
By

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About the HR Benchmark Group

Because Development Dimensions International (DDI) understands how difficult it is to keep up with the changing face of human resources, we keep track of new trends in order to keep our clients as well as the industry in general informed. Our clients, in particular, frequently ask us for benchmarking data and thought leadership on issues such as leader development, advanced learning technology, performance enhancement, workforce effectiveness, selection, promotion, and succession management.

In addition to our established methods for tracking such trends, we began the DDI HR Benchmark Group. The group is an alliance of organizations committed to sharing information and benchmarking current HR practices. These organizations, an international mix of DDI clients and non-clients, have agreed to respond to periodic surveys in order to provide current information in various areas of human resources. The organizations represent a geographical and industry cross section.

Participation allows organizations in this alliance to provide current data through our surveys, to receive the results, and to help us choose future survey topics. The approach is systematic and easy, and response and interest have been outstanding.

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The key to creating a consistent corporate culture across multiple locations is maintaining the critical balance between a strong corporate culture and local cultural differences.

Purpose
The objectives of this study were to:

- Investigate how domestic and international companies conduct human resource (HR) practices around the world.
- Determine the top HR priorities for each organization type.
- Determine the challenges that organizations face when trying to globalize their HR function and practices.
- Determine what organizations are doing to institute a consistent corporate culture across all locations/offices.

Definition
This report examines the changing roles of the human resource function in a globally competitive marketplace and identifies the challenges of adapting to these roles. Among the organizations that responded to the survey, some operate almost exclusively in one country; others, in multiple countries.

The process of globalization for an organization occurs along a continuum without clear distinctions between phases. Although many have tried to classify the various phases, distinguishing where organizations fall along this continuum can be difficult. Thus, in this report all organizations operating in multiple countries are characterized as “international,” regardless of their level of globalization. This categorization scheme fits our purposes, in that our main goal was not to compare and contrast organizations in different phases of the globalization process, but to gain a better understanding of HR issues facing companies operating in multiple geographic and cultural environments.

Some terms used throughout this study are:

**HR practices:** The primary responsibilities of the human resource function within an organization (e.g., training, development, selection, compensation).

**Locations/Offices:** Geographically distinct facilities where business is conducted (e.g., headquarters, regional offices, international offices, local offices).

**Corporate culture:** An organization’s shared experiences, values, and beliefs, including its preferred methods of doing business and dealing with employees.
General Profile

A total of 206 HR Benchmark Group member organizations responded to a questionnaire about the globalization of HR practices. Two-thirds of the respondent organizations classify themselves as international; the remaining third, as domestic, or operating primarily in one country (see Figure 1).

**Figure 1.** Percentage of organizations that classify themselves as domestic and international.

<table>
<thead>
<tr>
<th></th>
<th>Domestic</th>
<th>International</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>34%</td>
<td>66%</td>
</tr>
</tbody>
</table>

**General Finding:** HR globalization is characterized by increasing levels of decentralization.

In describing how their HR departments are structured, international organizations indicate that there was some degree of both centralization and decentralization. Half of these organizations reported having one primary HR department with independent regional HR staff (see Figure 2). This decentralized structure allows regional HR offices to control their own HR functions. Only 19 percent of domestic companies reported organizing their HR function this way. A large number of international (37 percent) and domestic (42 percent) companies, however, reported that they used a more centralized approach—one primary HR department with dependent regional HR staff. In this structure corporate HR is responsible for developing practices, and regional HR staff carry out the corporate practices at their locations. Domestic companies reported having the most centralized approach to the HR function. More than a third reported having only a primary HR department with no regional HR staff. In this structure corporate HR is responsible for implementing HR policies and procedures in all locations/offices.

**Figure 2.** How international and domestic organizations organize the HR function.
HR Priorities

Organizations were asked to identify the top three priorities that their HR departments would emphasize over the next two years. The top priorities for both international and domestic companies are presented in Table 1.

Table 1. Top priorities for international and domestic HR departments in the next two years.

<table>
<thead>
<tr>
<th></th>
<th>International</th>
<th>Domestic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Leadership development</td>
<td>52%</td>
<td>46%</td>
</tr>
<tr>
<td>Recruiting high-quality employees</td>
<td>40%</td>
<td>46%</td>
</tr>
<tr>
<td>Performance management</td>
<td>37%</td>
<td>40%</td>
</tr>
<tr>
<td>Employee retention</td>
<td>33%</td>
<td>35%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>International</th>
<th>Domestic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee retention</td>
<td>46%</td>
<td>46%</td>
</tr>
<tr>
<td>Recruiting high-quality employees</td>
<td>46%</td>
<td>40%</td>
</tr>
<tr>
<td>Building strong organizational values and corporate culture</td>
<td>40%</td>
<td>35%</td>
</tr>
<tr>
<td>Leadership development</td>
<td>35%</td>
<td></td>
</tr>
</tbody>
</table>

Note: Numbers represent percentage of organizations ranking each practice among their top three priorities.

Priority Finding 1: International companies recognize the need for strong leadership development.

Not surprisingly, HR departments in global companies will emphasize leadership development in the next two years. This finding aligns with a recent study conducted by The Conference Board in which respondent organizations indicated that identifying and developing leaders was the most pressing issue in their organizations.¹ Almost all the organizations in the study (91 percent) also identified leadership as the critical success factor needed for global growth. Global organizations require strong leaders who can drive the business in the global marketplace and effectively manage people in different cultures and environments. As organizations face a global war for talent and a shortage of qualified leaders, these people are becoming increasingly difficult to find.²

A recent DDI study of leadership identified a sizeable gap between current and future leadership skills.³ In fact, today’s leaders do not believe they are currently strong in 8 of the 10 skills deemed important for future leadership positions. Global organizations have the added burden of finding and developing leaders who not only are strong in basic leadership skills, but can meet the demands of managing in diverse locations and cultures and creating a common corporate culture. To meet this challenge, 73 percent of international organizations indicated that they have a formal process in place for identifying and developing potential candidates for key management positions. Development efforts should provide a broad spectrum of opportunities for individuals to enhance their global leadership skills and capabilities (e.g., cross-cultural assignments, multicultural task forces or project teams, mentoring programs). By developing leaders internally, global organizations can form a strong leadership base on which to build for future success.

**Priority Finding 2:** With the tight labor market, recruiting quality employees will be a challenge for both international and domestic organizations.

The second priority for international HR departments—recruitment—is logical in light of the raging global war for talent. The labor market is tight not only in the United States but also in many other parts of the world. In fact, 162 respondent organizations in a 1999 DDI study indicated that the availability of fewer qualified candidates and competition for the same applicants were the top barriers to effective recruitment and selection.  

For global organizations, finding technically skilled candidates who have the savvy to work across cultural and political boundaries might be even more challenging. In today’s globally competitive marketplace, the organization looking for qualified, talented candidates has to sell itself to them rather than vice versa. Attracting these candidates requires organizations to offer high-quality options such as high potential for advancement, a solid company reputation, stock options, competitive salary and benefits, and a positive company culture.

**Priority Finding 3:** Managing employees’ performance poses a significant challenge for organizations that operate around the world.

A sound performance management system is the “glue that holds an organization together across geographic, technical, and cultural boundaries,” according to a leading food and beverage company. Performance management allows global companies to link individual and local business unit objectives to the broad organizational strategies and goals.

**Priority Finding 4:** Finding quality employees is not enough. Organizations must have plans in place to retain the talent they acquire.

International and domestic organizations both indicated that retaining employees will be a top concern in the coming years. The high demand for talent has created a buyer’s market around the world. Individuals are choosing to leave their jobs for numerous reasons. According to a 1997 study conducted by the Society for Human Resource Management (SHRM), 41 percent of employers were either concerned or very concerned about the number of voluntary resignations in their firms.

Among the top reasons people left a company were higher salaries and better career development opportunities. Hence, international and domestic organizations should include in their retention strategies comprehensive training and development opportunities as well as career planning.

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5 Ibid.

Consistency of HR Practices

A majority of international (79 percent) and domestic (87 percent) organizations reported that their parent organizations are taking action to make HR practices more consistent across all locations/offices. However, the reasons for doing so vary slightly for each organization type. Table 2 indicates the reasons that organizations are making their practices more consistent.

<table>
<thead>
<tr>
<th>Reason for creating consistency</th>
<th>Int'l</th>
<th>Domestic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improve efficiency—reduce the costs of HR practices</td>
<td>66%</td>
<td>71%</td>
</tr>
<tr>
<td>Improve effectiveness—make HR practices more valuable</td>
<td>73%</td>
<td>81%</td>
</tr>
<tr>
<td>Common culture—have the same values at all locations/offices</td>
<td>75%</td>
<td>66%</td>
</tr>
</tbody>
</table>

**Table 2.** Reasons for creating consistency in HR practices for international and domestic organizations.

**HR Practices Finding 1:** International organizations use consistent HR practices to help develop a common corporate culture.

Both domestic and international organizations attempt to use consistent HR practices for practical purposes—to improve efficiency and effectiveness of the HR function. However, more international than domestic organizations reported using consistent practices for the strategic purpose of developing a common culture or values. HR departments in international companies face the challenge of serving a culturally and geographically diverse organization. One way to hold people together is through a common philosophy and set of values. Ensuring that the same core HR practices are being used in every location around the globe is one way an organization can espouse a common and consistent strategy and culture.

**HR Practices Finding 2:** Selection practices vary greatly across locations in international organizations.

Organizations were asked to estimate how much their current HR practices vary across all locations/offices. The top five varying practices in international companies are found in Table 3.

Three of the top five HR practices that greatly vary involve selecting employees (i.e., assessments, testing, and Internet advertising). Differences in language, culture, HR capabilities, and technology might contribute to variations in these HR practices in different countries. For example, accepting and using certain selection methods, like assessments or testing, can vary greatly from location to location. Additionally, companies with offices in multiple countries possibly face different employment laws that can affect selection standards and requirements. HR practices based on technology (e.g., Internet advertising) might pose a problem for some locations because of access issues. Popular “Western” practices, such as mentoring and teams, also might not be as readily accepted in other cultures.

<table>
<thead>
<tr>
<th>Human Resource Practices</th>
<th>Percentage indicating great or moderate variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assessments (role plays and simulations)</td>
<td>66%</td>
</tr>
<tr>
<td>Mentoring programs</td>
<td>64%</td>
</tr>
<tr>
<td>Testing for selection purposes</td>
<td>62%</td>
</tr>
<tr>
<td>Team training</td>
<td>60%</td>
</tr>
<tr>
<td>Internet advertising (recruiting)</td>
<td>60%</td>
</tr>
</tbody>
</table>

**Table 3.** Practices varying moderately or greatly across locations/offices in international companies.
Challenges to Consistency

International companies face many challenges when trying to make HR practices consistent across all locations/offices. The top three challenges are listed in Table 4.

Table 4. Top three challenges to consistent HR practices in international companies.

<table>
<thead>
<tr>
<th>Challenges to consistent HR practices</th>
<th>Organizations indicating a challenge*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Variations in social, political, and economic circumstances</td>
<td>50%</td>
</tr>
<tr>
<td>Different locations/offices have their own way of doing things and are resistant to change</td>
<td>48%</td>
</tr>
<tr>
<td>The perceived value of the HR function varies across locations/offices</td>
<td>40%</td>
</tr>
</tbody>
</table>

* Percentage of organizations indicating a top three challenge.

**Challenge 1:** Social, political, and economic differences affect an organization’s ability to implement consistent HR practices around the world.

International organizations identified variations in social, political, and economic circumstances as the number one challenge to maintaining consistent HR practices. When administering HR practices across locations/offices, these companies must consider factors such as government regulations, local employment laws, cultural differences, and employee expectations. Practices that work in one location/office might not be acceptable in another for any number of reasons. For instance, a selection practice that includes asking personal questions about age and marital status might be perfectly acceptable in one country but illegal in another, like in the United States.

**Challenge 2:** Organizations must be prepared to address and overcome local resistance to change.

Another major challenge facing HR practitioners is that different locations/offices might have their own operating methods and are resistant to changing. Many of the international companies reported that their local offices control their own HR functions, so implementing corporate HR initiatives would likely be very difficult. To effectively implement corporate HR strategies, organizations must take into account the various local ways of operating. A corporate mandate to use a certain practice might not be successful if it is not flexible enough to incorporate the local cultures and ways of doing things.

**Challenge 3:** The HR function must address any differing perceptions from the corporate and local levels regarding HR’s value, credibility, and importance.

The way that different locations/offices perceive their organization’s HR function also poses a large barrier to implementing consistent HR practices. One location/office might perceive HR to be a true business partner, working with high-level managers and contributing to the strategic direction of the organization. In sharp contrast another location/office in the same company might view HR as purely an administrative function that is responsible only for tracking personnel issues. How local offices view the HR function is largely dependent on how their corporate office views it: If the HR function is deemed to be of strategic importance by headquarters, the locals will likely view it similarly. Thus, the importance of the HR function is implied by how strategically aligned it is with major business issues and challenges facing the organization.
Best Practices

The survey asked respondents to answer the following:

What is the most effective action your parent organization has taken to make HR practices more consistent across all locations/offices?

Here is a sample of their responses:

- Developed a long-term HR plan to ensure alignment of HR strategies/objectives with corporate objectives.
- Created centralized reporting relationships around the globe.
- Standardized assessment, development, and compensation practices.
- Introduced practices to regions around the globe and allowed the HR function in each region the autonomy to do [its] job.
- Created global policies/processes for data management, performance management, compensation, education, and development.
- Tied regional accountability to performance management.
- Shared HR best practices used in certain locations with all other locations.
- Developed an HR mission statement.
- Cascading of the corporate mission, vision, and core values to regional offices.
- Decentralized HR to be more responsive to local needs.
- Built a cohesive team willing to train and develop managers to interpret corporate policy in their own environment.
- Introduced common programs (e.g., online evaluation, 360-degree evaluations).
- Corporate HR writes the policy, then gets other areas to respond with comments and/or local issues.
- Top HR personnel travel worldwide to meet with local/regional HR groups to present and discuss HR programs and strategies.
- Improved communications and rolled out standard programs that are customized by country.
Creating a Corporate Culture

When its offices are spread around the globe, an organization might find it difficult to create a strong, unifying corporate culture. Despite this, 84 percent of surveyed international companies indicated that their parent organization was trying to establish a corporate culture at all locations/offices that was consistent with its goals and vision. What makes this endeavor especially difficult is the influence that the local cultures have on how a location/office conducts its business. Many of the international organizations (88 percent) reported that the local culture or customs have a moderate or great influence on the way they conduct business in certain locations.

Thus, a key to creating a consistent corporate culture across locations/offices is maintaining the critical balance between a strong corporate culture and local cultural differences. This balancing act has been described as “achieving consistency while allowing flexibility.” Companies must recognize that each region will have its own culture that they should not stifle, while also recognizing the need to establish a corporate “way of doing things” to provide a common bond among the regions.

Organizational Insight

A common corporate culture should not be forced upon regional offices. Rather, as one executive at Fluor Corporation believes, a global culture should be cultivated by focusing on the company’s underlying values and principles in all parts of the business. Fluor touts the basic organizational values of mutual respect and trust when dealing with all of their associates worldwide.

Achieving a Consistent Corporate Culture

International organizations were asked what actions their parent companies have taken to create a consistent corporate culture at all locations/offices. Figure 3 presents these strategies.

Communication. Over three-quarters of the organizations surveyed communicated to all their locations/offices that the parent organization was attempting to create a common corporate culture with shared values, mission, goals, etc. The quality of the initial and sustained communication strategies is critical in creating a unified culture. In its communications the organization needs to clearly state to the locations/offices its expectations about business practices and organizational values, then continue to reinforce them to solidify their understanding of the organizational climate.

Organizational Insight

At QUALCOMM a lot of time and energy is spent on communication. The company has a daily newsletter that each employee receives. This newsletter allows all employees to read the same company news on the same day. The company also has a monthly magazine for employees with similar jobs. These communication strategies help to instill a sense of the QUALCOMM culture across its global locations.
Regional involvement and culture. When creating a corporate culture, organizations should also involve their locations/offices. More than half of the organizations surveyed (57 percent) reported that they included input from individuals or teams from their locations/offices when shaping their organizational mission. Having a voice in the creation of the global culture can increase the local offices’ commitment to and support of the organization’s cultural initiative. As previously stated, allowing the local cultures to maintain their identities within the context of the corporate culture is of utmost importance. The parent organization can do this by providing broad strategic guidelines for how to conduct business while leaving the regional offices the flexibility to execute the strategies by way of their local cultures.

Education. Educating management around the globe about how the company wishes to conduct business is another step to implementing a strong corporate culture. Managers are responsible for ensuring that the culture is established at the local level and that local strategies are aligned with the overall corporate strategies. By educating managers, organizations increase the likelihood that all locations/offices hear the same message and are operating with the same organizational values. Building organizational culture can be done through a variety of methods, including international seminars, task forces, and visits to headquarters, which all help the managers to learn about the company’s values and processes and the organization to promote international spirit.8

General Challenges for the Global HR Function

Functions such as operations, sales, and marketing have generally made great progress in adapting to the global marketplace. However, the HR function has typically lagged behind in developing policies and structures that support globalization. Creating a truly global HR function can be quite challenging when dealing with numerous international locations. Figure 4 illustrates the different challenges that the HR function faces in the globalization process.

The top challenges facing the HR function during the globalization process include:

- Coordinating activities in many different locations.
- Understanding the continual change of the globally competitive environment.
- Building a global awareness in all HR departments/divisions.
- Creating a multicultural HR team.

Organizations that are growing globally are faced not only with the obvious challenge of trying to coordinate activities among their many locations/offices, but also with creating a truly global mind-set among HR professionals. Such a mind-set implies recognizing and valuing cultural diversity, having knowledge of differences within and across their various cultures, and being able to balance global business needs within multiple cultures.9 All levels of the HR function—corporate and local—must understand and respond to a highly competitive global marketplace.

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Figure 4. Challenges facing the global HR function.

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Percentage of Organizations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Coordinating HR activities in many different locations</td>
<td>45%</td>
</tr>
<tr>
<td>Understanding the changing globally competitive environment</td>
<td>42%</td>
</tr>
<tr>
<td>Building a global awareness in all HR departments/divisions</td>
<td>41%</td>
</tr>
<tr>
<td>Creating a multicultural HR team</td>
<td>35%</td>
</tr>
<tr>
<td>Redefining roles and responsibilities of HR</td>
<td>35%</td>
</tr>
<tr>
<td>Creating HR strategies that meet the company’s goals and vision</td>
<td>29%</td>
</tr>
<tr>
<td>Keeping local cultures and issues in mind when administering HR practices</td>
<td>26%</td>
</tr>
<tr>
<td>Preparing and educating HR representatives to work with diverse groups</td>
<td>20%</td>
</tr>
</tbody>
</table>

Note: Due to rounding, not all percentages total 100 percent.

International Assignments

Finding, developing, and retaining global leaders tops the priority list of international companies. International, or expatriate, assignments are often used as a way to develop the talent of global leaders.

Expatriate Finding 1: Expatriate assignments are popular development tools used by international companies.

Many companies are focusing on developing their global talent internally, rather than seeking it from the outside labor pool. International assignments provide development opportunities for global leaders to expand their education and experience with different business challenges and cultures. Most of the international companies surveyed (83 percent) use expatriate assignments. International assignments generally last 1–5 years, with an average duration of 2.65 years.
Expatriate Finding 2: International assignments are quite expensive; most cost at least twice as much as an expatriate’s salary.

While international assignments can provide great development opportunities, they also are very costly. Most international companies (88 percent) spend more than two times an expatriate’s salary during the person’s assignment. Half of the organizations estimated that they spend between two to three times an expatriate’s salary over the life span of the assignment. An additional 37 percent of the organizations estimated their expenses to be three or more times an expatriate’s salary.

Expatriate Finding 3: When recruiting expatriates, organizations do not view the ability to speak multiple languages as the most important qualification.

Although an expatriate’s ability to speak other languages was considered important by half of the international organizations using these types of assignments, it was not the number one characteristic they considered when recruiting for international assignments. Rather, the most desirable characteristic of an expatriate is a willingness to travel (see Table 5). This willingness is an innate characteristic and must be present to successfully manage in a new country and culture. An individual with the desire to travel can readily learn to communicate with intensive study and coaching. Other factors, such as ethnic background, marital status, and gender, also do not appear very significant when organizations are assessing candidates for these assignments.

Table 5. Percentage of organizations indicating factor is important or very important when recruiting expatriate candidates.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Percentage indicating Important or Very Important</th>
</tr>
</thead>
<tbody>
<tr>
<td>Willingness to travel</td>
<td>97%</td>
</tr>
<tr>
<td>International business experience</td>
<td>59%</td>
</tr>
<tr>
<td>Multilingual or bilingual</td>
<td>57%</td>
</tr>
<tr>
<td>Ethnic background</td>
<td>14%</td>
</tr>
<tr>
<td>Marital status</td>
<td>11%</td>
</tr>
<tr>
<td>Gender</td>
<td>7%</td>
</tr>
</tbody>
</table>

Expatriate Finding 4: While most organizations provide pre-departure training for expatriates, relatively few provide a process for managing the person’s home re-entry after completing the assignment.

Most organizations provide expatriates with training regarding language and culture before their assignments, but they might not provide programs and support for the expatriates while they are on assignment or upon their return. Even fewer organizations provide support or training for the expatriate’s family before, during, or after the assignment (see Table 6). Providing support to both the expatriate and the person’s family before and after the assignment can greatly influence the success of the assignment and the expatriate’s perception of and commitment to the organization.
Table 6. Percentage of organizations providing resources to expatriates and their families.

<table>
<thead>
<tr>
<th>Resources</th>
<th>Expatriate</th>
<th>Family</th>
</tr>
</thead>
<tbody>
<tr>
<td>Language training</td>
<td>74%</td>
<td>58%</td>
</tr>
<tr>
<td>Cultural sensitivity training</td>
<td>70%</td>
<td>57%</td>
</tr>
<tr>
<td>Special in-country support programs</td>
<td>62%</td>
<td>56%</td>
</tr>
<tr>
<td>Process for managing re-entry to home country</td>
<td>58%</td>
<td>39%</td>
</tr>
</tbody>
</table>

Expatriate Finding 5: Expatriate assignments might not be money well spent unless companies utilize the skills and abilities of the expatriates upon their return.

While international assignments are often used as part of a career planning and development process, they might not enhance the careers of the expatriates. In fact, only 68 percent of respondent organizations agreed that international assignments help an expatriate’s career. This finding reflects the concerns of expatriate managers surveyed for a recent report by The Conference Board. It found that a majority (80 percent) of the managers did not feel that their international experience was valued, and most (87 percent) did not receive a promotion upon their return. International companies should recognize that the money spent on expatriate assignments is an investment in their future. These assignments can help to develop global leaders who can add value to the organization through their understanding of the globally competitive marketplace and their utilization of diverse human resources. International assignments should be part of an integrated career planning and development process that includes a specified assignment upon the expatriate’s return.

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The Global Picture

When it comes to business, the world is indeed becoming a smaller place. More and more companies are operating across geographic and cultural boundaries. While most organizations have adapted to the global reality in their operations, many are lagging behind in developing the human resource policies, structures, and services that support globalization. The human resource function faces many challenges during the globalization process, including creating a global mind-set within the HR group, creating practices that will be consistently applied in different locations/offices while also maintaining the various local cultures and practices, and communicating a consistent corporate culture across the entire organization.

To meet these challenges, organizations need to consider the HR function not as just an administrative service but as a strategic business partner. Companies should involve the human resources department in developing and implementing both business and people strategies. This type of partnership is necessary if an organization wants to change potentially inaccurate perceptions of HR and reiterate the HR function’s purpose and importance throughout all its global environment. Organizations will also discover that HR can be invaluable in facilitating the development of a unifying corporate culture and finding and cultivating much needed leadership talent around the world.

The process of globalizing resources, both human and otherwise, is challenging for any company. Organizations should realize that their global HR function can help them utilize their existing human talent from across multiple geographic and cultural boundaries. International organizations need to assist and incorporate their HR function to meet the challenges they face if they want to create a truly global workforce.

Center for Applied Behavioral Research
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## Respondent Profile

### Table 1: Regions

<table>
<thead>
<tr>
<th>Region/Country</th>
<th>Overall Sample Percent</th>
<th>Domestic Percent (n=70)</th>
<th>Int’l Percent (n=135)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia &amp; Pacific Rim</td>
<td>20</td>
<td>16</td>
<td>21</td>
</tr>
<tr>
<td>Canada</td>
<td>10</td>
<td>9</td>
<td>11</td>
</tr>
<tr>
<td>Europe</td>
<td>4</td>
<td>0</td>
<td>6</td>
</tr>
<tr>
<td>Latin America</td>
<td>3</td>
<td>0</td>
<td>5</td>
</tr>
<tr>
<td>Middle East</td>
<td>1</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>United States</td>
<td>62</td>
<td>76</td>
<td>56</td>
</tr>
</tbody>
</table>

### Table 2: Contact’s Position

<table>
<thead>
<tr>
<th>Position</th>
<th>Overall Sample Percent</th>
<th>Domestic Percent</th>
<th>Int’l Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Human resource director or manager</td>
<td>39</td>
<td>31</td>
<td>43</td>
</tr>
<tr>
<td>Human resource vice president</td>
<td>31</td>
<td>37</td>
<td>28</td>
</tr>
<tr>
<td>Other</td>
<td>29</td>
<td>31</td>
<td>28</td>
</tr>
</tbody>
</table>

### Table 3: Industry

<table>
<thead>
<tr>
<th>Industry Type</th>
<th>Overall Sample Percent</th>
<th>Domestic Percent</th>
<th>Int’l Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturing</td>
<td>41</td>
<td>18</td>
<td>54</td>
</tr>
<tr>
<td>Services</td>
<td>19</td>
<td>28</td>
<td>14</td>
</tr>
<tr>
<td>Transportation/Communication/Utilities</td>
<td>12</td>
<td>13</td>
<td>12</td>
</tr>
<tr>
<td>Finance/Insurance/Real Estate</td>
<td>12</td>
<td>18</td>
<td>8</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>7</td>
<td>15</td>
<td>3</td>
</tr>
<tr>
<td>Other</td>
<td>9</td>
<td>8</td>
<td>9</td>
</tr>
</tbody>
</table>

**Note:** Due to rounding, not all percentages total 100 percent.

### Table 4: Industry Revenue

<table>
<thead>
<tr>
<th>1999 Revenue</th>
<th>Overall Sample Percent</th>
<th>Domestic Percent</th>
<th>Int’l Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>More than $10 billion</td>
<td>12</td>
<td>3</td>
<td>15</td>
</tr>
<tr>
<td>$1 billion to $10 billion</td>
<td>34</td>
<td>31</td>
<td>36</td>
</tr>
<tr>
<td>$500 million to $1 billion</td>
<td>13</td>
<td>21</td>
<td>9</td>
</tr>
<tr>
<td>$100 million to $500 million</td>
<td>26</td>
<td>26</td>
<td>26</td>
</tr>
<tr>
<td>Less than $100 million</td>
<td>16</td>
<td>19</td>
<td>14</td>
</tr>
</tbody>
</table>

### Table 5: Type of Employees

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-exempt</td>
<td>54</td>
<td>65</td>
<td>0</td>
<td>95</td>
</tr>
<tr>
<td>Exempt</td>
<td>46</td>
<td>35</td>
<td>5</td>
<td>100</td>
</tr>
</tbody>
</table>

### Table 6: Number of Employees

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Median</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees at respondent’s location</td>
<td>1,610</td>
<td>500</td>
<td>2</td>
<td>35,000</td>
</tr>
<tr>
<td>Number of employees at all locations</td>
<td>16,471</td>
<td>5,000</td>
<td>60</td>
<td>325,000</td>
</tr>
</tbody>
</table>
Respondent Organizations

Acceptance Insurance Companies Inc.
Alfa Corporativo, S.A. de C.V.
American Airlines
AmeriPath, Inc.
AmeriUS Group
Amgen, Inc.
Anglian Water plc
Applied Industrial Technologies
Aramark Canada Ltd.
Ashland, Inc.
Australia Post—NSW/ACT Delivery
B/E Aerospace, Inc.
Bangkok Industrial Gas Company, Ltd.
The Bank of New York
Banque Nationale du Canada
Banta Corporation
Banyan Worldwide
Baptist Health Systems of South Florida
Beiersdorf AG
Beiersdorf Jobst Inc.
Bethphage Great Britain
Biogen
BJ Services
BJC Health System
Blue Cross Blue Shield of North Dakota
BMW Group
Boc Gases Australia Ltd.
Boise Cascade Office Products Corporation
Bristol-Myers Squibb (Philippines), Inc.
Brunner Mond (U.K.) Ltd.
Brush Wellman, Inc.
Bunnings Building Supplies Pty. Ltd.
Cable and Wireless Optus Ltd.
Canada Customs Revenue Agency
Canon Marketing (M) Sdn Bhd
Canon Virginia, Inc.
Caraustar Industries, Inc.
The Carbide/Graphite Group, Inc.
Carpenter Technology Corporation
Carvajal S.A.
Castlemaine Perkins Pty. Ltd.
Caterpillar Mexico S.A. de C.V.
CCL Industries Inc.
CEC Entertainment, Inc.
Centrepoint Properties Ltd.
Chiquita Brands International
Cigarrera La Moderna, S.A. de C.V.
Citation Computer Systems, Inc.
Clarian Health
Cleveland-Cliffs Inc.
Coles Myer, Ltd.

Computer Management Services Pty. Ltd.
Concentric Network
ConnecTel Ltd.
Consolidated Papers, Inc.
Corporacion Supermercados Unidos
DaimlerChrysler Rail Systems (North America), Inc. Adtranz
Datalink Corporation
Deutsche Financial Services
Dexter Corporation
Domtar Inc.
Duke-Weeks Realty Corporation
Dun & Bradstreet
Dun & Bradstreet Canada
East Kentucky Power Cooperative, Inc.
Edify Corporation
Eli Lilly and Company (Taiwan), Inc.
Emmax
Equate
Fairfax Printers
Federal Auto Cars Sdn Bhd
Federal Reserve Bank of Dallas
First Financial Corporation
First Merit Corporation
Flexsys Chemicals (M) Sdn Bhd
Fluor Corporation
Fluor Daniel, Inc., Philippines
GATX Logistics, Inc.
General Semiconductor, Inc.
Glaxo Wellcome Philippines, Inc.
Glendayre Technologies, Inc.
Grupo Gamesa S.A. de C.V. Pepsico
Guilford Mills, Inc.
Gulf States Paper Corporation
H&R Block World Headquarters
Hallmark Canada
Hallmark Cards Australia Ltd.
Hamilton Health Sciences Corporation
Hamilton-Sundstrand Corporation
HCR ManorCare
Henkel Corporation—Chemicals Group
Hillshire Farm and Kahn's
Hotel Inter-Continental Toronto
Hunter Douglas, Inc., Window Fashions Division
IMS Health, Canada
Ingham Intermediate School District
Innovex, Inc.
Interim Services, Inc.
Iron Ore Company of Canada
Irwin Financial Corporation
J. Baker, Inc.
The Americas
World Headquarters—
Pittsburgh
412.257.0600

Monterrey (Mexico)
52.8.368.0033

Toronto
416.675.2724

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Düsseldorf
49.2159.91680

London
44.1753.616000

Paris
33.1.41.96.86.86

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Johannesburg,
and Madrid

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852.2526.1188

Singapore
65.226.5335

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Tokyo