

Role Of HRM in Business Expansion:

Human Resource Management is arguably the most important matter to tackle before, during and after your business expansion into a new country. HR is not only important for ensuring employee satisfaction, but also to ensure that your budget is spent wisely, employee performance is maximized and conflicts in the workplace are resolved.

Generally, the business objective should be to minimize costs while growing your client base in your ideal target market, but how do you manage that without having the specific knowledge of legislation present in another country?

A Professional Employer Organization can significantly reduce the administrative burden of local labour laws and employee benefit requirements so that business can concentrate on the essential challenges of business expansion.

Hiring Strategy

- 1) Recruiter screen:** Recruiter screens every resume to look for a potential fit.
- 2) Phone screen:** Recruiter contacts you, explains process and lets you know what to expect.
- 3) On-site interview:** With 2 to 3 other people for 20 minutes each. May be asked to solve technical problems, and quizzed about unconventional topics. For different profiles different technical interviews.
- 4) Interview feedback:** Each interview submits their individual feedback (numerical) about the candidates. A search is done to match the candidate's resume to employees' resumes.
- 5) Hiring committee:** Consists of senior managers and employees. They review all feedback, resumes and work experience.
- 6) Executive review:** Senior executive reviews every offer.
- 7) Compensation committee:** Determines the appropriate total compensation for the offer.
- 8) Final executive review:** Makes final review of offer before extending to candidate.
- 9) The Offer:** Recruiter notifies candidate of offer, explains all details.

Incentives Plans

Incentives are reward systems that tie pay to performance. There are many incentives used by companies, some tying pay to individual performance and some to companywide performance. Pay-for-performance plans are very common among organizations

- Plan is clearly communicated
- Plan is understood
- Rewards are easy to calculate
- Employees participate in administering the plan
- Employees believe they are being treated fairly Employees believe they can trust the company and that they have security
- Rewards are awarded as soon as possible after the desired performance.

EMERSON'S EFFICIENCY PLAN

This plan was introduced by Mr. Hemington Emerson. Under this plan of incentive wages, the wages are paid at the standard rate and the amount of bonus paid to the workers depends on the individual efficiency of the workers. The efficiency of the worker is determined in the ratio of actual time taken by the worker with standard time of the work. The bonus is calculated on the following basis:

- Bonus must be 20% of his daily wages if the efficiency exceeds 100%. If efficiency exceeds by 10% over 100%, bonus will be $20\% + 10\% = 30\%$.

ADVANTAGES

- Simple and easily understood by workers
- Minimum guaranteed wage to all workers
- Good source of motivation, as the rate of bonus is directly related to efficiency in a rational manner.
- Helps to reduce job turnover and dissatisfaction and helps to increase the efficiency of the workers.