

Staffing Women as International Managers



Entrepreneurship

Keywords: Expatriate, Discrimination, Employment, Foreign assignments, Managers, Competent, International, Effectiveness, Formal/ Informal system, Open/ Closed system.

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Abstract

Companies with large expatriate population most often use international assignments for early career development or training, whereas companies with fewer than 250 expatriates use them mostly to fill a senior management position. There are increasing numbers of female domestic managers, particularly in Canada and the United States, and this means more of these women candidates for foreign assignments. Many international firms want their top executives to have international experience. This implies that if women are to reach the top they need to accept expatriate assignments. Many international organisations are concerned about assigning women to countries like Japan where there is likelihood that they would not be well accepted by male counterparts. Social psychology studies explore the role of individual values in perpetuating discrimination in selection through the use of schema and stereotyping. Such studies suggest that individual selectors develop schemata of 'ideal job-holders' and use them as a yardstick against which all prospective candidates are measured during the process of selection. In groups where there is dominance of one gender, job-holder schemata are likely to be gender-typed. An 'open' system is one in which all vacancies are advertised, anyone with appropriate qualifications and experience may apply, and a 'closed' system is one in which selectors at corporate headquarters nominate 'suitable' candidates to line managers who then have the option of accepting or rejecting the offer.

Introduction

According to Worldwide Survey of International Assignment Policies and Practices, 2006, 56 per cent of companies have increased the number of expatriate recruitment. The types of assignments are also changing in the line with the growing needs and challenges of today's global economy. Companies with large expatriate population most often use international assignments for early career development or training, whereas companies with fewer than 250 expatriates use them mostly to fill a senior management position. Human Resource policies, including staffing practices, are influenced by national and transnational employment laws that restrict direct and sometimes indirect discriminations based on factors such as gender, race, colour, desirability, religion and marital status. These laws, and their effects, vary considerably by country, not only in what they outlaw but also in how they interpret discrimination. Staffing practices are strongly influenced by norms and values that are not covered by the law. While the information currently available suggests that women make effective managers internationally, they clearly face certain difficulties. The difference which is felt between male and female expatriate is the degree to which the factors of performance give different effect to the individual performance and the value placed on the cultural awareness training before the international assignment. There is evidence, however, that male managers may be becoming less 'psychologically immersed' in their work. They are, therefore, less prepared to make sacrifices which might harm their domestic lifestyles. As a result, organisations can no longer expect to supply their expanding global management requirements from male managers alone. It is visible that women make good expatriate managers and effective managers internationally so the firms will want to use more women in foreign locations.

General Issues of Women in International Firms

Discrimination against women in selection is discouraged in many countries. Where there is a law against women's employment, some women use men as a front and run their businesses. Therefore, IHRM should address this issue of women managers being selected for international assignments. The number of women undertaking international assignments in the early 1980s was relatively low, according to Adler.²²⁴ This did not change dramatically throughout the 1980s, according to Kirk and Maddox.²²⁵ By the 1990s, it began to change somewhat. There are increasing numbers of female domestic managers, particularly in Canada and the United States, and this means more of these women candidates for foreign assignments. Many international firms want their top executives to have international experience. This implies that if women are to reach the top they need to accept expatriate assignments. In the past, some firms have been hesitant to ask women to go overseas because of the potential hardship associated with some locations. Women do not share this hesitancy, however. Among the MBA students surveyed by Nancy Adler, women were as willing as their counterparts to accept international assignments and pursue international careers. There is growing evidence to show that women make good expatriate managers. This suggests that firms will want to use more women in foreign locations. Particularly interesting in the evidence that woman makes good expatriate managers even in locations where local women would not be well accepted as managers. Many international organisations are concerned about assigning women to countries like Japan where there is likelihood that they would not be well accepted by male counterparts. Jelineck and Adler²²⁶ report that this is not true. They have found that North American women managers in Japan are viewed as foreigners rather than as women and that their sex was not an impediment to competent management. Adler quotes one woman who has been successfully working in Hong Kong saying, 'It doesn't make any difference if you are blue, green, purple or a frog, if you have the best product at the best price, the Chinese will buy,' and she concludes that in global business, pragmatism wins over prejudice. While the information currently available suggests that women make effective managers internationally, they clearly face certain difficulties. Earlier reports of women's effectiveness are based on the small number of women who were offered, and who had

²²⁴ N.J. Adler (1984)

²²⁵ W.Q. Kirk and R.C. Maddox (1988)

²²⁶ M. Jelineck and N. J. Adler (1988)

accepted, international assignments. Given the general bias against female candidates, it is likely that these women were particularly good candidates. It is to be expected, therefore, that their performance would also be good. It is only practical for firms, and for women seeking expatriate assignments, to investigate the reality of the foreign work environment for a women manager. A realistic assessment of the environment means that the expatriate can be appropriately prepared and the firm can provide the needed support to allow for high performance. For example, if the woman cannot legally drive in a foreign country, she must be prepared to accept this limitation and the firm must provide a driver to give her needed mobility. If a woman will not be admitted to clubs where business is often conducted, she will need to develop alternative venue for making business contacts to accomplish this. The view that foreign women can be effective as managers where it would be difficult for local women is supported in a study.²²⁷ A majority of women surveyed described themselves and their professional position as outside the cultural norms of the foreign environment, but they were challenged and happy with their lives overseas. In some situations, a female candidate may prefer not to accept a position to such a location; in others, it may be possible to make special arrangements that provide a means to bypass the foreign requirements. In still others, a job title, duties, and so on, might need to be modified. Perhaps a lesson can be taken from the Saudi women entrepreneurs who employ a man as a front. From the perspective of the firm, the important outcome is the effective use of women managers. From the women’s perspective, the important outcome is her ability to perform at an appropriate level.²²⁸ In this way we can see on female expatriates is that the location of the assignment the level of organisation support, spouse/partner satisfaction and intercultural experience are important in terms of performance. What makes a difference between male and female expatriates is the degree to which the factors of performance affect individual performance and the value placed on the cultural awareness training prior to the international assignments. Further the dual-career may prove to be a major culprit in keeping women away from taking up foreign assignments.

The Difficulties in the Selection of Women for International Assignments

Harries²²⁹ examined the impact of an organisation’s selection system for international assignments on the participation rates of women. She drew on the wider research into discrimination in selection to assess the extent to which different types of selection system would influence ideas about what is ‘fit’. From a sociological perspective, selection is perceived as a social process, to be used by those in power within the organisation as a mean of determining the continuing form of the organisation by recruiting and promoting only those individuals who most closely conform to organisational norm. Individuals would, therefore, be judged more on the basis of their acceptability than their suitability.²³⁰ Social psychology studies explore the role of individual values in perpetuating discrimination in selection through the use of schema and stereotyping. Such studies suggest that individual selectors develop schemata of ‘ideal job-holders’ and use them as a yardstick against which all prospective candidates are measured during the process of selection. In groups where there is dominance of one gender, job-holder schemata are likely to be gender-typed. In addition, when the information concerning the vacancy and/or the desired candidate is less distinct, the likelihood that selectors will use schemata and stereotypes is greater. Her research in UK-based MNCs revealed the existence of four typologies of selection systems for international manager positions. These were constituted in two dimensions. The first related to the extent to which organisations used open or closed selection systems for international management assignments. An ‘open’ system is one in which all vacancies are advertised, anyone with appropriate qualifications and experience may apply, and candidates are interviewed with greater or lesser degrees of formalized testing. Selection decisions are taken by consensus amongst selectors. In contrast, a ‘closed’ system is one in which selectors at corporate headquarters nominate ‘suitable’ candidates to line managers who then have the option of accepting or rejecting the offer. In this situation, there may be only one manager in the selection process at the head office. The candidate is informed only a consensus about acceptability has been reached between head office personnel and the line manager. The interview, in this process, consists of a negotiation about the term and conditions of the assignment. The second dimension is related to the extent to which the process is ‘formal’ or ‘informal’. In a ‘formal’ system, the selection criteria are made explicit and an objective debate takes place amongst selectors to decide which candidate most closely matches the criteria. An ‘informal’ system consists of selectors using subjective and often unstated criteria for assessment with minimal systematic evaluation. Four possible variations of selection systems were, therefore, identified: 1. Open/ formal; 2. Closed/ formal; 3. Open/ informal; 4. Closed/ informal

Table: Characteristic of Various Selection Systems

Formal	Informal
Open – Clearly defined criteria Clearly defined measures Training for selectors Panel discussion Open advertising of vacancy (Internal/external)	Less defined criteria Less defined measures Limited training for selectors No panel discussions Open advertising of vacancy (Recommendations)
Closed – Clearly defined criteria Clearly defined measures Training for selectors Panel discussion Nominations only (networking/reputation)	Selectors’ individual preferences determine criteria and measure No panel discussions Nominations only (networking/reputation)

²²⁷ G. Dawson, E. Ladenburg and K. Moran (1987)

²²⁸ B. J. Punnett (2006)

²²⁹ H. Harris (1999)

²³⁰ N. Jewson and D. Mason (1986)

The implications of these variations in selection system for international assignments in relation to women's participation are the following: An open/formal system would see greater clarity and consistency in thinking about international managers and a greater link with formal criteria. This system was seen to provide the greatest opportunities for women to be selected for international managerial positions. A closed/formal system was perceived as similar to an open/formal system. However, the lack of personal contact with the candidate and the fact that the field of potential applicants is determined by the selectors, with the attendant risk of omitting suitable candidates, may permit individual preferences by selectors to influence nominating individuals.

An open/informal system would reduce clarity and consistency and linkage with formal criteria, and is therefore, seen to provide opportunity for women to enter international management positions, because selection decisions would be more subjective.

A closed formal system was perceived as the worst situation for equality of opportunity in this area, mixing as it does the potential for subjectivity on the part of the selectors and the lack of access on the part of potential candidates.

The case study investigations, carried out as part of the research, indicate that the type of selection system in use for international assignments did affect a number of women in international organisations. In organisations with roughly an equal numbers of men and women at entry and junior management levels and operating in similar overseas environments, the main differentiating factor in participation rates for male and female expatriates was the type of international selection system in operation.

Conclusion

There are three major considerations that Human Resource Professionals need to make note of at the time of selection of personnel for their international operations. First consideration, expatriate failure, which is defined more in terms of non performance rather than in terms of failure to adjust. The second area of consideration, where international employee can become a liability is the field of adjustment where the four factors influence adjustment: individual, non-work, and organisational and job factors. The third consideration is the employee relationship which is affected through relation contract, transactional contract and psychological contract, where intactness is considered as the positive side and violation as the negative side.

There are different labour legislation, internal and external labour markets, and recruitment methods comprising headhunting, cross-national advertisements, the internet and international graduate programme for recruiting women employees. The selection method consists of interviews, monitoring and targeting of disadvantaged group, assessment centres and psychological testing.

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