

Cross-Cultural Human Resource Management in Croatia and Singapore

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Introduction

Since the establishment and development of trade, several individuals, organizations, and states have explored various business strategies and ventures to implement so as to keep tabs on the ever-competitive and developing market. In as much as the strategies evolve, several factors are placed into consideration in bringing the difference between the competitors. Among the factors include cultural values, customs, and the behavior of the people involved in the trade or, say, business venture (Smotherman, 2002). It is due to this fact that individuals, organizations, and states seek to learn about diverse cultures, values, and behavioral activities. This has further led to different peoples coming together, offering a mix-up of diverse communities into a society for the purpose of trade.

Singapore, for instance, is considered a society that comprises different ethnicities with different backgrounds. Distinctively, its population constitutes 77% Chinese, 6% Indians, 15% Malay and around 2% expatriates. Similarly, Croatia is also despicably made up of different ethnicities. Croatia's population comprises 95.6% Croats, 4.4 Serbs, and around 4.4% expatriates (Central Intelligence Agency, 2011). Therefore, comparing and analyzing the cultural complexities between Singapore and Croatia may produce an efficient piece of data describing why cross-cultural dimensions should be appreciated.

It is in allegiance to the described factors that the dimensions of culture are displayed through Geer Hofstede's model in a bid to provide individuals and managers of organizations on international grounds with the means necessary to analyze the cultures in which they do business. Hofstede's model is meant to provide significant hypothetical approaches in order to help understand the subtleties of different cultures better.

In his approach, Hofstede diagnosed six major cultural dimensions around which countries are clustered, with people in each group exhibiting similar behaviors. The dimensions comprise individualism, masculinity, power distance index, long-term orientation, uncertainty avoidance, and indulgence.

Organizational Design And Culture Analysis

Singapore and Croatia display vivid differences in the comparison of their organizational design and culture. It is important to note organizational design as a mechanism of the framework, plans,

compensation packages, and employee performance outlook in developing a productive company with the ability to relay its work plans (Galetic I et al., 2012). Culture, on the other hand, is deliberately the social behavior and norms found in human societies. Culture may be, however, overlooked as an element of organizational design.

According to Hofstede's power distance aspect, Singapore's and Croatia's organizational design relay autocracy. Singapore, being more of a Confucian society, has its power incorporated, and the basis is maintained by the bosses and rules. The employees in Singapore organizations only act upon a set of instructions and rules that are prescribed by their bosses. Furthermore, the flow of information is selective and indirect. Not everyone in an organization has access to some information. In a similar way, Croatia's organizational design is based on hierarchical orders. This means that the employees of the organizations in Croatia live up to the fact that everybody has a position in the organization's structure, which does not have to be justified in any way. Not to mention, the organizational structure is centralized, and the junior staff only perform according to instructions provided to them by the bosses.

Singapore and Croatia can also be distinguished in Hofstede's Uncertainty Avoidance theory, which describes the magnitude of fear withheld by members of a society in unclear scenarios, making them develop beliefs that attempt to dodge these situations. Singapore has a higher Power Distance Index; thus, employees submit to rules. Singapore's society is well known for fines. Therefore, people follow the rules actively in order to avoid getting in trouble or being fined. Croatia, on the other hand, has a higher affinity for avoiding uncertainty. Employees in Croatian organizations, thus, have a hysterical need for rules, people are willingly hardworking, time is highly valued and they are highly motivated by security.

Staffing Process Analysis

Ideally, the use of expatriates has its advantages alongside challenges. True, agreeing to work overseas may mean a higher salary, engaging in adventure, experiencing diverse and unique cultural practices, living in better conditions, and even opening doors for promotions in the future. These features may be hard to overlook for an employee being offered a chance to take an international assignment. However, with engaging in international assignments comes the thought of cultural shock, colleagues in other countries underperforming, and family influences derailing a staff's willingness (Zhu et al., 2006). It is, therefore, important to carefully manage the selection and training of senior-level executives to minimize the possibility of expensive expatriate failure.

To begin with, it is important to select the right candidates for international assignments (Reinhart, Gail, 2000). For the international assignment to have more potential for success, the team of executives selected should possess certain characteristics that align with the task. Therefore, it is essential to possess a job description that clearly specifies the abilities needed by the ex-pats. As much as technical skills are guaranteed, the executives selected for the international assignment

should be willing and able to work outside their home country. In other words, the ideal candidates need to have; technical skills, communication effectively, empathy, international flexibility, inherent culture fit skills, and interpersonal abilities. These skills are not easy to measure; thus, it is important to combine them with on-the-job training (Hu et al., 2010).

Equally important is a background check of the executives scheduled to go on the international assignment and the country they are visiting. Since the organizational design and culture of Singapore and Croatia are ideally alike to some depth, the ex-pats may find it easier to adapt to the business environment of Croatia. Croatia's employees have the affinity to rely on hierarchy, just as Singapore's environment is used to receive orders from the boss or a set of rules. Furthermore, the expats' abilities and preferences should face a background check. It is important to take into consideration an expat's family influence. According to Caligiuri et al., the influence of the family on how an expatriate adjusts when relocating overseas is ideal (1998). Premature returns and poor performance were the anticipated products of unsuccessful family influence. Among issues identified include missing training on culture for spouses, spouses rejecting country change, and changing of children's schools (Zhu. et.al, 2006). It is therefore important to identify a family's influence and develop training for these executives ahead of the assignment to Croatia.

Not to forget, using Hofstede's insights is important in the selection of the ex-pats. For instance, comparing the cultural dimensions in which different countries are clustered and people in the groups showing identical behavioral patterns ensures the right pool of executives is selected for the international assignment in Croatia. Citing the Cultural dimensions by Hofstede, selecting ethnocentric staff becomes vital since the cultural diversities linked with the organizational design for Croatia and Singapore are more than or less the same.

Training And Development Analysis

Having in mind the fact that this is the first set of international assignments for the executives, it is important to take into consideration the need to create awareness of the ingredients of international assignments through training. The training is anticipated to enable them to fit into the new environment and achieve significant performance.

Research by Cerimagic indicates that significant training for ex-pats is determined by the degree of interaction required in the host culture and the similarity between the individuals' native culture and the new culture (2011). Furthermore, the significance of cross-cultural training is mostly achieved depending on the expat's receptiveness and willingness to learn.

In the first place, training on the degree of interaction required in the host culture is significant in enabling the executives to the assignment in learning and understand the new environment in which they are to work. It is important to note that as much as the Croatian and Singapore cultures look significant, there are some cultural practices that are broader in Croatia than how it is adopted in

Singapore. It is, therefore, important that the executives are provided situational training regarding the cultural and organizational designs including work patterns of Croatia that lead to significant production.

Creating training that compares and contrasts the culture between Singapore and Croatia is also important to the executives due to undertaking the international assignment. It is important to note that understanding the similarities between the cultures of the two countries enables an employee to verify which significant operational strategies they can transfer to the new environment. This means that the Croat culture may significantly take in a particular set of business strategies that are adopted by the Singapore culture. Having an understanding of both cultures enables an ex-pat to be more competent in cultural dealings and diminish the probability of interpersonal errors.

Not to forget, since research by Chew and Zhu indicates that family is a significant factor in influencing the willingness of an employee to accept an international assignment and their performance as expatriates, it is important to train and prepare the candidate and his family. Preparing the candidate and his family's forte ingredients for the international assignment enables the candidate and his family to be relieved from the stress surrounding the uncertainties of the course. Relieved of the stress, the executive is then in a better position to accept the new venture, as well as able to perform significantly abroad, knowing that their family needs are well taken care of.

Remuneration Package Analysis

A synthesis of factors influencing the decision of choosing to engage in international assignments includes compensation packages. This factor is for both the organization and the employees. For the organization's case, the value of the compensation package offered should align with the value of input the company received, as well as fit with the company's budget. On the other hand, employees are also affected by the kind of package they receive; is it substantial?

In developing an expatriate compensation structure for an organization, there are two main approaches that are adopted; the balance sheet approach and the going rate approach (Reiche, Harzing & Garcia, 2009). According to the balance sheet approach, the living standards of the ex-pat during the international assignment should be similar to the one he/she had in the home country. In contrast, the going rate approach is designed to align the compensation structure of the ex-pat to that of the visited nation in line with its market proportions and remuneration of the country's workers (Reiche, 2011). Brookfield Global Relocations Trends survey indicates a higher use (62%) of the use of the balance sheet approach, thus implying that organizations prefer ex-pat attraction and motivation to cost saving (Reiche, 2011).

For the senior-level executives set for the Croatian assignment, it is important to survey the living standard of Croatia to define their remuneration package. Their salary will remain the same as that of their peers in Singapore, not that of the Croatian employees. If the living standards of Croatia are

higher than that of Singapore, then the compensation for the ex-pat is adjusted upwards to enable him/her to fit in the environment. However, if Croatia's living standards are lower than Singapore's, no downward adjustment is made.

Important to note is the fact that the organization is required to meet the basic needs of an employee on international assignment. For instance, the organization should be supportive of the expatriate's health, safety, accommodation, children's learning, marital issues, and journey home (Reiche, 2011).

Conclusion

Without any doubt, engaging in an international assignment for the first time is challenging. Having in sight the differences in organizational design and cultures, a lot has to be overlooked in order to guarantee ease of the business process and success. For an organization to think of succeeding in sending its employees on an international assignment, it has to use resources in selecting the employees for the assignment and preparing them adequately for the anticipated situation of the country they are visiting. From the discussion, it is notable that there is more to successfully engaging in an international business venture than solely landing a location that suits the organization's business needs and objectives. According to Reinhart, the organization should select and train qualified employees who can meet and exceed the goals of the company while developing their international expertise (2000). Furthermore, the compensation structure developed for the international assignment should attract and motivate employees as well as seek to enable the organization to achieve its goals. With such an expedition available, the executives to Croatian assignment may well achieve business success.