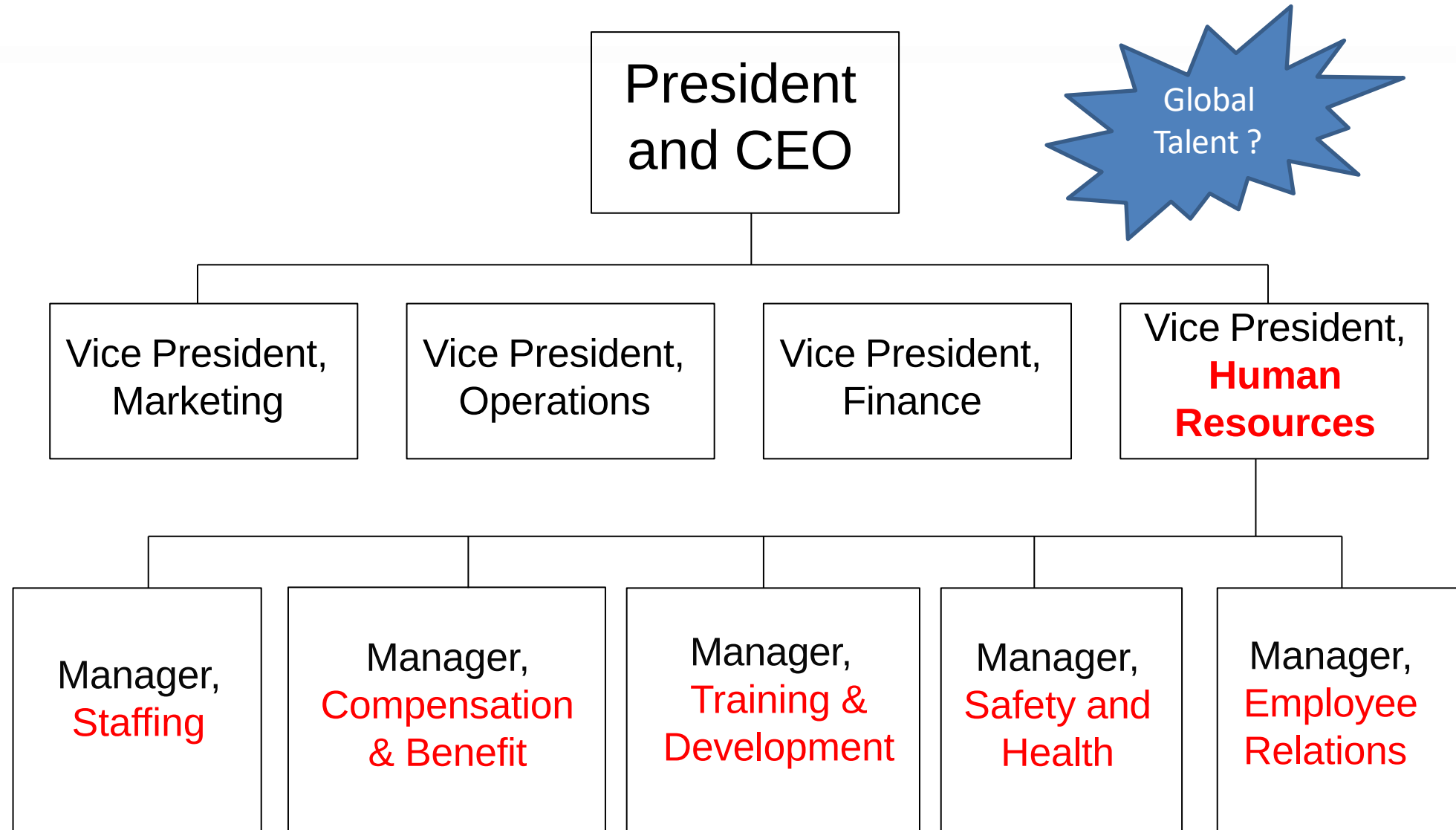
Examples of HR Job Duties

- Recruiters
 - Search for qualified job applicants.
- Equal employment opportunity (EEO) coordinators
 - Investigate and resolve EEO grievances, examine organizational practices for potential violations, and compile and submit EEO reports
- Job analysts
 - Collect and examine information about jobs to prepare job descriptions

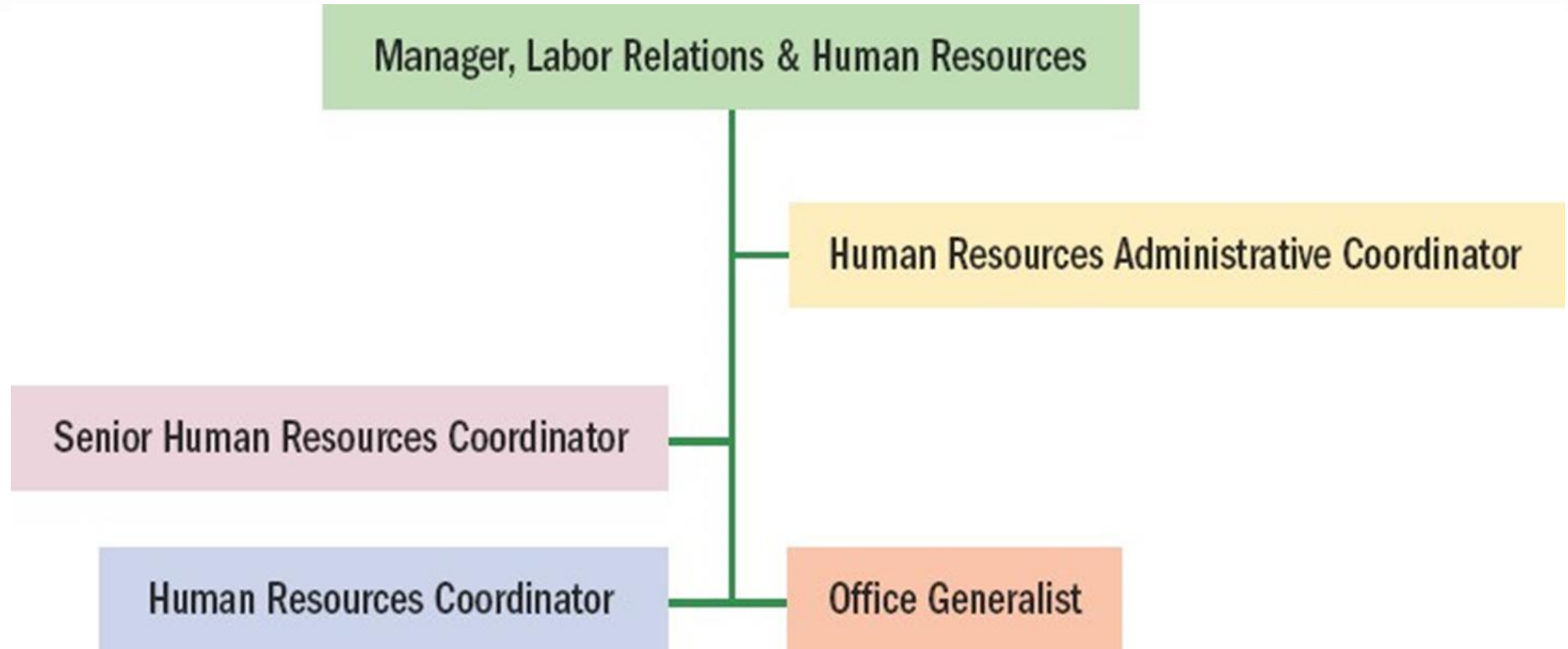
Examples of HR Job Duties (cont'd)

- Compensation managers
 - Develop compensation plans and handle the employee benefits program
- Training specialists
 - Plan, organize, and direct training activities
- Labour relations specialists
 - Advise management on all aspects of union-management relations

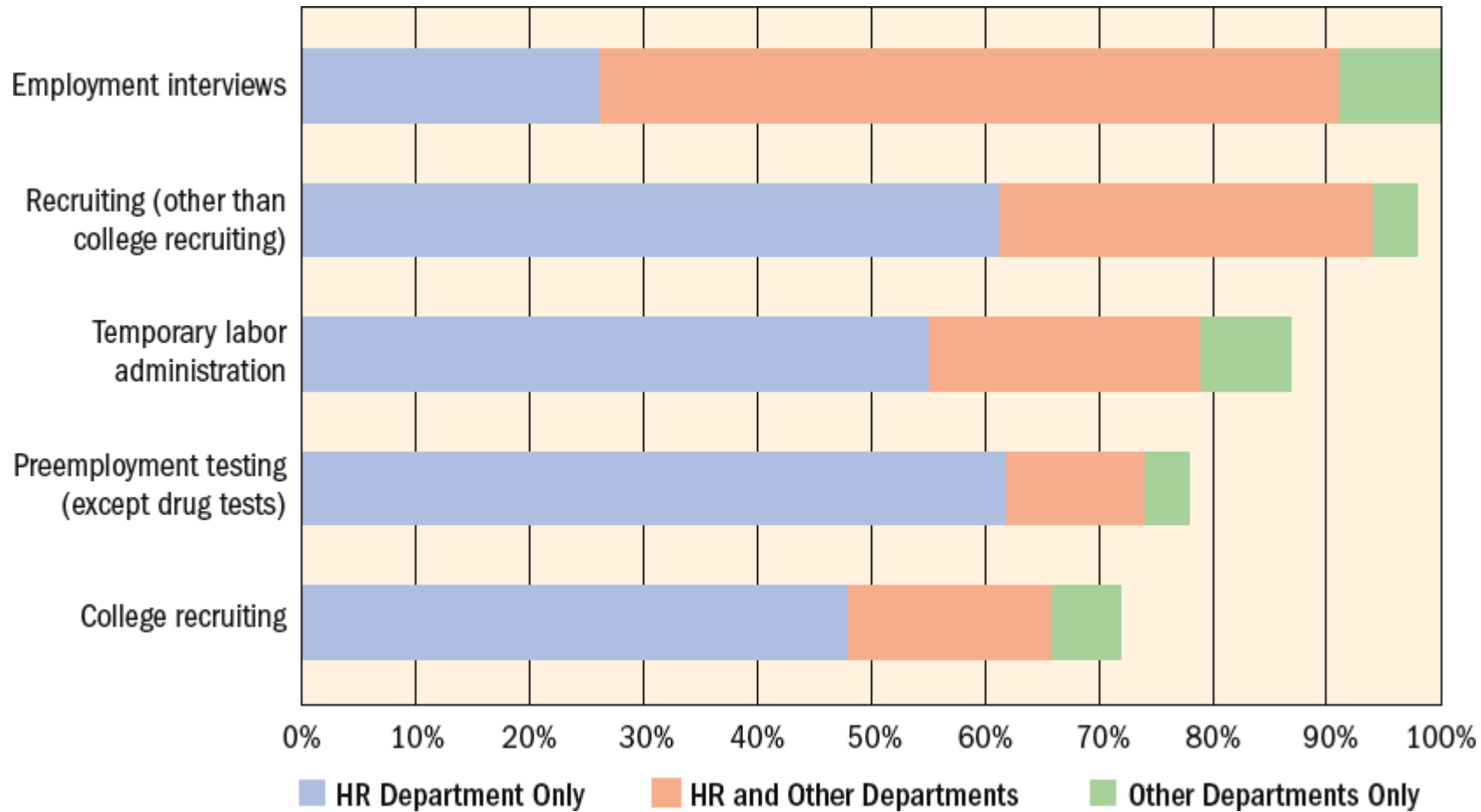
HR Functions in a Large Company



HR Organizational Chart of a Small Company



Employment and Recruiting—Who Handles It? (percentage of all employers) 人力資源與直線部門的分工



Note: length of bars represents prevalence of activity among all surveyed employers.

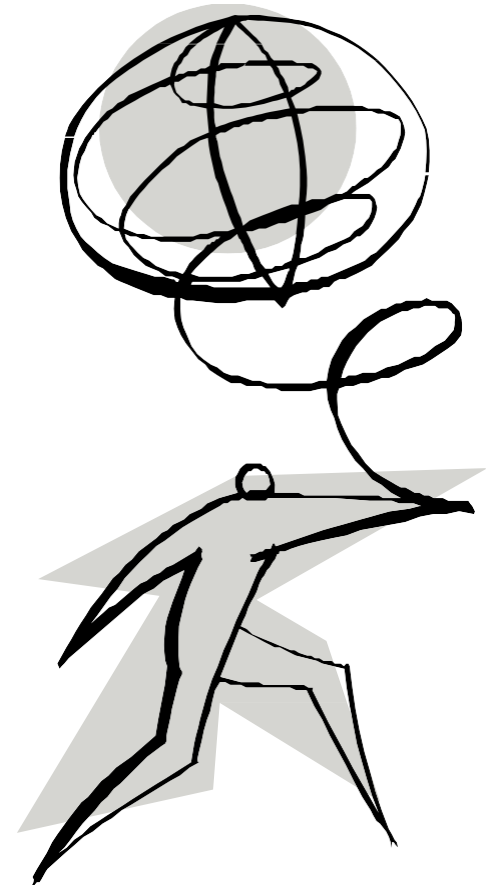
Source: HR Department Benchmarks and Analysis," BNA/Society for Human Resource Management, 2002.

The Changing Environment of HR Management

- HR's changing role:
“ Personnel departments”
 - Took over hiring and firing from supervisors, payroll, and benefit plans administration.

A Changing HR Environment

- Globalization
- Technological Advances
- Exporting Jobs
- The Nature of Work
- Workforce Demographics



Measuring HR's Contribution

- Strategy
 - The company's **long-term plan** for how it will balance its internal strengths and weaknesses with its external opportunities and threats to maintain a competitive advantage.
 - HR managers today are more involved in partnering with their top managers in both designing and implementing their companies' strategies.
 - Top management wants to see, precisely, how the HR manager's plans will make the company more valuable.

HRM – Metrics (KPI) Assessment to HR functional performance

#	Key	KPI
1	HR Planning (Staffing)	
2	Job Analysis	
3	Managing Pay	
4	Recruitment / Selection	
5	Performance Management / Appraisal	
6	Learning & Development	
7	Job Reduction	
8	Employee relations	
9	Others	

HR Metrics

- **Absence Rate**

$$[(\text{Number of days absent in month}) \div (\text{Average number of employees during mo.}) \times (\text{number of workdays})] \times 100$$

- **Cost per Hire**

$$(\text{Advertising} + \text{Agency Fees} + \text{Employee Referrals} + \text{Travel cost of applicants and staff} + \text{Relocation costs} + \text{Recruiter pay and benefits}) \div \text{Number of Hires}$$

- **Health Care Costs per Employee**

$$\text{Total cost of health care} \div \text{Total Employees}$$

- **HR Expense Factor**

$$\text{HR expense} \div \text{Total operating expense}$$

HR Metrics (cont'd)

- **Human Capital ROI**

$$\text{Revenue} - (\text{Operating Expense} - [\text{Compensation cost} + \text{Benefit cost}]) \div (\text{Compensation cost} + \text{Benefit cost})$$

- **Human Capital Value Added**

$$\text{Revenue} - (\text{Operating Expense} - ([\text{Compensation cost} + \text{Benefit Cost}])) \div \text{Total Number of FTE}$$

- **Revenue Factor**

$$\text{Revenue} \div \text{Total Number of FTE}$$

- **Time to fill**

$$\text{Total days elapsed to fill requisitions} \div \text{Number hired}$$

HR Metrics (cont'd)

- **Training Investment Factor**

Total training cost ÷ Headcount

- **Turnover Costs**

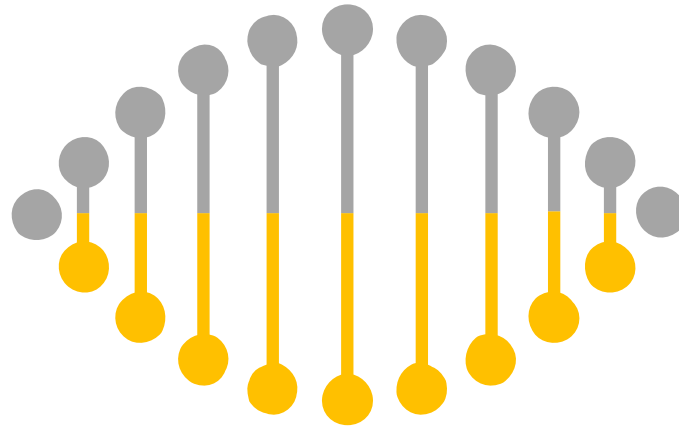
Cost to terminate + Cost per hire + Vacancy Cost + Learning curve loss

- **Turnover Rate**

[Number of separations during month ÷ Average number of employees during month] × 100

- **Workers' Compensation Cost per Employee**

Total WC cost for Year ÷ Average number of employees



Human Resource Management Globalization

HRM Basics (Roles & Responsibilities)

- HRM (Traditional)
- HRM (New +)

HRM - Process Owner !

**HRM – Strategic HRBP
Business Partner**

HRM

What are the **Roles and Responsibilities**

#	Key	KPI
1	HR Planning (Staffing)	
2	Job Analysis	
3	Managing Pay	
4	Recruitment / Selection	
5	Performance Management / Appraisal	
6	Learning & Development	
7	Job Reduction	
8	Employee relations	
9	Others	

All HR strategies – To support the **business strategies**
help achieve the corporate global business objectives



The New HR Manager

- **New Proficiencies**

- HR proficiencies
- Business proficiencies
- Leadership proficiencies
- Learning proficiencies



The New HR Manager (cont'd)

- The Need to “Know Your Employment Law”
 - Employment Ordinance
 - Equal employment laws
 - Personal Data Privacy Ordinance
 - MPF



HR and Technology

- Benefits of technological applications for HR
 - Intranet-based employee portals through which employees can self-service HR transactions
 - The availability of centralized call centers staffed with HR specialists
 - Increased efficiency of HR operations
 - The development of data warehouses of HR-related information
 - The ability to outsource HR activities to specialist service providers

Driver of Changes / Transformation Tech – HR

Discussion – Impacts to HR functions and services...

1. AI impacts to HR functions
2. Jobs replaces / displace by AI / New Tech
 - What are they ? Why ?
 - Foreseeable new job, new skills and roles....

Question – What do you think ?

Question 1

Q1: Which of the following four types of jobs do you think is the most “irreplaceable” in the future?

- A. Courier
- B. Telephone marketer
- C. Fitness trainer
- D. Production line quality inspector

Question 2

Q2: Which of the following four types of jobs do you think is the most “unpromising” in the future?

A. Human resources

B. Nurse

C. Babysitter

D. Financial and sports reporters

Driver of Changes / Transformation Tech – HR

Discussion – Impacts to HR functions and services...

1. AI impacts to HR functions
2. Jobs replaces / displace by AI / New Tech
 - What are they ? Why ?
 - Foreseeable new job, new skills and roles....

<https://www.linkedin.com/pulse/365种工作的未来消亡概率图谱-kai-fu-lee/>

Case 1A

McKinsey Report

- Which jobs will be in demand?
- Which ones are shrinking?
- And which ones could be hardest to fill?

Generative AI: How will it affect future jobs and workflows?

September 21, 2023 | Podcast

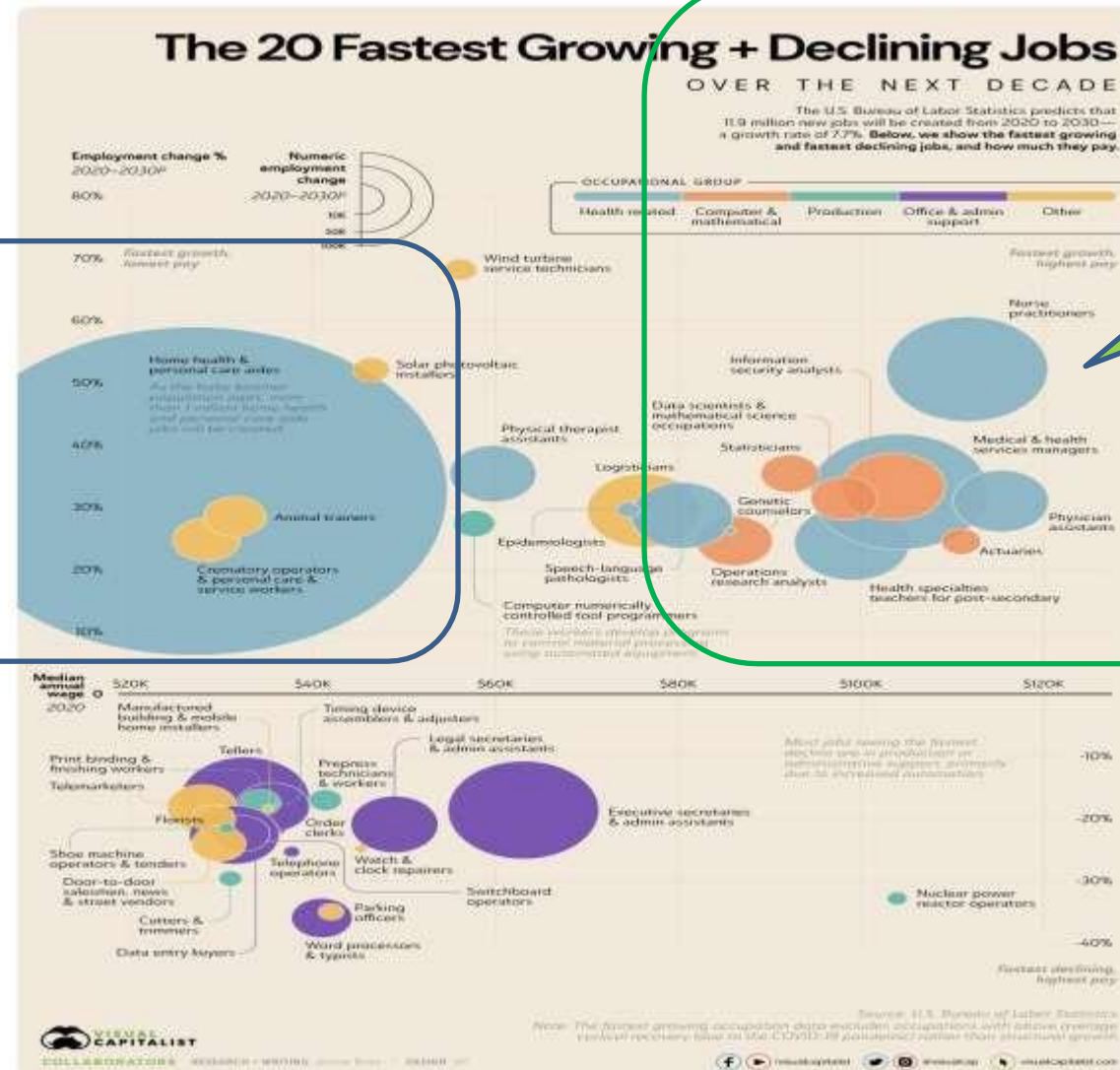
<https://www.mckinsey.com/mgi/our-research/generative-ai-and-the-future-of-work-in-america>

Case 1B

Old jobs (x) – NEW JOBS !!

<https://www.weforum.org/agenda/2021/09/fastest-growing-jobs-employment-skills>

Fast
growth
low pay
jobs



Fast
growth
high
pay jobs

Discussion

HR Talent for Future World – 5 years ...

1. Identification of Trends (2 each)

- Trends – exist but will cease to continue 1-2 years
- Trends – exist and will continue for coming 3-5 years
- Trends – not exist today, will pop and prosper..

2. Characteristics of Talent (2 key ones)

- can lead us and win in the FUTURE world

Macro – 6 Key Trends affecting global business and organizations

1. Technology Changes
2. Globalized Competition
3. Continuing Cost Pressure
4. High-Speed Market change
5. Knowledge Capital Increasing critical
6. Speed and Scope of Change – Extremely fast



HRM – Strategically Critical



“One of most important tasks of today’s CEO is Cultivate Many Future leaders” – Jack Welch

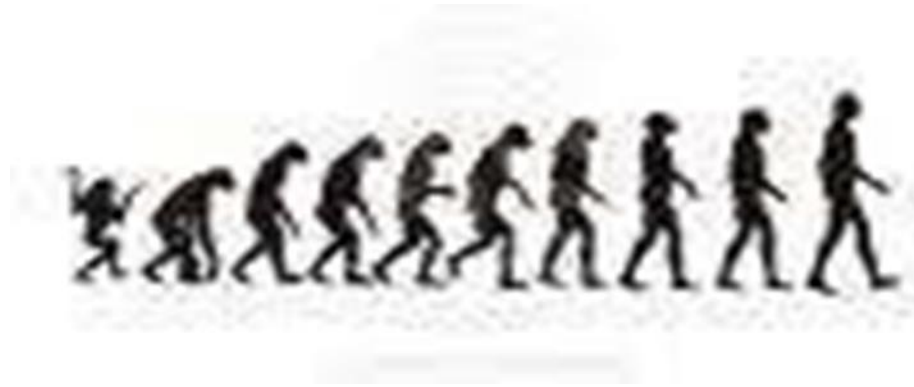


“The Global Competitiveness anchors on Talent Competitiveness of an organization”

– Citibank, HSBC..

Globalization – Normal – Nothing New

Human Evolution - Survival of the Fittest



Human Evolve – Globalization – Move Around

Fundamental Driving Force – **Survival thru Competition**

Globalization – Definition

Closer and Interlinked World

Globalization is the tendency of **businesses, technologies, or philosophies** to spread throughout the world, or the process of making this happen.

The global economy is sometimes referred to as a *globality*, characterized as a totally **interconnected marketplace**, unhampered by time zones or national boundaries.



Globalization – Good or Bad ? Public / General Views



What to
Globalize?
Who will
benefit ?

1. Mutual Benefits – opportunities for all?
2. One Market – labour market – equal?
3. Technology – access – all benefit?
4. Exportation / Exploitation?
5. Benchmark / Imposed Standards?
6. Leverage – Protectionism (market share, ...)?
7. Rich gets richer, Poor gets poor?
8. Control and Extend power / advantages?
9. Sustain the superiority (Rich's games)?
10. Freedom of invasion?
11. Build Defensive – Entry Barriers for the less?

Discussion : Key Responsibilities

Difference : **HRM Vs International HRM**

Key Responsibilities	HRM	IHRM
Attract - Recruitment		
Motivate - Com & Ben		
Develop – Learning & talent development		
Retain – Performance Mgt Employee Relations		

Globalization of Business

Internationalize of HRM & Challenges

- **IHRM**
 - The study and application of all human resource management activities as they impact the process of managing human resources in enterprises in the **global environment**
- **Challenges to IHRM professionals**
 - Develop a global **mind-set** inside HR functions
 - Align core HR process/activities – **new requirements** to achieve both global and local competitiveness
 - Enhance global **competencies**/capabilities within HR function

Factors – impact the level of IHRM activities in MNE

- Stage of internationalization
 - Export base, domestic > global... Expat > Localized..
- Global nature of particular industry - Natural resources, restricted industry...
 - Oil, Airline – Globalized standards... **Insurance ??**
- Structure of international operations
 - Foreign subsidiary, Joint Venture, partnership, alliance
- Decision Making Structure & Organization Cultures
 - Centralized Vs Localized (Adaptation)

The level of HRM VS IHRM activities in MNE

HSBC – Think Global, Act Local

The World's Local Bank



The tension between
GLOBAL Centralization Vs Local Adaptation
A major dilemma for global firms and their HR
Managers
What to global standardized, What Local adapted ?

Human Resource Management Strategy (Strategic HRM)

HR as PO → HR as BP

HRM Basics (Roles & Responsibilities)

- HRM (Traditional)
- HRM (New +)

HRM - Process Owner !

**HRM – Strategic HRBP
Business Partner**

The Strategic Management Process

- **Strategic Management**
 - The process of identifying and executing the organization's mission by matching its capabilities with the demands of its environment.
- **Strategy**
 - A chosen course of action.
- **Strategic Plan**
 - How an organization intends to balance its internal strengths and weaknesses with its external opportunities and threats to maintain a competitive advantage over the long-term.

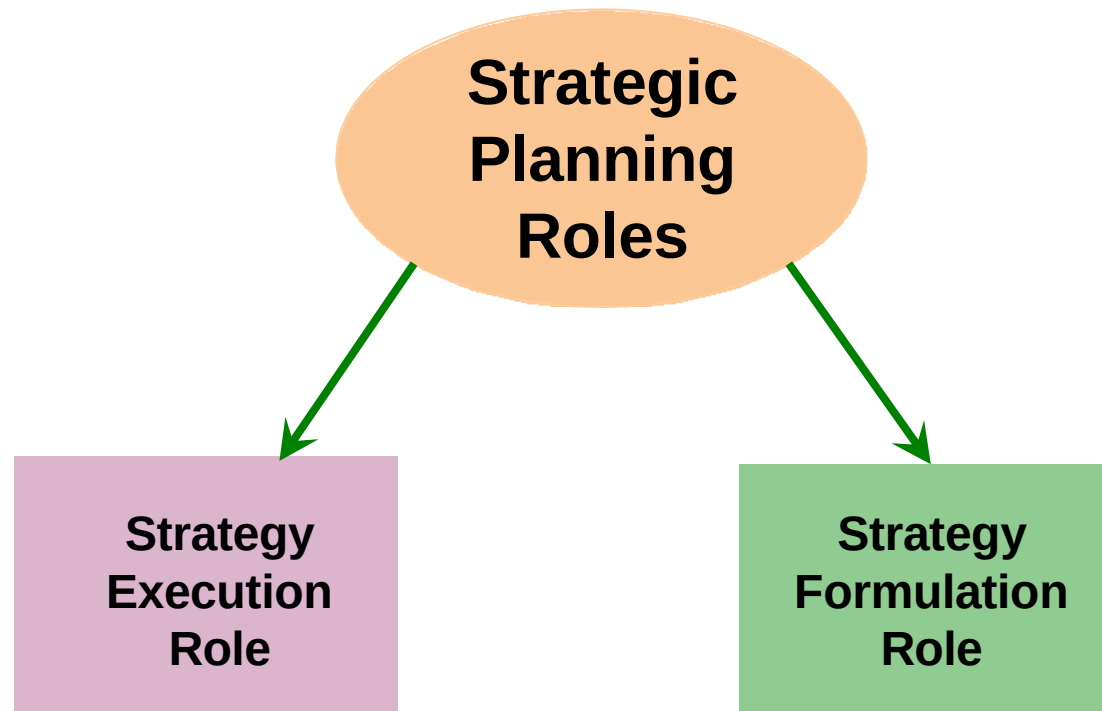
Strategic Human Resource Management

- The linking of HRM with strategic goals and objectives in order to improve business performance and develop organizational cultures that foster innovation and flexibility.
 - Involves formulating and executing HR systems—HR policies and activities—that produce the employee competencies and behaviors that the company needs to achieve its strategic aims.

Strategic Human Resource Challenges



Human Resource Management's Strategic Roles



Creating the Strategic Human Resource Management System

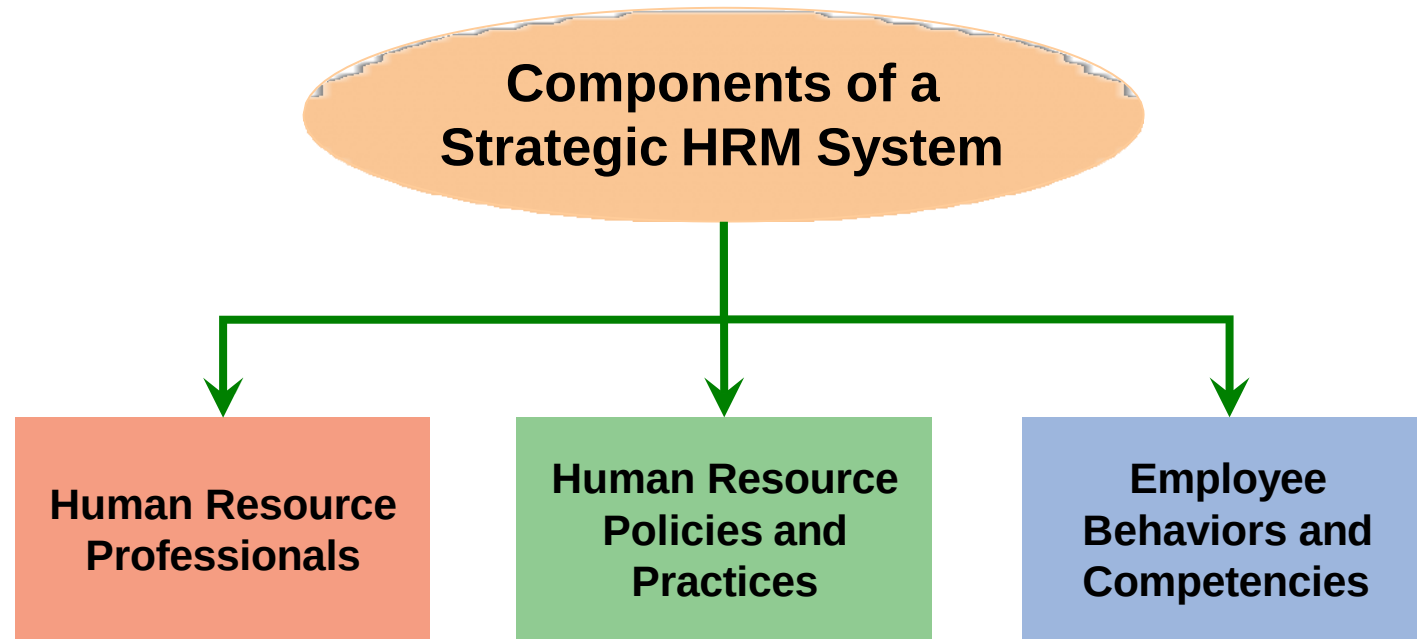
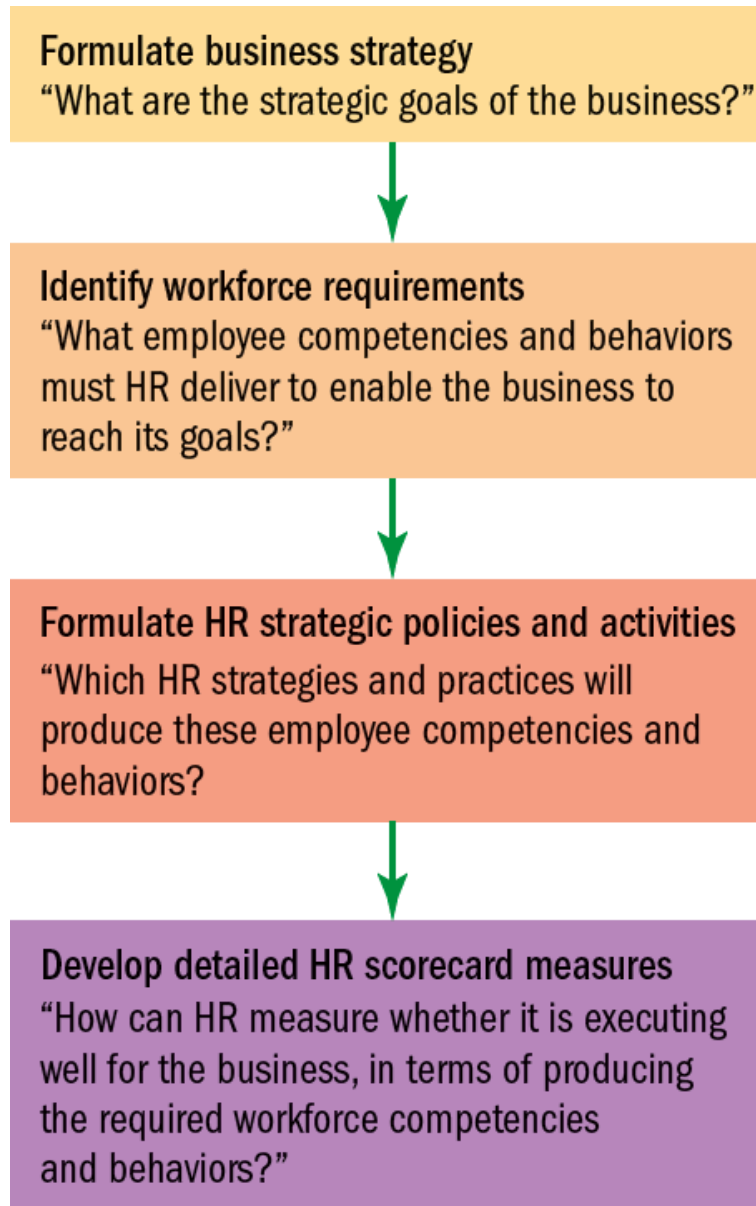


FIGURE 3–9
Strategic HRM – Align with
Corporate Strategies
人力資源戰略和活動與企
業戰略結合的基本模型



Source: Adapted from Garrett Walker and J. Randal MacDonald, “Designing and Implementing an HR Scorecard,” *Human Resources Management* 40, no. 4 (2001), p. 370.

Global Organizational Structure

- Integrated multiple / diverse differences !!

- Local > Globalized competitive company
 - Adapting to local market differences
 - Exploiting global economies of scales
 - Exploiting economies of global scope
 - Tapping into the best locations for activities and resources
 - Maximize knowledge and experience transfer between locations



Integrated : the total is greater than the sum of all parts

Global Organizational Structure

- Roadmap – stages – SHRM roles

Internationalize thru export	International Division	Multi-country / Multi-domestic	Regionalized	Global - No borders - Best costs
• Trade desk only • IHRM impact minimal • Structure - minimal	• Int'l grows • specific int'l dept forms for all int'l markets • HQ int'l manager & some local hires	• Key market countries • subsidiaries • Differentiation by countries • Human moving ++	• Key regional HQ offices instead of multiple key countries (EU, AFR, AP, NA...)	Transnational - Think Global - Act Local
• IHRM - minimal	• IHRM ++	• IHRM +++	• IHRM ++	Born-Global - IT
				Global Integrated - Shared Global resources & best practices to deliver values to any customers

Ways – Business Internationalize

1. Licensing & Franchising
2. Outsourcing / Off-shoring
3. Wholly owned subsidiaries
4. Mergers and Acquisitions (M&A)
5. International Joint Ventures (IJV & JV)
6. Strategic alliances, partnership, and consortia (SA)
7. GBA
8. Belt and Road

M&A, IJV & JV, SA – mostly failed – Big challenges (IHRM)

SHRM - M&A, JV (IJV, JV), SA

Due Diligence – ONLY Financial & Strategic objectives

- Missed the impacts on people, organization, and HR issues: such as
 - Incompatibility of cultures
 - Incompatibilities – HR systems – Com & Ben, unions..
 - Overestimated on abilities of target firms
 - Exaggerated – synergies
 - Experience loss / productivities – morals, wait & see..
 - HR - Last to involve (only in integration after M&A) !
 - People – seems to be commodities

SHRM - M&A, JV (IJV, JV), SA

After M&A - Integration Challenges

- Options
 1. One dominant firm
 2. A shared-cultures models
 3. A totally new culture model
- Results (non-dominant group – NDG)
 - Assimilation – NDG – give up its identify
 - Integration – NDG – maintain – integral parts
 - Rejection – NDG – withdraw from dominant culture
 - Deculturation – NDG – detached both OLD & dominant cultures



Which Option is better ?

Organizational Structure and Design

conduct International biz - consideration

- Business Strategies
- Size - Assets
- People - Ownerships / stakeholders, no. of employees..
- Size, coverage - No. of subsidiaries, countries.
- No. of partnerships and nature of the co-operations.
- No. of policies, compliance requirements
- Technology – nature of biz, and application of technologies
- Product & service – mixed, and range
- Manufacturing : Global, and local
- Aspects of functions : local and abroad (Ads, R&D..)
- Service provider – outsourcing, off-shoring...
- Environment - Language, cultures, time zones.. Legals..

Organizational Structure and Design

Balance - Global Integration Vs Local Autonomy

Basic Organizational Challenge to MNE:

1. **Integration** of activities that take place in multiple countries
2. **Coordination** of policies and practices in multiple foreign subsidiaries with those developed in and pursue by headquarters

This balancing act – primary task for
all managers with global responsibilities
HR, Finance, R&D, Production

Global Firm - Organizational Structure - Old > New

OLD - Common Formal Standardize platform for efficiency

- Complexity > Simplify by standardize
- Minimum structure models - key skeleton HQ based,
- Common policies / practices
- Reporting thru head of Biz unit
- Copy domestic models for subsidiary / regional structure

NEW – Best Source (talent / cost) for efficiency and effectiveness

- Multiple Functional Shared Service centers (Global – with multiple local members)
– align / integrated best practices
- Matrix reporting – functional, local / regional responsibilities
- All locals are part of global – serve global and local opportunities
- Less layers, inform organizational structure
- **Virtual Network-Team-based Technology enabling organization**

Global Firm - Organizational Structure

IHRM Roles & Responsibilities

Virtual Network-Team-based Technology enabling organization

- Cross-border-nations / Cross time-zones
- Cross-culture
- Cross-organizational structure > Cross reporting channels

IHR Org structure - Share Service Centre

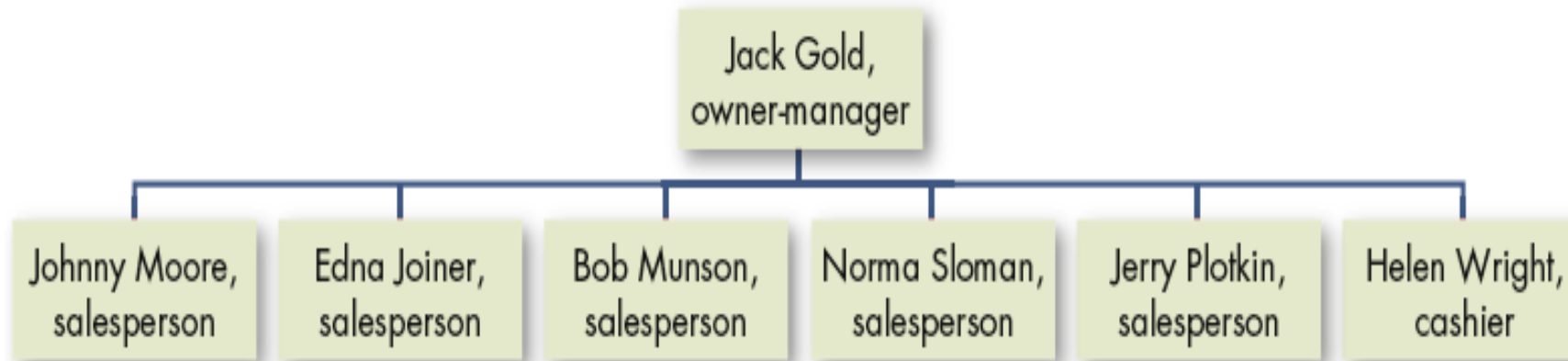
- Global HR + local HR

- Deliver transactional service to any organization
- Shared and synergize Best Practices (no need to re-invent)
- HR Network Task to specific problem (local and/or global)
- Build core competencies (HR and all staffs) to operate proficiently in this network-base environment
- Build **network knowledge-based learning** organization

Diversity – Common Organization Designs:

Simple Structure

- Simple & Flat (SF) Structure
 - A structure characterized by a low degree of departmentalization, wide spans of control, authority centralized in a single person, and little formalization



Common Organizational Designs:

Bureaucracy



- Bureaucracy
 - A structure of highly operating routine tasks achieved

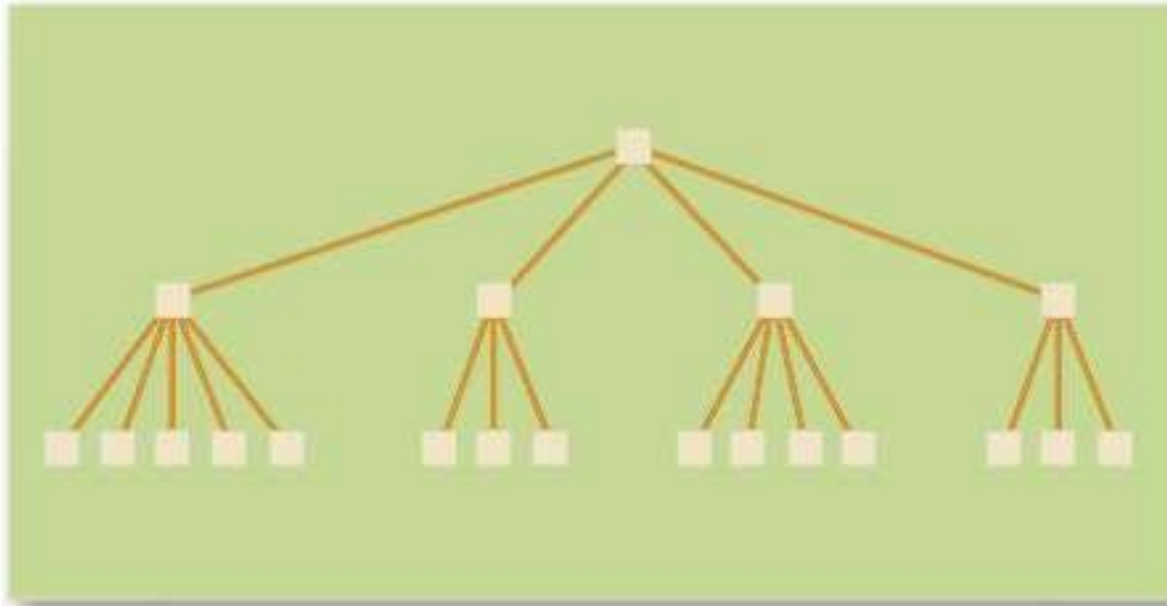
Common Organizational Designs:

Matrix

- Matrix Structure
 - A structure that creates dual lines of authority and combines functional and product departmentalization

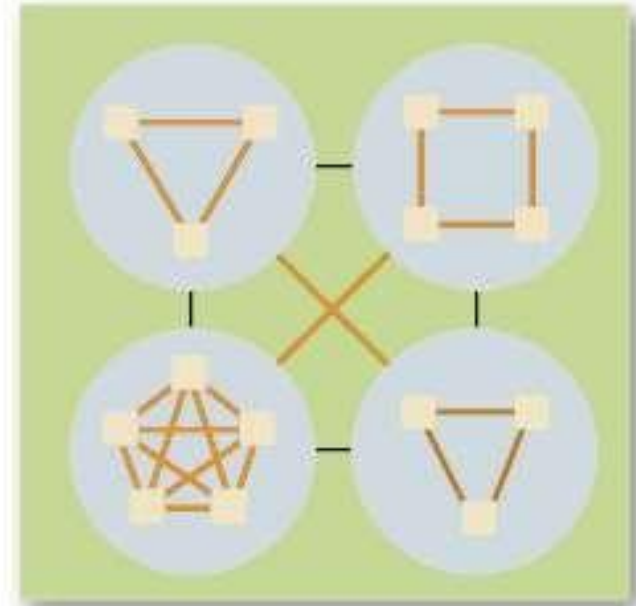
Two Extreme Models of Organizational Design

The mechanistic model



- High specialization
- Rigid departmentalization
- Clear chain of command
- Narrow spans of control
- Centralization
- High formalization

The organic model



- Cross-functional teams
- Cross-hierarchical teams
- Free flow of information
- Wide spans of control
- Decentralization
- Low formalization

Discussion

Strength and Weakness

Organization Structure	Strengths / Weakness	Best fit Industry
Bureaucracy		
Matrix		
Simple / Flat		
Boundaryless		
Which nature of business best fit to each of the above organization structure? ₂		

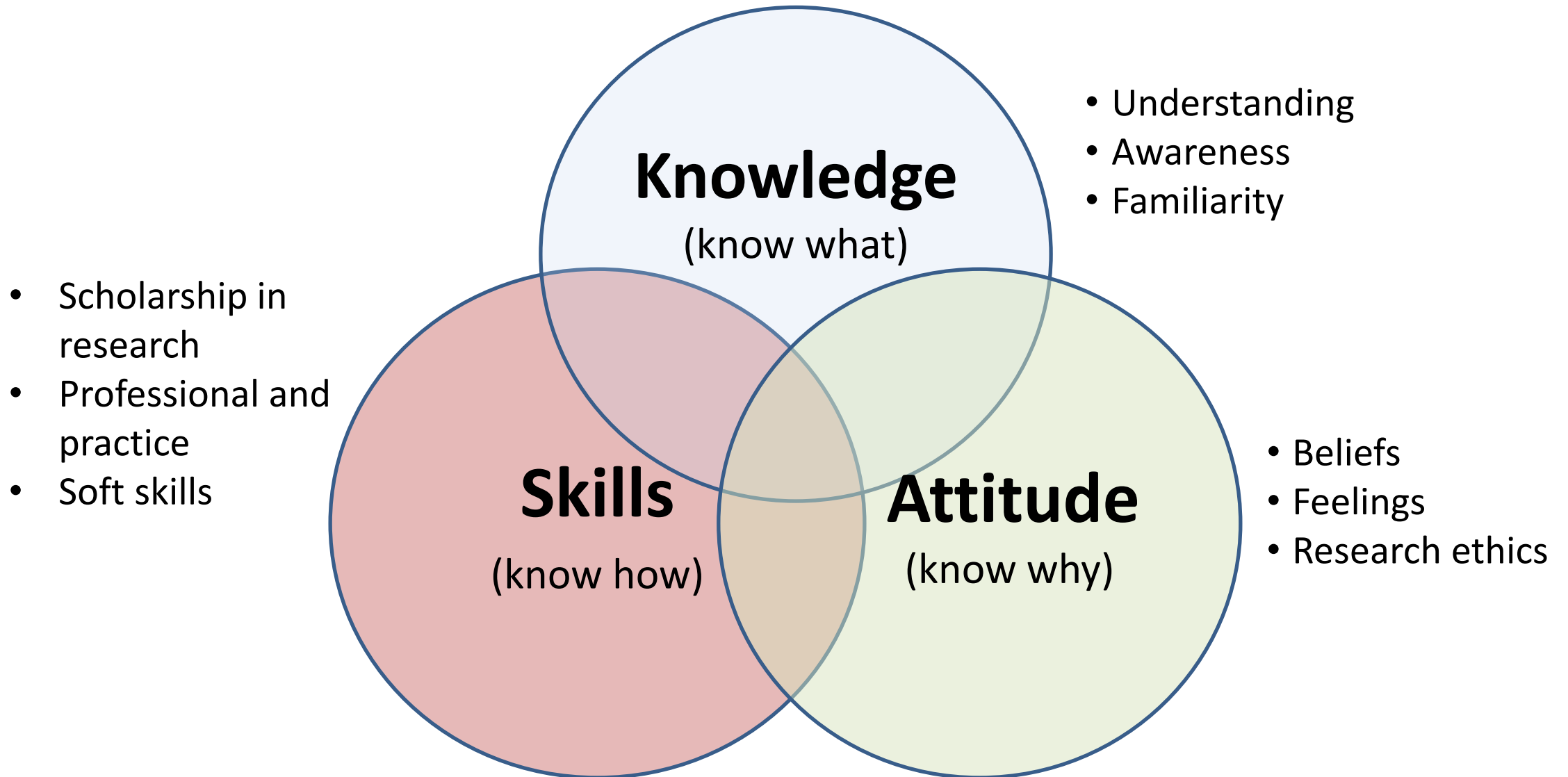
Final words for today...
**What do you want
to achieve?**

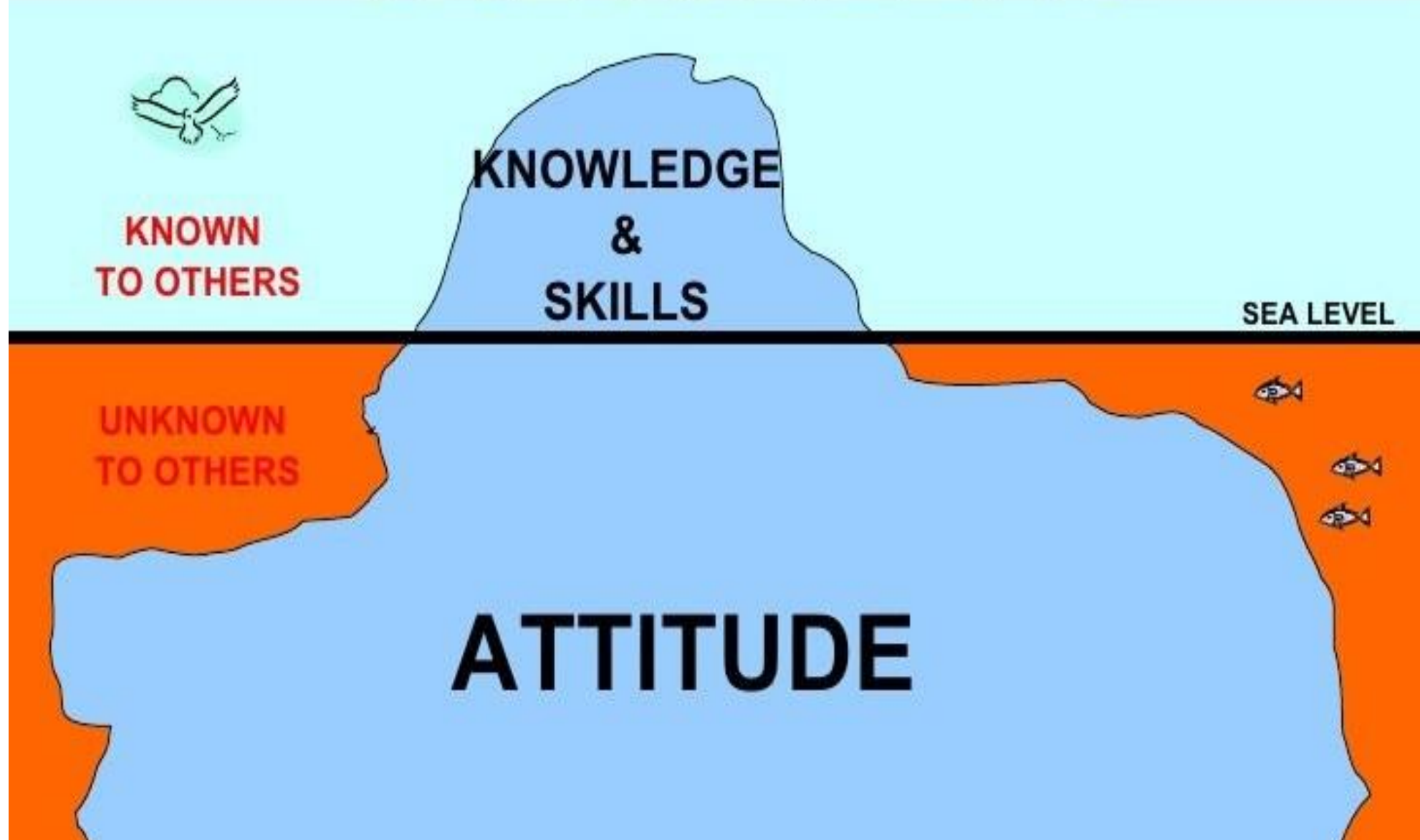
A photograph of a long, straight asphalt road stretching towards the horizon. The road has a dashed yellow center line and white edge lines. The landscape is flat with low-lying vegetation. In the distance, two power line towers are visible on either side of the road. The sky is filled with large, grey clouds.

**“Begin with the end in mind.”
Stephen Covey**

Clarify Your Intentions

Knowledge – Skills – Attitude





What is your intentions?

Get the degree soonest –
for career advancement
or career change

Keep work-
life balance

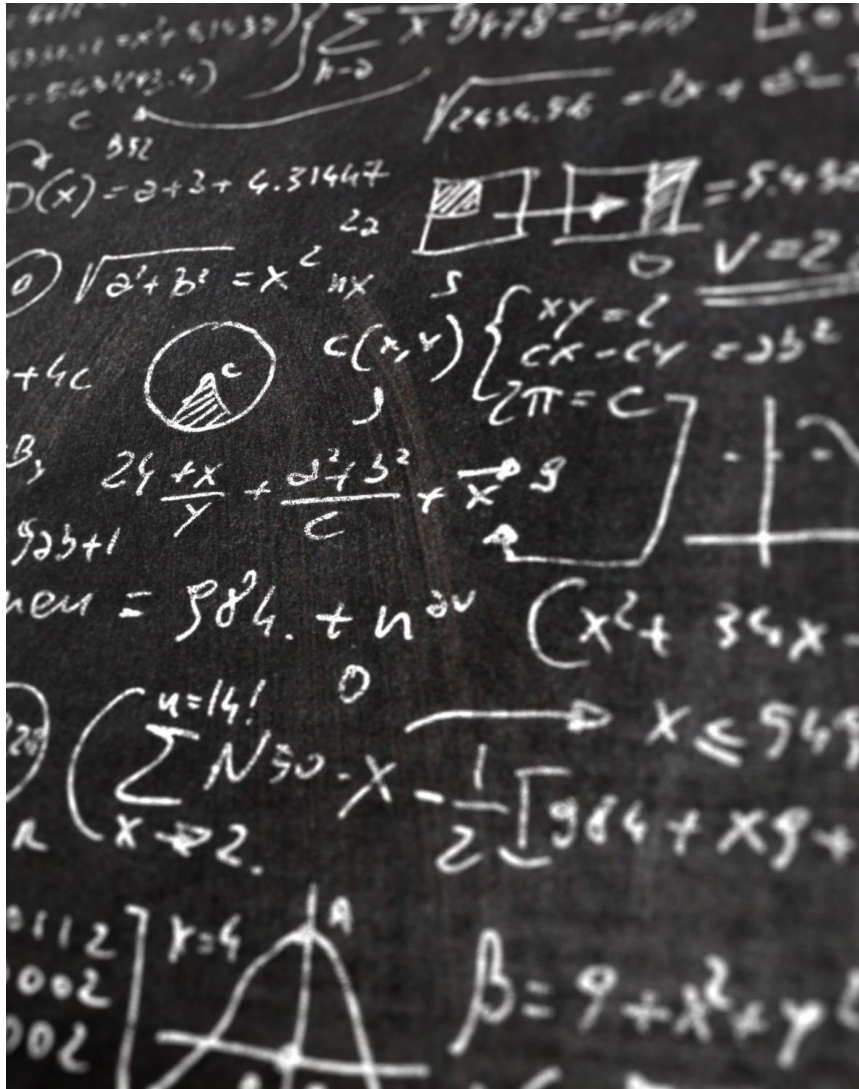
With a more **goal-oriented** and **personalized way of learning** through the supervisory format, individuals will gain incredible growth in terms of career as well as personality. Learning through a guide-led method helps significantly in developing skills and deep knowledge.



What is New Knowledge

- New knowledge in business and management refers to the latest **insights**, **concepts**, and **practices** that have emerged in these fields.
- As the business landscape evolves, new knowledge is constantly being generated to help organizations **adapt and thrive**.



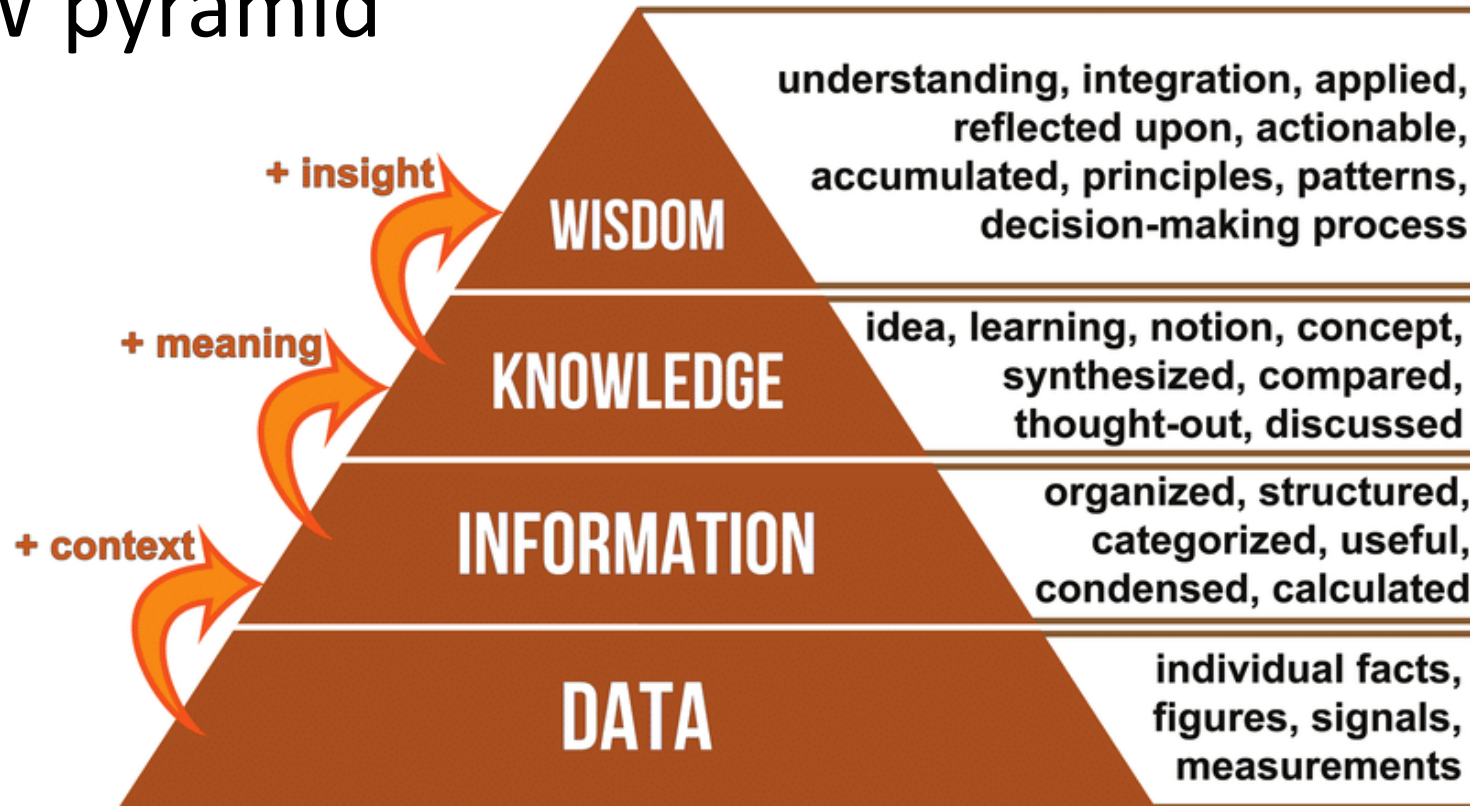


Significance contribution - Knowledge

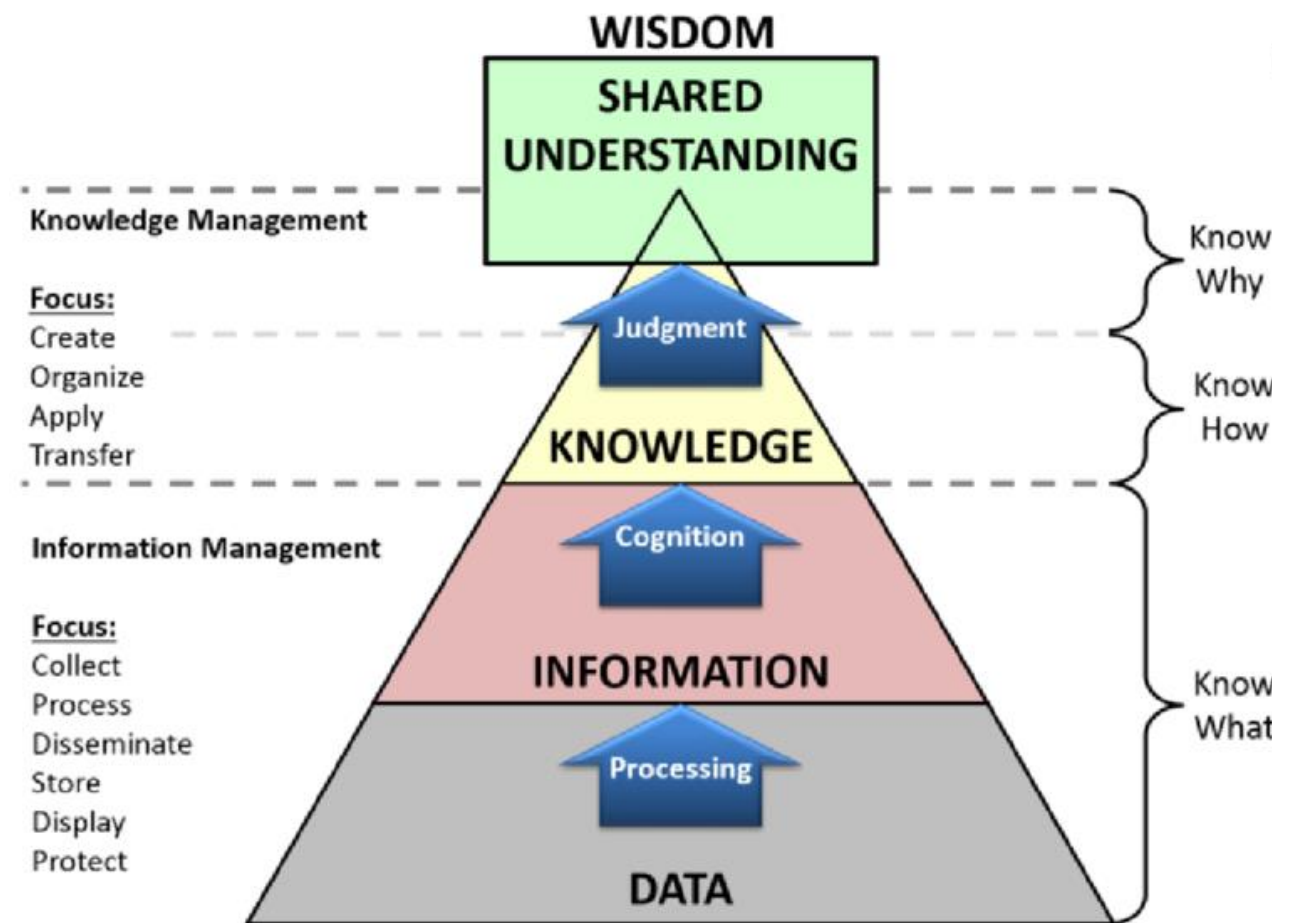
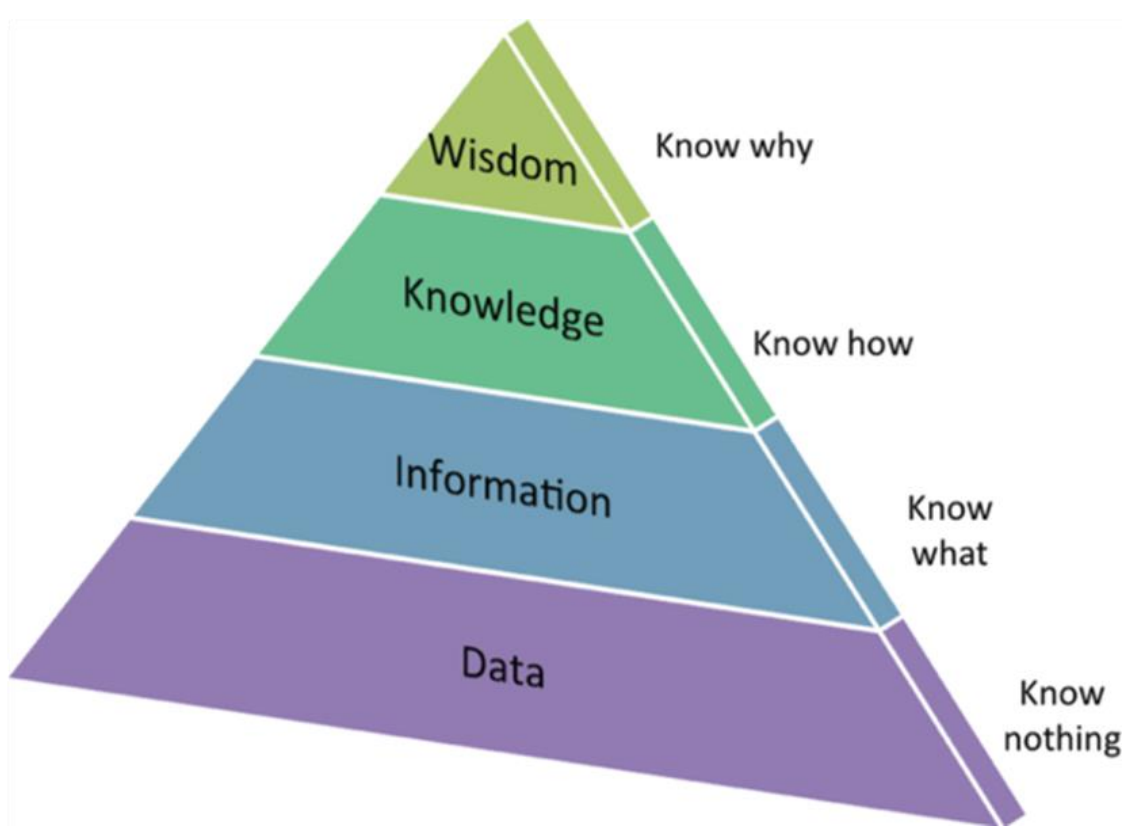
- In business and management subjects, there is an expectation for the thesis to significantly contribute to **theory**, as well as **policy** and/or **practice** (with potential for impact beyond academia).
- Practical contribution is paramount, but theoretical contribution should prevail.
- Nonetheless, this does not have to be earthshattering. An **incremental contribution** of significance via the extension or novel use of an existing theory will suffice.

Data-Information-Knowledge-Wisdom Model

DIKW pyramid



Danny P. Wallace, a Professor of library and information science, explained that the origin of the DIKW pyramid is uncertain: The presentation of the relationships among data, information, knowledge, and sometimes wisdom in a hierarchical arrangement has been part of the language of information science for many years.



Time

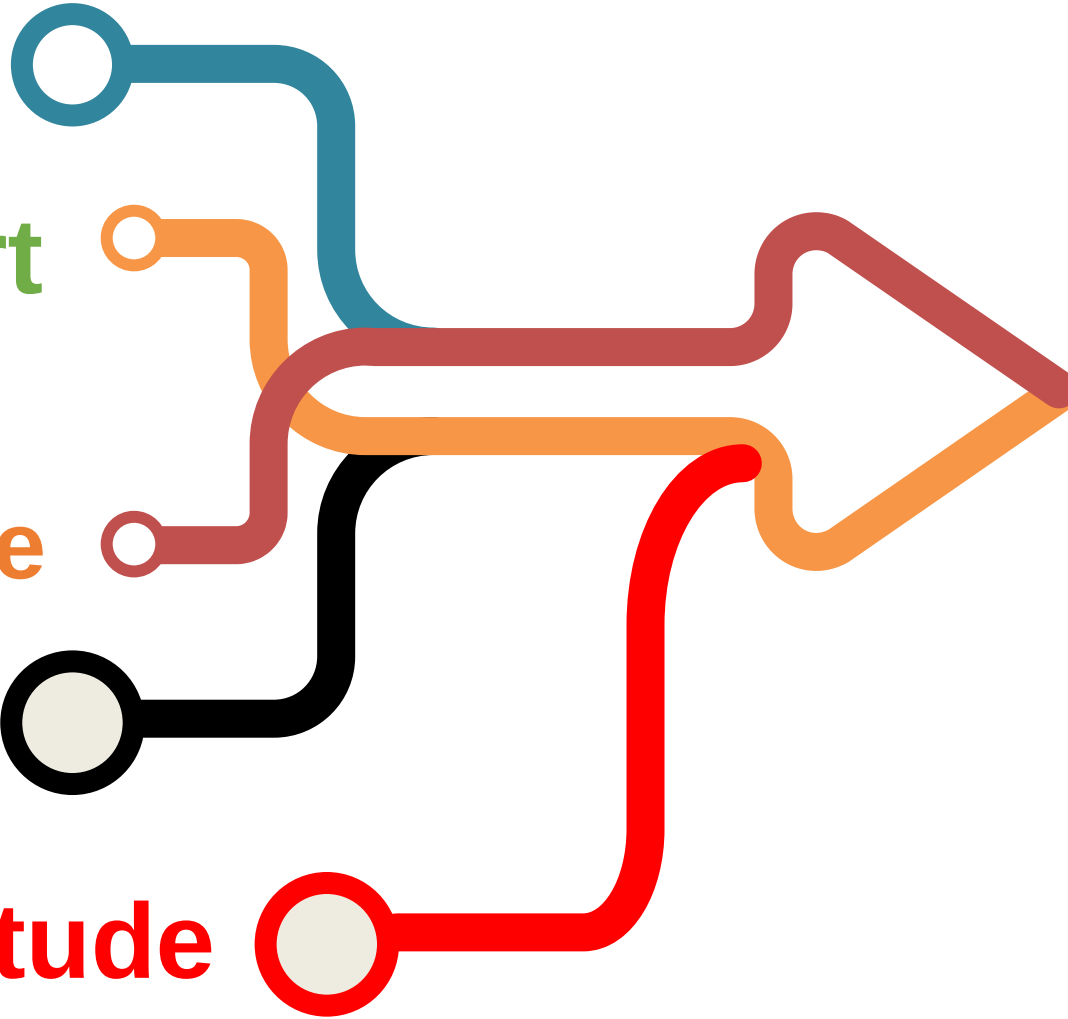
Effort

Knowledge

Skills

Attitude

**Critical
Success
Factors**



Recap of what we have covered today

1. Know each others
2. Overview of this module
3. What is HRM?
4. HRM in Globalization context
5. What do you want to achieve?

