

“The Global 20”

Key HR Issues in Global Expansion

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POP QUIZ!

Global Business Assumptions

- The employer/employee relationship is unique to each location
- The responsibilities of the employer/employee vary by country
- Companies with multiple country operations must develop a strong culture, standards and ethical framework
- Labor law is unique to each country
- The foundation issue in global HR is "Repatriation of Profit"
- HR/Financial/Legal/Immigration issues are interconnected
- Not knowing the HR/Financial/Legal/Immigration issues will cause significant financial penalties
- Cultural issues are usually less important
- Lack of understanding and preparation are more critical
- Technology can play a very important role in global HR

What are the key issues that must be addressed to create, establish and staff a small office in Germany?

■ Assumptions

- US company outbound to Germany
- US company to send expat and hire locally
- US company type is sales/service
- Focus on HR Issues



“The Global 20”

- Personal Qualities
- Template
- Communication
- Strategic Business Plan
- Global HR Strategy
- Tax Strategy
- Incorporation
- Labor Law
- Culture
- Staffing
- Expats
- Compensation
- Statutory Benefits
- Non Statutory Benefits
- Performance Management
- Training and Development
- Technology
- HRIS
- Safety and Environment
- Ethics

1. Key Personal Qualities

- Why are personal qualities so important
- What are the key success attributes of the global executive?



2. Template Based Country Overview

- Why does using a template like the Global 20 make sense?
- Where can you find key decision and information resources?
- How does knowing these key decision makers make your job easier?

3. Strategic Business Orientation

- How does political structure affect business operations?
- What are the seven ways companies move abroad?
- What activities change when companies go global?
 - Sales
 - Marketing
 - Finance
 - Logistics
 - Technology
- How are the legal, HR, tax and financial operations integrated?

4. Global HR Understanding

- What are the major changes in HR management in a global business?
 - HR Strategy
 - Staffing
 - Performance Management
 - Training and Development
 - Compensation and Benefits
 - Labor Relations
- Where will HRM have the greatest impact?

5. Tax Considerations

A. Corporate Tax Considerations for the Global HR Executive

B. Expatriate Tax Considerations for HR Executives Managing Expatriates



6. Business Incorporation

- Corporate Implications
- Employee and Expatriate Implications



7. Labor Law

- A. What is the definition of “Employee?”
- B. Why does size matter?
- C. Who’s labor law controls Employees in Country?
- D. What is Data Privacy and why do we care?



8. Communications

“It’s not what you know, it’s what you communicate.” You don’t have to speak a foreign language to be successful in global business, but it obviously helps. As a global professional you will need to communicate ideas and concepts, verbally, non-verbally and in writing, to people who don’t have the same orientation as you or your business colleagues. So, how can you maximize your influence?

9. Culture

- “The Golden Rule”
- Cultural Values and the Impact on Teams and Performance Management



10. Staffing

- Differences between domestic and international staffing
- What does the parent company control and what does the operating company control
- Where is the strategic advantage?
- What impact does the government or union have on this process
- What metrics will guide the staffing process
- Where are the global synergies? Global leveling

11. Expatriates

- Why use expatriates?
- Business/Work/Tourist Visas
- Expatriate selection considerations
- TAX, TAX, TAX
- Types of international compensation for expats
- Expatriate benefits and “Totalization” agreements
- Pre-departure training
- Post-assignment repatriation
- The cost factors

12. Compensation

- Compensation objectives
- Role of corporate, subsidiary, state and unions
- Five elements of total rewards strategy
- Compensation of special groups
- Key legislation domestic and global
- Administration and control of compensation

13. Statutory Benefits

- What benefits are required by law or convention?
- Where to find this information?



14. Non-Statutory Benefits

- What benefits give the company a competitive advantage?
- Strategic objectives of the program
- Role of parent/subsidiary/union
- Equalization issues
- Taxation issues
- Where to find comparative data

15. Performance Management

Trends in global performance management

- a. Greater distinction between low and top performers in salary
- b. Pay for performance, business unit, personal and group performance combined shifting away from only organizational performance
- c. Create ratios
- d. Well trained managers who can inspire

What Impacts Performance Management?

- Separation by time and distance
- Variable levels of organizational maturity
- Control systems (Country and Corporate)
- Cross cultural context for performance management
- Performance appraisal of international employees

16. Training and Development

A. Strategic Objectives of Training and Development

1. Developing organizational competencies
2. Develop staff capabilities
3. Developing a consistent customer experience
4. Training to enhance compliance
5. Data Privacy for example
6. Training expatriates

17. HRIS

- **Strategic objectives of an HRIS system**
 - What do you need to accomplish?
 - Cost related information-payroll, compensation, benefits
 - Strategic staffing, bench strength, skill summaries
 - Training
 - Performance management
 - Compliance related

18. Technology

- Technology platforms vary around the world
- What the Blog says about you....!
- What are they looking for on “Linked In?”
- What are they learning in “Second Life?”
- Millennial’s are all about technology “My Space” on the run
- Social networking must be mastered for maximum global advantage
- Corporate compliance

19. Safety and Environment

- Often the provenance of the global HR executive
- What are the global safety and environmental issues that must be considered?
- What is the biggest cause of death for global business travelers?
- Using a security firm
- What are some examples of those considerations HR professionals must consider when faced with managing the health and safety of a global workforce?
- How can companies reduce healthcare costs for their global workforce?

20. Ethics

- Who/what government defines the ethics under which a global company operates?
- Ethical foundations start with the vision and mission statement....
- Are these principles universal or do they vary with the country with the organization?
- What's the difference between a bribe and a tip?

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