

INTERNATIONAL HUMAN RESOURCE MANAGEMENT**UNIT IV****TRAINING AND DEVELOPMENT, PERFORMANCE APPRAISAL****INTERNATIONAL PERFORMANCE MANAGEMENT METHODS
CULTURAL ISSUES IN PERFORMANCE MANAGEMENT**

Definition

We define:

Performance management: is a process by which managers and employees work together to plan, monitor and review an employee's work objectives and overall contribution to the organization.

1. We use it to determine excellence increases and
2. performance feedback for work done during the previous twelve months,
3. to determine training needs, and as a key tool in successor planning.



It is the process that enables the multinational to evaluate and continuously improve individual, subsidiary unit, and corporate performance, against clearly defined, pre-set goals and targets

Definition

We define:

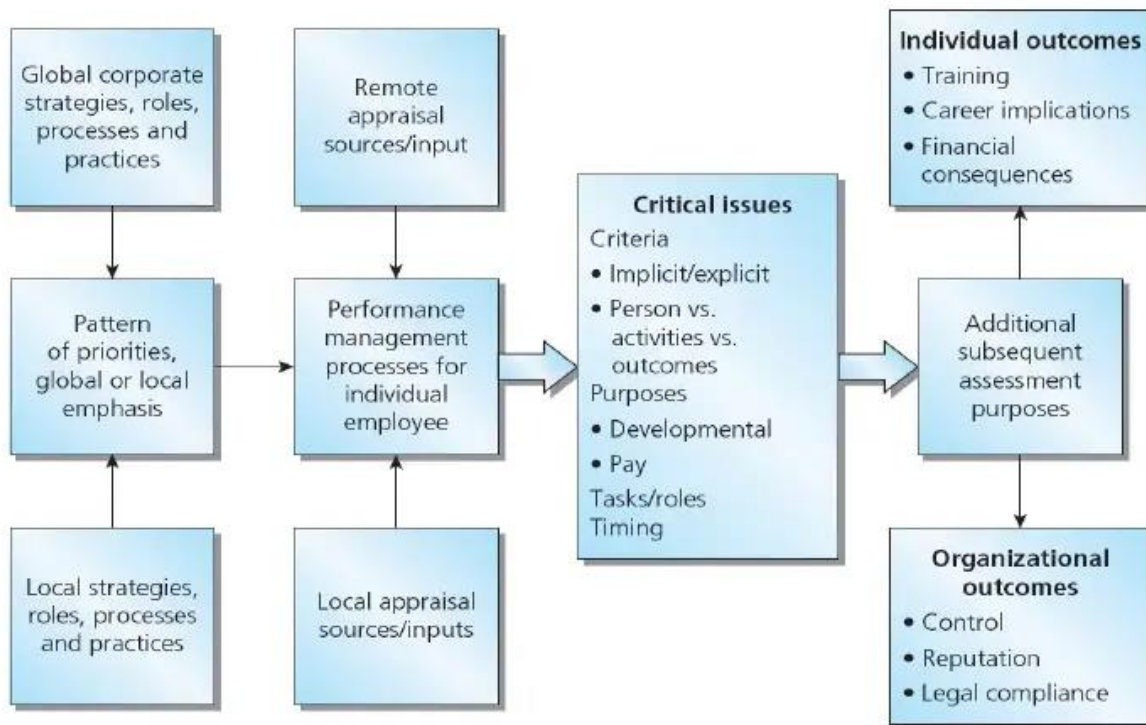
A **performance appraisal** (PA), also referred to as a **performance** review, **performance** evaluation, (career) development discussion, or employee **appraisal** is a method by which the job **performance** of an employee is documented and evaluated.

1. The appraisal is usually prepared by the employee's immediate supervisor.
2. The procedure typically requires the supervisor to fill out a standardized assessment form that evaluates the individual on several different dimensions and
3. then discusses the results of the evaluation with employee.



Chapter 6





Challenges of international performance management

- Environmental variations
- Time and distance
- Cultural adjustment
- Training
- Cross-cultural differences
- There are many challenges associated with expatriate performance management. Although we have listed some below, they are likely to vary

by business. Ideally work to identify the challenges your company is likely to encounter and attempt to mitigate them in the expatriate performance management plan.

- Environmental variations
- Performance management systems rarely work in the same way domestically and internationally. Environmental variations including; different growth rates, the immediate environment and differences in performance, usually mean international performance appraisals need to be unique to each expatriate manager.
- Time and distance
- Improvements in technology make this less of an issue than it once was, but time differences and local infrastructure will impact on performance and appraisals. This is particularly true of expats working in underdeveloped countries.
- Cultural adjustment
- The employee's ability to adjust to the organisational culture within the subsidiary, as well as the wider culture within their new country, is likely to impact performance. An understanding of the local organisational culture by

the HR team, the management team and the employee will facilitate the creation of a measurable international performance management system.

- Inconsistency of implementation
- Like all performance development, it will only be successful if implemented consistently in company subsidiaries. Oversight of this may be a challenge if most Human Resource functions are centralised to headquarters, meaning some employees thrive while others are left directionless.
- Tips for creating an international performance management system
- Developing a system that will work successfully across markets is a significant challenge for a global human resources manager. To further compound the situation, there is very little best practice research as [existing studies](#) do not focus on the same variables or countries.
- Define, facilitate and encourage performance
- Ultimately the goal of an [expatriate performance management](#) system is to define, facilitate and encourage performance in the individual and the teams they work with.

- ▶ Your company's international performance management system should enable managers of expat employees to set specific, realistic, measurable goals that feed into the overall objectives of the business. However, setting goals is not sufficient for success, the programme should also contain a method of assessing performance on several occasions over a year.
- ▶ To achieve the goals that have been set, employees need to be able to facilitate performance through removal of barriers like outdated equipment or software, poor procedures and micro-management. However, international employees may encounter further difficulty with government requirements or personal safety depending on where they are based. Flexibility needs to be included in this regard when developing an expat performance management system.
- ▶ Finally, encouraging performance has been shown to be another marker of a successful international assignment. The methods for encouraging performance may vary from country to country. While additional remuneration may work successfully at headquarters, time off or other special privileges may be more valued in other countries. The easiest way to find out what may work best is to survey international employees. Once agreed it is essential that the appraisal process is transparent and fair.

- ▶ Training
- ▶ Essential to successful international performance management is a clear and effective training plan for all stakeholders. Once complete, managers need to be held accountable for implementing the process across their own employees, ideally in the form of their own performance appraisal by senior management and/or human resources.
- ▶ As a Global HR Manager, you should also provide new expatriates with the tools they need to succeed and help to prevent costly expat failure. See our tips on how to [prepare expats for foreign assignment](#).
- ▶ Cross-cultural differences
- ▶ When creating a performance development plan that is going to work cross-culturally the differences in how performance feedback should be provided needs to be accounted for. For example, in some European cultures feedback should be direct and actionable where as in some Asian cultures the same feedback could cause unacceptable loss of face for the employee. Therefore, it is important to understand the culture on the ground when creating guidelines on how feedback should be provided.

Cultural issues in Performance Management

- ▶ One of the primary challenges faced by organizations in cross-cultural employee performance management is communication.
- ▶ Language barriers, different communication styles, and cultural differences can all lead to misunderstandings and miscommunication.
- ▶ What are the cultural issues?
- ▶ Cultural issues cover a broad range of concerns including race, ethnicity, religion, sexual orientation, gender, and disability. Culture is a term that we use to refer to beliefs and customs employed by a particular group.

Cultural Diversity in the Workplace

- ▶ Communication Challenges
- ▶ Cultural Norms and Values
- ▶ Leadership and Management Styles
- ▶ Workplace Diversity and Inclusion
- ▶ Cross-Cultural Teamwork and Collaboration