

Bianka Lichtenberger/Michel
Gert J. Scholtz/Peter Sticksel (Eds.)

Managing in a Global World

Case Studies in
Intercultural Human Resource Management

GABLER

B 300947



Contents

Managing in a Global World

(by **Bianka Lichtenberger, Michel E. Domsch & Peter Stickse**)..... 1

1. Introduction	1
2. Problems and Challenges of International Human Resource Management	2
3. Case Studies in International Human Resource Management.....	5
4. Suggestions for Effectively Using the Cases.....	10
Bibliography.....	14

1. Rona KG (by Martin Hercules)..... 17

1. Corporate History	18
2. The Corporate Positioning.....	18
3. The Corporate Structure	19
4. The Portuguese Subsidiary.....	19
5. Training of the Sales Force.....	20
6. The Influence of Culture	20
6.1 Relations with Clients	21
7. Questions	22

2. Travancore Mats (by Arun Prasad)..... 23

1. Introduction	24
2. Background.....	24
3. Structure of Travancore Mats & Matting Co.....	25
4. Existing System at Travancore Mats & Matting Co.....	25
5. Reasons for the Success of Travancore Mats & Matting Co.....	26

6. Questions	27
3. AcrylBaths (by Theodore Roubos)	29
1. The Company	30
2. A Telephone Call.....	30
3. The Problem	31
4. The Announcement	33
5. Questions	34
4. The Payment and Reward System in XMPMH (by Feng Xian).....	35
1. Introduction	36
2. XMPMH	36
2.1 Background and Nature.....	36
2.2 Human Resources Complement.....	36
2.3 Relationships with Foreign Cultures	37
3. The Formal Remuneration and Reward System in XMPMH.....	37
3.1 Government Grading System.....	37
3.2. Years of Government Service	37
3.3. Position in Company	38
3.4. Municipal Cost of Living Allowance:.....	38
3.5. The Bonus System.....	38
4. The Informal Reward System.....	39
5. Questions	39
5. The Iberduero S.A. and Hidrola S.A. Merger (by Jesus Gonzalez Fernandez)	41
1. Introduction	42
2. The Impact of the Process on Human Resources.....	42
3. Questions	44

6. Strategic Human Resource Strategy at Hansson Industries (by Jonathan P. Myers).....	45
1. Hansson Industries USA, Background.....	46
2. Hansson USA: Atmosphere & Management Style.....	46
3. Hansson USA: Employee Benefits and Career Development.....	47
4. Hansson Industries Sweden: Background.....	47
5. Hansson Sweden: Atmosphere & Management Style.....	48
6. Hansson Sweden: Employee Benefits and Career Development.....	48
7. Analysis of Hansson Industries current Human Resource Policy.....	48
8. The Consulting Problem.....	50
9. References	50
7. Management Consulting Agency (by Sila Paramita) ...	51
1. Introduction	52
2. Background of the Company.....	52
3. Organizational Structure.....	53
4. The Company's Human Resource Management.....	54
4.1 Human Resource Management Process.....	54
4.1.1. Authority	54
4.1.2. Work Scope	54
4.1.3. Power in Organization.....	54
4.1.4. Training	55
4.1.5. Remuneration	55
5. Conclusion.....	55
6. Questions	56
8. Caltex Indonesia Inc. (by A. Pratolo Priyambodo)	57
1. Introduction	58
2. Nature of the Company	58

3	The Information Technology Department.....	58
4.	Problem Description.....	59
5.	Yanti's Background.....	59
6.	The Decision.....	60
7.	Questions.....	60
8.	Adamson's Decision and its Consequences.....	61
9.	XYZ Airlines (by Eiichi Shimizu)	63
1.	Introduction	64
2.	Airlines	64
3.	Company Background.....	64
4.	Market Status.....	65
5.	Labor Union.....	65
6.	Recruitment	65
7.	New Generation.....	66
8.	The Gap	66
9.	Outlook	67
10. Questions	67
10.	The Strike at Africa Combustion	
	(by Gert J. Scholtz).....	69
1.	Introduction	70
2.	Organizational Setting.....	70
3.	The Background to the Strike.....	71
3.1	The Dualistic Labor Relations System.....	71
3.2	Overtime and Redundancies.....	72
3.3	The Months of September and October 1989	72
4.	The Strike	73

5. The Meeting at AC House, Sandton, Johannesburg.....	73
5.1 Redundancies	73
5.2 Wage Increases for Skilled Workers.....	74
5.3 Mismanagement of Black Workers.....	74
5.4 Payment of Workers on Strike	75
6. Questions	75
Annex: The Grading of Welders and Riggers.....	76
11. A New Head Nurse at St. Joseph's Hospital (by Eva Stump)	79
1. Organizational Setting.....	80
2. Functional Areas.....	80
3. The Human Resource Management Context.....	80
3.1. The Porter	80
3.2. On Night Duty	80
3.3. The Nursing School.....	81
3.4. Training	81
3.5. Performance Appraisal.....	81
3.6. Promotion	81
3.7. Performance Appraisal and Reward System	81
4. The Appointment of a New Head Nurse.....	82
4.1. The Position of Head Nurse	82
4.2. The New Head Nurse	82
4.3. The Innovations.....	83
5. Consequences of the Protocol System.....	83
6. Questions	84
12. The Implementation of a Total Quality Control System at Vector Technical Center (Belgium) (by Paul P. Weeda)	85
1. Introduction	86

2. The Business.....	86
3. The People.....	86
4. The Change – A Market-Driven Approach.....	88
5. The Process.....	89
6. The Outcome	89
7. Questions	90
13. ABB Ural ControlSystem (by Mechtild Wagner).....	91
1. Introduction	92
2. Company Background.....	92
3. The Start-up Phase.....	93
3.1. Social and Human Resource Problems	93
3.2. Political and Economic Problems	94
4. The Human Resource Situation in 1992.....	94
5. Questions	96
14. Anita Kunde’s Experience at IBM Germany (by Thomas Winkler)	97
1. Problem Statement for the Case Study.....	98
1.1. General Company Background	98
1.2. The Company’s Personnel Policies.....	98
1.3. The Need for Regional Service Centers.....	98
1.4. Anita Kunde – The New Employee	98
1.5. Her New Department – The Manager Michael Meier	99
1.6. Anita’s New Department – The internal Structure.....	99
1.7. The Trainee Program.....	99
1.8. Anita’s Experiences during the Trainee Program	100
1.9. Experiences after her Trainee Program	100
1.10. What Should Anita Do?	100
2. Questions	101

15. Intercraft Ltd. (by Kamal Ahuja)	103
1. Introduction	104
2. Organization	104
2.1. Old Village Industries (Export Division)	105
2.2. Intershoppe (Domestic Division)	105
3. Human Resource Activities.....	105
3.1. Strategy: Structure, Culture, Systems and Human Resources	105
3.2. Recruitment	105
3.3. Salary Structure and Benefits	106
3.4. Bonus.....	106
3.5. Personnel Administration.....	106
3.6. Promotion and Salary Increases	106
3.7. Training Programs.....	106
3.8. Redundancies & Dismissals	106
4. General Comments on the Human Resource Function.....	106
5. The Dismissal of Vivek.....	107
6. Questions	108
16. The Reward System at Oil Gas (by Manos Bardis) ...	109
1. Description of the Company – Brief History.....	110
1.1. Background	110
1.2. The Ownership Status	110
2. The Competition.....	110
3. The Corporate Culture.....	111
4. The Human Resource Policy.....	112
5. Remuneration Policy for Middle-Level Managers/Engineers.....	112
5.1. Norms of the Company and the Values of the Managers	112
5.2. The Reward Mix.....	113
6. Questions	115

17. The Bavarian Case (by Gardner L. Bloemers)	117
1. The Current Situation	118
2. The Company	118
3. Martin L's Story	119
4. Questions	121
18. A Day in Eutopia (by Karen Downey)	123
1. Introduction	124
2. The Birth of Eutopia Inc.....	124
3. Recruitment and Induction.....	125
4. Katie's Illness	127
5. A New Beginning.....	127
6. Questions	129
19. Schlumberger goes Total Quality Management (by Menno van Groeningen)	131
1. Introduction to the Oil Industry.....	132
2. Description of the Electrical Wireline Logging Industry.....	132
3. Schlumberger Limited.....	133
4. Schlumberger Wireline and Testing.....	133
4.1. Hierarchical Structure	133
4.2. Finance	133
4.3. Market Position	133
5. Human Resource Management at Schlumberger Wireline and Testing..	134
5.1. Recruitment Policy.....	134
5.2. Training and Development.....	134
5.3. Reward Schemes	135
5.3.1. Reward Schemes for Expatriates.....	135
5.3.2. Reward Schemes for Local Employees.....	135

6. Company Culture and Total Quality Management.....	136
6.1. Problem 1: The Operating Bonus System for Field Engineers	136
6.2. Problem 2: Implementation of the TQM Program	137
7. Questions	137
20. Performance Appraisal at KLM Royal Dutch Airlines (by Julia van den Heuvel)	139
1. Introduction	140
2. The Performance Appraisal System at KLM.....	140
2.1. The Performance Appraisal by the Assistant Purser (AP)	141
2.2. The Performance Appraisal Interview with the Division Manager	141
3. The Flight to Los Angeles.....	141
4. Anke's Performance Appraisal.....	142
5. Questions	143
6. Appendix	143
Editors.....	147