



Professional Research Thesis

Titled

**Relationship between Human Resources and Its Importance in
Improving and Developing the Vocational Education Sector in
the Developing Countries and Developing its Economy**

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Abstract

The main purpose of this project is to identify the core aspects of human resource management and how they can be trained vocationally so that they give a better output to the country, which will ultimately lead to the growth of the economy in an underdeveloped country. The relationship between human resources and vocational education and training will be discussed closely here in the following study. In order to utilize the human resource, it is necessary to train the human through various vocational educations and training, combined they can provide a better GDP growth of the less developed country.

Introduction to the Project Including the Summary of Main Ideas.

Chapter 1: Introduction and study plan

Introduction

Vocational education and training play a very important role in shaping the economy of a developing country. It mainly focuses on developing a skilled workforce and meeting the requirements. In this discussion, the main focus is on vocational education and training that is one of the most important responsibilities of the employee and as well as the employers. The government should look after the matter of facilitating such vocational training programs that will develop the skills. It is said that humans are rich sources of resources and to utilize that resource, training is a compulsion. In a study, it can be seen that the development in less developed countries depends on how the country utilizes human resources ability in an effective way. Vocational education and training were a magic cure to human resource development and looked. Less developed countries used vocational education as a great strategy to meet the demand of the economy. Vocational training and education also reduced unemployment because it provided the people with employable skills and enhanced the attitudes towards the blue collar-work. It is believed that vocational graduates have better chances of getting employed as compared to those students who have simply completed education.

The study Problem:

Not paying attention to human resources management in educational institutions, nor paying attention to the quality of training provided to human resources, which negatively affects the educational service provided to students, which may affect the future level of education and its impact on society and the state as a whole.

The Importance of Studying:

Education is the mainstay that contributes to the progress of countries

The study focused on the importance of human resources and the quality of training provided in educational institutions

To provide a good educational level for students

Attention and focus on vocational education and training, as it contributes effectively to economic development

The role of modern management in strategic planning for human resources to pay attention to the quality of future education

The limits of the study;

Spatial Boundaries: The study was conducted on the Arab Republic of Egypt.

Time Limits: The study relied on the temporal period from 2010 AD to 2021 AD.

Study Approach:

The study relied on the inductive approach to collect information on human resource management, as well as the descriptive approach to describe the importance of training for human resources in the educational process and within educational institutions.

Study plan:

The study relied on several chapters and several sections, and they were as follows:

Chapter 1: Introduction and study plan:

Chapter 2: Human Resource Management and Its Relationship to Modern Management:

Chapter 3: Importance of Human Resource:

Chapter 4: Vocational Education:

Chapter 5: Importance of Vocational Education in Developing Countries:

Chapter 6: The importance of teacher training for development

Conclusion and results:

Recommendations:

Chapter 2: Human Resource Management and Its Relationship to Modern Management:

Human Resource and management

Human resource refers to the workforce that makes up the organization, industry, or economy. It is the skills and the knowledge that the human possesses. Human resource is that division of the business that deals with finding, screening, recruiting, and provide proper training to the applicants. It is also responsible for administering the employee-benefit program. Human resource is of great importance because after all, it is the workers who can make difference. The main concept of human resource management is that the human resources are used more effectively and productively to contribute to the overall direction of the company and ensuring that all the goals and objectives are accomplished. The human resource department ensures that the organization has all the right people it needs and at an affordable rate. Human resource managers have the responsibility to look after every aspect of the employee life cycle. As compared to the traditional administrative personnel, today's human resource management team is more responsible. The organization should focus on strength of the employee and fit them in the best possible place where they can perform their roles perfectly. So, it can be concluded that human resource management is the most important sector of an organization.

Much has been debated and written in the literature regarding the field of Human Resource Management (HRM); its contents, practices, and applications, and; its extent and limitations. Similarly, in the recent past, there have been many controversies concerning the responsibilities and duties of Human Resource Management departments in organizations. The foremost and earliest role of Personnel Managers in the 1970s was not to manage employees and the issue of welfare was not of great importance to the Management but rather they

play the role of fierce and tough negotiators always prepare to be hard on unions. This, however, had created a barrier between management and their employees.

The employees are compelled to look in the direction of the unions for their welfare in terms of financial and occupational concerns. Evidently, employees were left with no other choice than to follow the leadership of their union and go contrary to the management, which results to low productivity and thereby makes the organizational goals unachievable. Guest (1989) proposed four major policy goals that distinguish the new concept of Human Resource Management from the 'personnel' management; these are:

- Encourage the commitment of employees to increase their performance and also be loyal to the organization as a whole;
- Emphasis on the quality of employees engaged in organizations goes a long way in producing quality goods and services, which is of great benefit both to the customers and the organization;
- Ensuring flexibility plays an important part in the way employees are organized, this makes them to be adaptive and receptive to all forms of changes in all aspects of their jobs such as work hours; working methods and;
- Integrating organizational goals into strategic planning in order to make these policies cut across ranks and files of organization and ensuring that they are gladly accepted and implemented on daily routine by line managers. The concern regarding employees' welfare in organizations came on board in the 1990s in order to make employees increase their commitments to the organizations and also increase the level of their job satisfaction.

Human Resource Management as a field of study is presently passing through a transformational stage. Therefore, this book tends to equip students with rich and current discussions regarding the concept and activities of HRM.

Contributions from the renowned scholars in the field are brought into fore for analysis and conclusions were drawn. In this chapter we provide a concise outline of the content. Human Resource Management (HRM) defined HRM has been argued to be a replacement of the term personnel management in organizations. In this light, experts like Armstrong (1987) sees HRM as ‘old wine in new bottles’; while Guest (1987) argued that human resource management is not a replacement but somehow differs from personnel management. Practically, it suggests that Human Resource (HR) tasks are majorly concern with the administrative activities such as recruitment, reward systems, promotion, and so on. However, it does not make HR administrators ‘having a seat at the table’ meaning that HR administrators is not regarded as a strategic business partner, therefore does not contribute to the success of the business. Story (1995) defines HRM as “a distinctive approach to employment management which seeks to achieve competitive advantage through the strategic deployment of a highly committed and capable workforce, using an integrated array of cultural, structural and personnel techniques”; while Byars & Rue (2004) see HRM as “activities designed to provide for and coordinate the human resources of an organization.” In addition, Boxall & Purcell (2000) 6 argue that “HRM includes anything and everything associated with the management of employment relationships in the firm.” The words anything and everything in the definition explains the wider range of issues comprising policies such employment contract and ways in which employees may be involved and participate in areas not directly covered by the employment contract thus ensuring suitable work life. Further, it goes beyond employment relations or industrial relations, which personnel management would not have been able to render in organizations. However, the four key dimensions to HRM as postulated by Guest (1987) include;

- **Commitment:** It is expected of employees to identify the interests and goals of the organizations, and be aligned and committed in achieving these goals.
- **Flexibility:** Employees are expected to adapt willingly to change within the organizational structure, without any strife or prejudice.
- **Quality:** High levels performance attainment of organization depends on the quality of members of staff and management of such organization.
- **Integration:** ‘It involves the matching of human resources strategies to the needs of the business strategy (Guest, 1987).

Human Capital Management Human capital is one of the four types of assets managed in organizations; others include:

- (i) physical assets such as land, buildings, equipment etc;
- (ii) financial asset such as stocks, securities etc;
- (iii) human assets are competent individuals with capacity to render services to the organizations; and
- (iv) Intangible assets like patents, designs etc.

These assets are essential and vital at varying degrees in the operations of any organization; however, human assets operate at the pivot of the operations. Human assets in organizations control, guides, and manage the use of other assets in order to achieve organizational goals. It is important to emphasize that human capital is not basically individuals in organizations; rather it is what they have to contribute in achieving organizational goals. Robert & Elizabeth (2003) define Human Capital as “the collective value of the capabilities, knowledge, skills, life experiences, and motivation of an organizational workforce.” It is also referred to as “intellectual capital to reflect the thinking, knowledge, creativity, and decision making that people in organizations contribute”. HR in Organizations Generally, all managers in organizations are regarded as HR managers. College Dean, Matron, Sales managers, and Supervisors are all

assumed to engage in HR management, but their effectiveness and efficiency depend on how HR system is being organized and managed in organizations. Essentially, it is inappropriate to engage a Matron (Head nurse) or an Engineering manager in designing and administering HR activities such as pay system and reward; human resource planning; recruitment and selection; employment regulations etc. Therefore, medium and large organizations create HR department and equip it with HR specialists that can conveniently handle these activities. However, smaller organizations do engage in some of these activities, where the owner usually handles them. And in some other small businesses, clerical assistant is employed to handle the payroll systems, record keeping and other clerical work. Supervisors and Managers (irrespective of their departments) are involved in recruiting, selecting and training prospective employees, as a result these activities tend to shift their attention away from their primary assignments and reduce the time they spend on their core and other business areas.

HR and Operating Managers Conflict is inevitable; however, there is need to facilitate good and healthy relationship between HR staff and operating managers, especially those in sales and manufacturing, in order to achieve the goals of HR department. HR department designs systems that the operating managers assist in implementation; though, it varies from one organization to another.

However, these roles are summarized into three (3) types by Mathis & Jackson (2006):

- Administrative role
- Operational and Employee Advocate role
- Strategic role administrative role of HR Department
- Prepare skill-training materials

- Coordinates training efforts
- Conducts or arranges for off-the-job training
- Coordinates career plans and employee development efforts
- Provides input and expertise for organizational development Operating Managers
- Provides technical information
- Monitor training needs
- Conduct and monitor continuing on-the-job training
- Continually discuss employee' growth and future potential
- Participate in organizational change

Human Bureaucrat: Setting up formal systems of recruitment, selection, appraisal, discipline and grievance handling. Consensus Negotiator: Bargaining with unions, creating systems of involvement and participation. Manpower Analyst: Providing a longer-term plan for employment numbers, together with programmers for skills, competence and career development. Organization Man: Working strategically with top management to create organization structures and management development systems.

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Administrative role of HR is majorly concerned with the clerical works such as record keeping, which has remained prominent task of HR. If the role of HR is restricted to administrative role, HR practitioners would be only seen as clerical administrative, task that could be handled by non-HR practitioners. The recent use of technology and outsourcing has transformed the administrative role of HR.

- Use of Technology: Technology has transformed the administrative role of HR practitioners; thus, making them more effective and efficient toward employees and managers. Further, tasks such as posting of vacancies, e-recruitment, e-learning, etc., performed by HR practitioners are now available electronically, thereby reducing the amount of time and members of staff.
- Outsourcing of HR: Outsourcing many of the tasks perform by HR department is becoming a fashion in some organizations to save employers labor costs and be able to focus more on the strategic roles of HR practitioners; thereby reducing the number of staff in HR departments. Organizations outsource some HR activities such as recruitment and selection, training and development to some private independent HR practitioners/consultants. However, there is rapid change in this regard, fewer HR practitioners are concerned with clerical work, while they concentrate and devote more time to strategic roles of HR

management. Operational & Employee Advocate role of HR Large private and commercial organizations usually have HR Director or Manager, who sees to the smooth running of every aspect of employees in the organization from recruitment to dismissal or retirement. In such organizations HR department is at the pivot of decision-making reporting directly to the CEO/Managing Director and also involve in policy making. However, the potential, business nature, culture and resource of organization will determine if HR Manager/administrator would be involved in performing such role. Some organizations would only require regulatory HR task, which is referred to as operational HR management, where HR sees that employees are well resourced and functional. In performing operational role, HR specialists are expected to identify and implement required policies in collaboration with operating managers. HR practitioners are seen as ‘welfare officers & advocate’, who see to the betterment of the employees in organizations, who do not care about business realities and neither contribute to the attainment of the organizational goals. It is important noting that HR practitioners spend quality time in managing ‘organization crisis’ regarding employees both work and non-work-related challenges, without which could have resulted to lawsuits and complaints. Welfare/advocate role is important to make organizations better place to work and employees receive fair and equitable treatment irrespective of their circumstances. Strategic role of HR For HR practitioners to perform their strategic role in organizations; they must be ready to contribute their quota to the development and growth of their organizations. In other words, they should be ready to add tangible value to organization’ effectiveness and efficiency. There is a clarion call advocating for HR Managers to become strategic contributors to the organization’ success, by managing human resources in a business-like approach. the transformational operational roles to strategic roles of HR.

HR practitioners would require being proactive in dealing with organizational policies and being futuristic regarding human resource planning, compensation strategies, and add value to the management of their organizations.

Human Resource Management (HRM) Operations and Practices The practices and operations of HRM systems have basically replaced fundamental personnel management in organizations. Organizations with either few or large numbers of employees are said to have replaced the title 'personnel' department with 'Human Resource' department though, they have not actually enforced the practice. For better understanding, we proceed to analyses various models regarding roles and operations of HR departments and the practitioners.

Karen Legge (1978) Model In this model, Karen classified Human Resource Practitioners into three;

- (i) Conformist Innovator, HR practitioner who identifies with the organizational objectives through which he comes up with strategies such as cost reduction, conflict reduction and increase in productivity towards achieving organizational objectives;
- (ii) Deviant Innovator, is an HR practitioner who tend to shift away from the organizational objectives and adopt independent professional stance. The recommendations make tend to be unusual to the organizational status-quo and their acceptance is seen as the function of their individual position and status. Essentially, some of the subject matters in which HR practitioners who are Deviant innovators tend to involve in amongst other include: employee development, and work-life balance. However, their ideas may result into competitive advantages, though they might have been faced with opposition; and
- (iii) Problem-solver, HR practitioner that provides daily assistance to the Management is regarded as Problem-solver. It is also seen as a conventional role play by the HR practitioner.

Analyzing the grid, Story regarded HR practitioners who are in the advisor category as those who concentrate on issues that are strategic; however, they do not implement the activities recommended. Below advisor in the grid is Handmaidens, these are HR practitioners who contribute little to the implementing policy but operate at a tactical level, regarding administration, recruitment, provision of welfare, training and development. Similarly, HR practitioners that are referred to as Regulators are, involved in tactical issues but they are more intervention ARY in practice, ensuring that HR policies are properly implemented in agreement with line managers. The last in the grid is the referred to as change makers, these are HR practitioners that are both strategic and intervention ARY, who are less concerned with administrative policies and more concerned with the management of people in their organizations. Change makers assess organization's needs, come up with strategies, reach conclusions and drive required changes to completion. Change making is regarded as the major and essential role for efficient and effective HR practitioners

HR practitioners that are referred to as change agents work from strategic viewpoint in order to ensure that employees are in conformity with organization changes, ensuring that organization goals, objectives, vision, values and policies are duly implemented. On the other side of the grid, which is the business partner, HR specialists that play the role of business partner are expected to work with the management ensuring that the strategy developed are put into practice, identifying areas where necessary plans should be executed and establishing areas where remedial measures are required. The role of business partner in HR practice has been adopted by organizations thereby helping solve essential problems delivering real value to organizations. HR practitioners that are seen as administrative experts see to daily management processes, ensuring that organizational policies on grievances, discipline, equal

opportunities and compensation arrangements are effectively implemented. Essentially, the administrative role of HR specialists is seen as fundamental and essential in running organizations without any hitch or barrier to the growth of companies. HR practitioners that are seen as employee champions act tactically on daily basis as employees' voice, ensuring implementation of good working conditions, they also see to the improvement in their position, contribution and engagement with organizations. Contradiction in the models Essentially, it is worth noting that models regarding roles and operations of HR departments and the practitioners are widely recognized but do not present a perfect picture of an ideal practice of HR. There are some contradictions that require some clarifications. For instance, team work or group is emphasized in most HR models, the influence of technology and the need for co-operation and commitment has made effective team work an essential component of high organizational performance. Similarly, in the HR models, there is emphasis on pay related performance that is carried out on individual basis. Where team work is being encouraged and performance is rewarded individually, employees tend to be ineffective and inefficient in a group work. It is rather hard to reconcile emphasis of individual development, which is usually done via study leave with or without pay. However, the clarion calls on unitary approach has birthed the need for individual developments, which tends to lead to a variety of opinions, ideals, and objectives. Similarly, the role of the HR practitioners has some element of ambiguity. In the HR models, practitioners are regarded as advisers who see to the daily personnel activities in organizations, which include; counselling, discipline, recruitment & selection, induction & training, etc., it is therefore worth noting that it will be difficult developing their skills in these areas in order to give right and adequate advice. HR practitioners have also found it difficult to maintain the organization's values and ethical leadership when great emphasis is placed on simplifying standardization and

moving away from compliance in area such as grievance procedures, compensation, employment equal opportunity, promotion and such like. Human Resource Management Activities HR activities are modelled in various dimensions; core activities that HRM departments should engage in. They argued that these activities should be applicable to most medium and large organizations depending on the nature of their operations.

With respect to external forces such as legal, economic, cultural, political, technological, global, environmental, and social; and how they interact with HR activities.

Employment of Human Resources Human Resource Planning (HRP) plays a vital role in securing organization competitive advantage. By ensuring right people with necessary and adequate skills are rightly placed at the right time. Retaining employees through strategic policies such as career path planning, pay and benefits; also engaging in operational strategies, like re-training, re-deployment or relocation in order to make sure employees move in the right perspective by putting in place standards, good reward systems and employee-employer relationships. By studying the functions of employees, job analysis tends to gather information on each job and subsequently organize and compile in a job description, which would be used during recruiting qualified job candidates from which selection can be made to occupy the vacancies.

Management and Development of Human Resources Management and Development of HR include varieties of training, such as induction/orientation of new employees and development of all categories of employees without exemption in order to prepare for organization future challenges. Managing career helps employees in pursuing their career path as they grow with the organization. Performance Appraisal; as employees develop, there is need to assess how they perform on their jobs. Compensation management is developed in order to reward employees for rendering services to the organizations and

this could be in form of wages & salaries, incentives & benefits. Therefore, employers need to design definite and reasonable pay systems; in addition, incentive External Environment:

Legal, social, political, economic, global, cultural & technology Overview of HRM

- Introduction to HRM
- International HRM Management & Development of HR
- Managing Careers
- Performance Appraisal & Management
- Employee Training & Management Development
- Compensation Management
- Occupational Safety & Health Employee Relations
- Grievance Handling
- Disciplinary Action
- Trade Unions
- Collective Bargaining & Workers' Participation in Management Employment of HR
- Human Resource Planning
- Job Analysis & Design
- Staffing Process
- Retention
- Socialization HR Activities

programmers should be included in order to reward performance handsomely. Occupational Safety, Security and Health is important to organizations, therefore, there is need to provide safe and secured work environment in order to reduce accidents and injuries, also employers should ensure that work is planned in a manner employees' health will not be at stake. HR activities

embedded within Management and Development of HR. Employee Relations entails the relationship between employees and management, which stem directly or indirectly from union-employer relationship. However, there is need to manage this relationship effectively in order to achieve organizational goals and employees' goals. Employees should not be denied of their rights, it is therefore essential to develop strategies and communicate with both the managers and employees' terms of reference. HR Activities associated with employee relations in this book are: Grievance Handling; Disciplinary Action; Trade Unions; Industrial Relations; Collective Bargaining and Workers' Participation in Management; Organizational Performance & HRM The primary objective of HRM in organizations is to fast track the achievement of organizational performance. However, the HR practitioners look for evidence to prove that people are the most important asset in organizations; in addition, good HR practice will surely deliver this evidence. Effective people management is seen as more critical and essential than other policies such as quality, technology, competitive strategy, etc. in terms of influence on the organizational performance. Byars & Rue (2004) point out that organizational performance can be enhanced by increasing productivity. Peter Drucker defines productivity as "that balance between all factors of production that will give the greatest output for the smallest effort". Eatwell and Newman (1991) define productivity as a ratio of some measure of output to some index of input use. Put differently, productivity is nothing more than the arithmetic ratio between the amount produced and the number of resources used in the course of production. This concept of productivity goes to imply that it can indeed be perceived as the output per unit input or the efficiency with which all factors of production such as capital, materials & energy are utilized.

Essentially, HR practitioners have limited impact on resources such as capital & materials; but have greater impact on the labor component. They can

influence the employees' commitment, raise their morale and motivate them. Emphasis has been placed on pay or reward systems in order to achieve high level performance outcomes. Organizations therefore, engage in some practices such as bonus schemes for employees in the production unit, performance related pay for managers and administrative staff, incentive systems for sales and service employees, etc. Further, employees' commitment is therefore encouraged by aligning reward system with organizational performance, which could be in form of profit sharing employee stock options, payment of 13th month pay or gain sharing. It is therefore important to state that HR managers have unique opportunity to increase productivity, which has direct link with organizational performance. Barriers to High Performance Kim and Mauborgne (2003) in their study point out that there are four distinct barriers restraining HR managers from achieving their primary goal which is high performance, this is depicted in table 1.2 below and they provided possible solutions.

Strategy & HRM The primary goal of every organization is to remain and relevant in business. To achieve this goal, organizations should be effective and efficient in their operations within the limitations of their resources. Therefore, management think of strategy, which is referred to as a set of coordinated and monitored choices and actions within the framework of the organizations. A strategy is regarded to be more than decisions, also is putting choices into practice. However, regarding HR management in organizations, there are two basic types of strategy.

- (i) competitive business strategy, which involves choice making and how to serve their customers better; and
- (ii) human resource strategy that involves choice making regarding the management of people within the organization. Further, there is need to harmonize the two strategies in order to ensure high organizational performance as significant attention has been given to HR becoming

a strategic partner. This concept has led to the formation of Strategic Human Resource Management (SHRM), which is an integration of the strategic management and human resource management. SHRM points to the contribution of HRM to the performance of organizations, evidently, organizations adopting a particular strategy require HR practices that may differ from those required by organizations adopting alternative strategies, meaning that there is an important link between organizational strategy and HR practices that are implemented in that organization.

Ethics & HRM The term ethics is hard nut to break, and people' opinions differ, while some liken it to their feelings, some equate it to religion and some identify it with laws. Following one' feelings may deviate from doing what is right; similarly, ethics cannot be identified with religion, because ethics apply to both religious and non-religious people. Further, ethics cannot be identified with laws, because it can also shift away from what is ethical, so also ethics should not be liken to doing what is acceptable in the society, because entire society can deviate from ethics. However, it is worth noting that writers on business ethics argue that the basic determinant of ethical behavior is organizational culture, which is the framework that contains basic assumptions and values that disseminated to new employees as the way to perceive, think, feel, behave, and expect others to behave in the organization, which becomes the common practice. Ethics can then be said to be standards of right and wrong that prescribe what humans ought to do such as obligations, fairness, honesty, compassion and loyalty, which are said to be supported by consistent and strong reasons. HR practitioners play major role in keeping, disseminating and enforcing organizational ethics.

HRM & Challenges HR activities in organizations are facing some challenges in practice, such as occupational shifts; quality of available workforce; growth in casual workers; technological shifts; gender diversity; racial/ethnic diversity; age limit; globalization and organizational restructuring. However, challenges facing HRM are seen from two perspectives; internal and external and could be classified into three:

- (i) organizational challenges these are internal in nature and often results from environmental forces that are external by nature. Some of the issues emanating from the organizations include organizational restructuring, organizational culture, outsourcing, downsizing and decentralization;
- (ii) environmental challenges they are issues emanating from the external context where the company operates, which has great influence on performances of organizations. These include; legislation, globalization, labor demand and supply, and work diversity; and
- (iii) individual challenges are the issues regarding employees, how they are being treated, matching individuals with organizations, employee development, insecurity, and reward systems, which affects organizational performance.

International Human Resource Management Introduction The management of Human resources in organizations plays vital role in organizations (national or international), this section shall be looking into the subject of International Human Resource Management (IHRM) regarding how HR practitioners manage expatriates in Multinational Corporations (MNCs). Managing employees in organization having subsidiaries in other countries other than parent country is said to be complex and attracts challenges. The chapter begins with the concept of IHRM; approaches to IHRM; features of IHRM. Finally, we conclude by classifying international raters and draw out the international

compensation and benefits. Concept of International Human Resource Management The concept of IHRM is said to be in practice since 1900BC and originated from entrepreneurs who have Subsidiary Business Units (SBUs) across nations and the need to relocate managers/directors to manage these subsidiaries in other countries other than the parent country was of great importance to the employers. It is therefore essential noting that employees engaged at local level were limited to lower-level jobs; while nationals employed from the parent country of the business were saddled with responsibilities of running foreign operations, and they are referred to as expatriates; and were given better and superior working conditions.

However, expatriates are transferred from their headquarters to the company' SBUs, for a certain period as stipulated in the company' policy and practice. Essentially, there is need to manage expatriates, and it has been argued that managing international human resources is more complex and demanding when compared with domestic HRM. Further, Lazarova (2006) argued that International HRM is distinguished from domestic HRM by the additional responsibility required of the HR practitioners in managing employees from different backgrounds, and these employees are classified into three groups; home, host, and third country nationals. Obviously, amongst other, it is required of the HR practitioners or administrators to have good knowledge of the cultural backgrounds, the organization headquarters' policies and the subsidiary business units' policies in order to properly and adequately manage diversities within the organization both at home and abroad. International Organization Defined International organization is defined as a company that operates in other countries through its subsidiaries; and depends on the parent company (corporate headquarters) for its technical know-how. However, subsidiary business units independently carry out activities such as manufacturing, distribution, and service delivery. International HRM Defined argued that

IHRM is the process of managing the workforce with additional responsibility to what are obtainable at the domestic level. Further, International HRM can be defined as the process of managing people worldwide; through staffing, training, developing, and compensating employees in international organizations both local and expatriates.

An Expatriate & Inpatriate Defined An expatriate who is also refers to as ‘international assignee’ is defined to be an employee who is working and temporarily residing in a foreign country. An Inpatriate is an employee transferred from subsidiary business unit of an organization to the headquarters (parent country). However, it is important to note that the use of these terms differs from one company to another, while some organizations prefer to use the term ‘expatriate’ to describe their workers transferred from their respective home countries to any of their SBUs or the

- HR Planning
- Staffing
- Performance Management
- Training & Development
- Compensation & Benefits
- Industrial Relations HR Activities
- Parent-Country Nationals (PCNs)
- Host-Country Nationals (HCNs)
- Third-Country Nationals (TCNs) Types of Employees
- Home Country
- Host Country
- Other Countries Source: Adapted from Morgan, P. V. (1986) as cited in Dowling, Festing, & Engle (2008) 20 headquarters, some use the term ‘expatriate’ only for workers transferred from the headquarters i.e. the parent country to any of their SBUs, and ‘inpatriate’ for workers transferred from any

of the company' SBUs to the headquarters. Approaches to Global Staffing Multinationals Companies (MNCs) have various orientations regarding the operations of their subsidiary business units in foreign countries. Perlmutter, (1969) and Heenan & Perlmutter, (1979) identified four approaches that could be engaged in global staffing of MNCs.

The choice of policy tends to depend on the attitude of top management and the company policy regarding the approach to be engaged in selecting their international staff members. However, multinationals are therefore at liberty to choose one of the four approaches discussed above in order to achieve their corporate objectives. Essentially, there is need to emphasise here that if the host government insist that on the employment of their nationals at the subsidiaries, this will definitely negate the idea of ethnocentric policy, which suggests that host government policy plays vital role in the choice of MNCs on international staffing approach policy. Staff Categories in Multinational Companies Multinational companies are said to be confronted with issues regarding the recruitment of employees to fill management positions at their corporate headquarters and their foreign subsidiaries.

However, HR practitioners are expected to have acquired adequate skills and knowledge in carrying out their duties regarding recruitment & selection; training & development; performance management; compensation & benefits; and employee relations. Recruitment & Selection: As obtained in the literature, Tung (1981) identified factors to be considered by HR experts in order to adequately recruit and select expatriate for foreign assignments, among which includes:

- (i) Technical competence on the job: in selection process, this factor is required at both domestic and international levels, however, emphasise should be laid on expertise of the parent country national on international assignment, because he is being transferred or

relocated to the subsidiary and as such will not be under the direct supervision from the headquarters. Subsidiary in host country will not survive or thrive under incompetent expatriates.

- (ii) **Personality traits:** refers to the sum total of ways individuals react and interact with colleagues, subordinates, and superiors within the organization. Therefore, it is essential for HR experts to watch out for this variable in persons to be selected for international assignment, because it tends to influence the performance of both the person on assignment and the subsidiary.
 - (iii) **Nuclear Family:** one thing is for the expatriate to be able to cope in a foreign country, another is for the expatriate's family members to be able to adjust and reside in a foreign and new environment. Further, partners often have to give up their jobs/careers in order to relocate with their spouses, which is always a challenge and difficult situation to handle. Thus, leads to separation in most cases.
 - (iv) **Environmental Variables:** because of differences that exist among nations regarding environmental variables such as unions, government policies, and customers, it is expected of expatriate to be able to cope with these variables in order to perform effectively in the host country. However, expatriates are to operate within the confine of the variables that exist in the host country.
 - (v) **Adaptability:** expatriates with the ability to adapt to new and foreign culture or way of life of the host country should only be selected for foreign assignment. Because parent country nationals that are religious, race, political or government fanatic or biased will tend to be distracted and not be able to achieve the subsidiary business unit's objectives.
- Training & Development:** Training and development is one of the activities HR practitioners engage in managing human

resources in organizations. Also, this activity is extended to the management of international employees, having selected the expatriates to be posted to the host country; it is therefore essential providing training programmes that will assist in developing their skills so as to increase job performance. Often expatriates are engaged in various capacities either on short-term or long-term; amongst which include acquisition of knowledge, managing subsidiary, intermediary between subsidiary and the headquarters, transferring knowledge, etc. Black and Mendenhall (1990) identified that for expatriates to be successful in their assignments, there is need to provide adequate Cross-Cultural Training (CCT). Similarly, Sanchez, Spector, and Cooper (2000) argued that since expatriates are relocated from their parental cultural environment to a new and unfamiliar culture, it tends to pose challenges regarding the need to learn the host country language, cope with new culture, understand host country government policies, and learn how to interact with host country nationals. As obtained in the literature, workers (expatriates), the subsidiary, and the headquarters will face some challenges if the expatriates are unable to cope with this cultural shock; which tilt towards poor performance and inadequacies. For instance, expatriate tends to lose his confidence and prestige among his colleagues, while the subsidiary's image is being damaged, and the headquarters company tends to lose business opportunities. However, in order to make expatriates perform when relocated to host country, cross-cultural training interventions are appropriate. In the words of Kealey and Protheroe, (1996), Cross-cultural training is defined as “any planned intervention designed to increase the knowledge and skills of expatriates to live

and work effectively and achieve general life satisfaction in an unfamiliar host culture.”

Phase 1: Identify the type of global assignment – As obtained in the literature, it has been argued that the type of global assignment depends on the type of cross-cultural training that expatriates will be involved in. Caligiuri (2001) identified four classes of global assignments:

- (i) **Technical Assignment:** When assignees are relocated to subsidiary in order to render similar technical skills as he does at the corporate headquarters. Technical assignees are being posited to the subsidiary that requires their expertise, and they do not necessarily have to interact with the host country nationals working in the subsidiary. Further, assignees are expected to go proffer solutions to technical challenges or requirement, which tends to determine the extent and result of the assignment. Often, assignees are posted to the geographical where their skills are needed; examples include technicians in the oil refinery who are posted on the rig for some weeks in order to carry out some analyses, thereafter, return to their base or the corporate headquarters.
- (ii) **Functional Assignment:** Assignees are posted to occupy managerial gaps in subsidiary in the host country. However, they are expected to interact with host country nationals in order to record great success, which makes it different from technical assignment. It is therefore essential for assignees to possess or be trained on cross-cultural skills, so as to achieve outstanding success. It is argued that functional assignment is the most common international assignment among the multinational's companies.

- (iii) **Developmental Assignment:** The purpose of developmental assignment is to enable assignees experience a personal development in the subsidiary. Often, expatriates are posted to the foreign country in order to utilize or put into practice the managerial skills acquired at the headquarters. Also, it tends to expand their view, and make them diversified in their thinking and interactions with others (both host country nationals and third country nationals).
- (iv) **Executive Assignment:** Assignees on executive assignment are generally top executives of the organizations, such as General Manager (GM). However, it is important to note that executive assignment could be seen from the point of view of developmental and strategic.

Organizational Level: Analysis conducted at this level tends to consider the type of cross-cultural training that assignees should be engaged in respect to the policies, culture, structure, etc. of the corporate headquarters and the subsidiaries. Further, there is need to identify the importance of cross-cultural training to both parent company (headquarters) and subsidiaries, and it supports the organizational policy and strategy. However, HR experts are expected to include the variables such as the availability of resource persons; training costs & benefits; equipment, in their analysis. In addition, it is worth noting that the class of global assignment attracts high cost of training, for example, strategic or executive assignment requires higher training budgets when compared with assignees on technical assignment.

Assignee Level: at this level analysis is carried on the individual assignee that is entitled to the cross-cultural training. The analysis includes the previous experience of the assignee on the previous foreign assignment, the present knowledge and skill of the proposed training (CCT); the perception of the assignee about the training (which could be either positive or negative); assignee interpersonal relationship; their views about

other people' culture. And above all, analysis should also be extended to the needs of the assignee' family members (spouse, partner, children, dependents). However, Caligiuri et al (1998) argued that expatriates often do not succeed on their assignments based on the maladjusted family members, especially their spouses. Assignment Level: analysis at this stage tends to examine the assignment in the light of the task ahead of the assignee, also identify the type of training and skills required of the assignee. This analysis is directly linked with phase 1 (identifying the type of global assignment), because the type of training to be offered depends on the type of the assignment of the expatriates. Phase 3: Establishing Goals and Measures At this stage, there is need to establish goals on both short-term and long-term. Short-term goals include what the assignee is able to acquire in terms of skills and the ability to apply them having completed the training; while the long-term goals show how assignee is able to adjust to the host country' culture, policies, environment, language, etc., and achieve Organizational Level Assignee Level Assignment Level 28 outstanding performance.

However, as obtained in the literature, training goals are expected to be detailed, and should tilt towards leading to changes such as cognitive (e.g. understanding the importance of culture), effective (having confidence to interact with colleagues from other culture), and behavioral (developing intercultural skills, building relationships, etc) of the assignees.

Phase 4: Developing and Delivering the Training Programmed Having established training goals for the assignees, the next phase is to develop and identify the contents and delivery mode of the training regarding the achievement of the highlighted goals. However, the training content includes both general and specific cultural orientation. Generally, it enables assignees to have adequate information, and understand the importance of cross-cultural interactions. Also, specifically, assignees will learn the host country' history,

customs, diversity, and language in order to enhance their performances in the host country.

Learning approach is classified into two: instructive, whereby assignees are expected to go through a formal training session, understand and acquire knowledge in order to appreciate culture; and experience, this approach allows assignees to learn through their interactions with the host country nationals and the third country nationals. However, training content is either general or specific; and often the combination of the two helps the assignees to adapt very quickly. The training approach could be done through cultural coaching, role-playing, language study, sightseeing, induction/orientation, etc.

Phase 5: Evaluating the Training Programmed After the completion of the training, there is need to evaluate whether the set goals (both short-term and long-term) have been achieved or not, which suggests to the organization to continue in the trend or make amendments. In other words, evaluating the training programmed tends to measure the effectiveness and the efficiency regarding the expected change that must have occurred during the training on the part of the expatriates. Evaluating the short-term goals of the training programmed measures the number of skills such as language skills and intercultural skills acquired by the expatriates, which could be done by observing the trainee's interactions with host country nationals. However, evaluating the long-term goals tends to measure the extent to which expatriates have been able to adjust, which reflects on their job performances

Training Delivery Methods	Learning Approach	Instructive	Experience	Training Content
General-culture	Specific-culture	and achievement	in the host country.	Further,

experts and scholars have argued that evaluating expatriates' adjustment can be carried out through the use of questionnaires, phone interviews, and electronic surveys.

Performance Management of Expatriate Performance management has been identified as “a process that enables employees to perform their roles to the best of their abilities with the aim of achieving or exceeding established targets and standards that are directly linked with the organization’s objectives”. Performance Management comprises of three basic techniques: Goal setting, performance appraisal, and compensation, which have been fully, performance management provides an avenue in setting targets for employees, provide constant and up-to-date feedback on progress towards achieving organizational set goals, and connects results with compensation. Therefore, there is need to discuss performance management regarding expatriates.

Harzing & Ruysseveldt (2004) argued that managing the performance of international staff in multinational companies is more complex than managing domestic staff, because it cuts across cultural boundaries. The first technique of performance management that is goal setting requires the inputs of both employees and the employers. However, it is essential noting that distance exists between multinational companies and their subsidiaries, which stands as a barrier in achieving organizational goals, because it can lead to ineffective observation and supervision. HR experts need to bridge the gap of distance that exists between achieving set goals and assignees in order to make performance management timely, relevant, and effective. As discussed in chapter 4 workers are appraised based on the set goals, and set to receive the appraisal feedback, which tends to motivate assignee to improve his performance. However, parent country nationals on international assignment are expected to play dual roles, in the sense that they have to be loyal both to the headquarters and subsidiaries, which might pose a challenge to the raters. It is therefore important to note that appraising expatriates is a complex exercise that comes with errors of omission and commission; such as rating the assignee based on the international assignment only without considering the aspect of domestic commitment or

goals. However, performance appraisal at the international level is established for evaluation and development, which is also practiced at the domestic operations, but the implementation is complex at the international level.

The performance management of assignees on international assignment either short-term or long-term remains complex; and it is essential to identify that their performances are paramount in the success of multinational companies. Though it has been argued that many assignees are not successful as a result of sudden repatriation, incomplete of assignment, and often assignees are relieved of their jobs upon the completion of their international assignment. In addition, as cited in Briscoe, et al., (2009), many multinationals “do not use performance management to measure the success of their international assignees; while many do not use any type of measurement at all.” This could be attributed to the challenges associated with appraising performances of assignees on international assignment; such as types of skills acquired for the international assignment are different from the types of skills required for domestic assignment. Also, in situation where evaluators are from the corporate headquarters, they may not understand the challenges facing the international assignees, and therefore may not take them into consideration during appraisal process.

However, Briscoe, et al (2009) identified some reasons why performance appraisal fails for international assignees, some of which are highlighted below:

- Choice of evaluator (Host or parent country);
- Lack of communication between parent country rater and subsidiary rater;
- Long-distance between corporate headquarters and subsidiary;
- Differences in perceptions of host and parent country management;
- Lack of understanding of the foreign environment and culture;
- Inadequate establishment of performance objectives;

- Inappropriate methods of recording individual and organizational performance;
- Indifference to the foreign experience of the expatriate. Evaluation
- Provide feedback to employees in order to know where they stand;
- Develop valid and accurate data for pay, promotion, and job assignment decisions, which should be communicated;
- Identify employees with high potential so as to provide assistance in managing their talent for optimal performance and retention;
- Help management in decision making. Development
- Help managers improve their performance and develop future potential;
- Develop commitment to the company through discussion of career opportunities with managers;
- Motivate employees through efforts recognition;
- Diagnose individual and organizational problems;
- Identify training & development needs for individual.

However, for multinationals to overcome these challenges and manage international assignees performance properly and adequately.

Though the question is complex in nature, it should meet the corporate headquarters standards, which must be carried out within the platforms of both international and local cultural. In other words, both international and local standards should be taken into consideration when evaluating international assignees. However, it is important noting that parent/home country often sets the standards to be performed in the host country by the international assignees. Evidently, there is bound to be differences in the norms, values and culture obtained in both home and host countries, and this could lead to conflict, when assignees behave in accordance to the host country' expectation, which might be contrary to the home country set standards, such international assignees could be rated as ineffective. It has been argued that this conflict arises when

home country imposes its structure, and therefore leads to lack of autonomy on the part of international assignees. In order to answer the question (what should be evaluated), Briscoe, et al., (2009) identified the basic criteria that should be included in evaluating international assignees.

The criteria are segmented into four;

- (i) qualification – which comprises of education, experience, and acquired skills (technical, language, and social) of the assignees, and this criterion, is fundamental in selecting workers for international assignment;
- (ii) targets – are generated from the organizational goals and objectives both at the corporate headquarters (international) and the subsidiary (local);
- (iii) attitude – attitudinal behavior of assignees on international assignment such as ability to adapt to change, interpersonal relationship and so on, should also be evaluated; and
- (iv) job performance – which is the last segment of the criteria tends to evaluate international assignees based on their job performances in the light of perceived results both at the local and international levels, and individual development.

The extent at which raters (either from the host-country or home-country) appraise international assignees depends on the percentage allocated to each of the raters involved in the process, which should be in the multinational companies' operational policy. However, there are advantages and disadvantages of using either host-country or home country raters, and the use of either or both depend on the organizational decision.

When should evaluation be done? – the frequency of performance appraisal varies from one organization to another; and from one rater to another. Since the major purpose of appraisal is to provide feedback to the persons being

appraised (ratees) so as to know their performances, and to know the extent of their development. Therefore, it has been argued that assignees on international assignment should be appraised immediately after the completion of the assigned task or project, which tends to restricts the raters to remain within the context of evaluation criteria. However, performance appraisal could either be done semi-annual, annual, or biannual.

How should evaluation be done? – involves the process of appraising assignees on international assignment, which includes the use of standard form, frequency, and feedback. It is expected of organization be it national or international to have developed standard forms in carrying out their appraisal processes. However, such form needs some modifications when it is being used for international assignees, because there could be some differences between the host country and the parent-country norms and cultural contexts, which could pose some challenges if the same form is being used in the host-country. Frequency has been discussed above in (c), while providing appraisal feedback for international assignees could be a challenge, because of the long-distance between the raters and the rates; and also getting feedback from the multiple raters could also be a challenge. International Compensation & Benefits The third technique of performance management is rewards, which comes in form of compensation either monetary or non-monetary rewards. Administering of compensation to the international assignee is said to be complex, because assignees are seemly playing multiple roles and often multinational companies make sure that international assignees are well remunerated (compensated) in order not to feel cheated for accepting the assignment, though, this does not conform to the process of rewarding performance. Rewarding expatriates is also known as international compensation in which HRM activity is highly involved. It has been identified that international compensation is complex and associated with a degree of risk arising from the complexities for operating in multiple

economic and culture; also, from inappropriate expenditure on international assignees Inside Host Country Raters

- Customers
- Subordinates
- Peers
- HR Experts
- Self
- Supervisor Outside Host Country Raters
- Sponsor
- Corporate HR Experts
- Regional Executives
- Supervisor 34 (Cahill, 2002). Therefore, HR experts need to pay more attention to this phenomenon before it goes out of control and subsequently leads to dissatisfaction on the part of workers. In addition, Briscoe et al (2009) argued that if multinational companies are able to achieve their objectives regarding global compensation and benefits; amongst which include:
 - Attraction and retention of the best qualified talent to staff the Multinational companies;
 - Attraction and retention of employees who are qualified for international assignments;
 - Establishment and maintenance of a consistent and reasonable relationship between the compensation of employees both at corporate headquarters and subsidiary; and
 - Maintenance of compensation that is reasonable in relation to the practices of competitors; Then multinationals will be able to attract and retain talents. For Multinational companies to design global compensation and benefits there is

need to factor in the variation that exists from one nation to another. Some of which include

(a) working hours – there is variation in the number of hours worked per annual from one nation to another;

(b) pension plans – this also varies among nations, while it is contributory in some countries, it is fixed in other countries;

(c) vacation/public holiday – variation also exists among nations regarding vacation/public holidays such national and religious holidays (which is complex in nations with multiple religious sects), Nigeria as a nation for example observes both Christian and Islamic holidays;

(d) leave (annual, maternity/paternity, sabbatical, etc) with or without pay also varies among nations. Maternity leave duration for example varies among nations, in Nigeria is four months, while in some countries it ranges between six months and above, and it is important to state that paternity is yet to be adopted in the Nigeria context but it is being practiced in the developed countries.