

BRIEFING OUTLINE

1. Industry: Engineering and Construction Group of Countries: Russia, Republic of Georgia, Turkey

2. Key Environmental Trends and HR Implications

<u>Environmental Factors and Trends</u> <i>[list several key factors for each of the following]</i>	<u>HRM Policy Implications</u> <i>[Identify HR policy implications associated with this and other factors/trends in the column to the left]</i>
<p>Economic Conditions</p> <p>Russia- Booming growth rate (WOS) Poor Banking system Low wages for Eng. & Construction Professionals (HCN's)</p> <p>High quality of Professionals (HCN's)</p> <p>English spoken by young professionals (HCN's)</p> <p>Republic of Georgia (JV) Sluggish economy</p> <p>Great deal of corruption Low wages for Eng. & Constructiton Professionals (HCN's)</p> <p>Low quality of technical expertise (HCN's) Lack of English spoken (HCN's) Poor Banking system</p> <p>Turkey- Booming Economy (JV) Good banking system Wages are moderate (HCN's) Professional Expertise readily available (HCN's) English widely spoken (HCN's)</p>	<p><i>Competition for competent employees</i> <i>Currency exchange rates vary frequently</i> <i>Pay above average wages – seek higher level of skill</i></p> <p><i>Identify Highly qualified professionals and attempt to attract them to the company through professional channels</i> <i>Seek high level of multi-linguaged professionals</i></p> <p><i>Sluggish economy may cause “stampede” for better paying jobs.</i> <i>Require “Ethics Training” for all HCN's</i> <i>Pay above average wages – seek higher level of skill</i></p> <p><i>Development of Technical Training programs</i> <i>Development of English language training</i> <i>Consider paying employees in cash</i></p> <p><i>Competition for competent employees</i> <i>Exchange rates stable</i> <i>Wages high but reasonable for what you get</i> <i>Training requirements will be minimal</i></p> <p><i>Training requirements will be minimal</i></p>
<p>Social-Cultural</p> <p>Russia- Close family ties (WOS) Dedicated work force (HCN's)</p> <p>Workers willing to learn western methods Alcohol consumption is a problem (HCN's)</p> <p>High cost of living/housing/schooling/medical (expat-TCN's) Religion</p> <p>Republic of Georgia- Close family ties (JV) Dedicated work force (HCN's)</p> <p>Workers willing to learn western methods</p>	<p><i>Special provisions for family related issues, i.e, death and maternity leave</i> <i>Rewards and recognition programs will boost productivity</i> <i>Minimal training required but will pay great dividends</i> <i>Assistance programs recommended/screening programs required</i> <i>Housing/schooling double that of North America.</i> <i>Medical facilities excellent</i> <i>Not a problem</i></p> <p><i>Special provisions for family related issues, i.e, death and maternity leave</i> <i>Rewards and recognition programs will boost productivity</i> <i>Minimal training required but will pay great dividends</i></p>

<p>Alcohol consumption is a problem (HCN's)</p> <p>Moderate cost of living/housing/schooling/medical (expat-TCN's)</p> <p>Religion</p> <p>Turkey-Close family ties (JV)</p> <p>Dedicated work force (HCN's)</p> <p>Workers willing to learn western methods</p> <p>Alcohol consumption is not a problem (HCN's)</p> <p>High cost of living/housing/schooling/medical (expat-TCN's)</p> <p>Different (non-Christian) religion (Expatriate-TCN's)</p>	<p><i>Assistance programs recommended/screening programs required</i></p> <p><i>Housing/shooling double 150% that of North America</i></p> <p><i>Western Schools do not exist. Medical facilities poor.</i></p> <p><i>Not a problem</i></p> <p><i>Special provisions for family related issues, i.e., death and maternity leave</i></p> <p><i>Rewards and recognition programs will boost productivity</i></p> <p><i>Minimal training required</i></p> <p><i>Religious standards limit use of alcohol</i></p> <p><i>Cost of living is 125% of North America. Western schools limited outside the capital. Medical facilities good</i></p> <p><i>Muslim holiday must be respected.</i></p>
<p>Technological Changes</p> <p>Russia- High degree of technological systems available (WOS) (HCN's)</p> <p>Republic of Georgia- Low degree of technological systems available (HCN's) (JV)</p> <p>Turkey- High degree of technological systems available (JV) (HCN's)</p>	<p><i>IT personnel at a premium. Hard to find</i></p> <p><i>IT personnel command a premium</i></p> <p><i>IT personnel command a premium but are available</i></p>
<p>Political-Legal Conditions</p> <p>Russia-Visas/work permits hard to get for expats/TCN's (WOS)</p> <p>Limited freedoms of speech/travel</p> <p>Taxes fixed at 13% (expat-TCN's, HCN's)</p> <p>Republic of Georgia- Visas/work permits easy to get for expats/TCN's (JV)</p> <p>No/few Limits to freedoms of speech/travel</p> <p>Taxes fixed at 13% (expat-TCN's, HCN's)</p> <p>Turkey- Visas/work permits easy to get for expats/TCN's (JV)</p> <p>No/few Limits to freedoms of speech/travel</p> <p>Tax rates moderate to low</p>	<p><i>High degree of expertise needed for dealing with Ministry of Foreign Affairs.</i></p> <p><i>Employees must carry documents at all time.</i></p> <p><i>No problems</i></p> <p><i>Visas required and can be gotten at airport. Work permits not required. Some TCN's restricted from entry</i></p> <p><i>No major problems here</i></p> <p><i>No problems</i></p> <p><i>Visas required and can be gotten at airport. Work permits not required.</i></p> <p><i>Minor problems here. Must be included in new employee orientation</i></p> <p><i>No problems</i></p>
<p>Market Conditions</p> <p>Russia- Open market (especially on consumer goods) (WOS)</p> <p>Construction and Engineering markets excellent</p>	<p><i>No major problems seen here</i></p> <p><i>Will need strong marketing staff/support. Competition strong</i></p>

Republic of Georgia- Limited Market for Construction and Engineering (JV)	<i>Will need very strong marketing staff/support. Limited competition but weaker market</i>
Turkey-Strong market/high competition for Construction and Engineering (JV)	<i>Will need strong marketing staff/support. Highly competitive market.</i>

Sources for making the above determinations are based on my living and working in all three countries during the past 5-6 years. Other sources include conversations with Engineering and Construction professionals employed at Fluor Engineering and Construction, British Petroleum, and BOTAS Engineering and Construction.

The Engineering News Record (ENR), a leading monthly engineering and construction publication, also provided me with several articles about the market conditions in Russia and Turkey. Also, several sites on the internet provided me with economic and social conditions for all three countries.

3. What additional information would you seek, and name some potential sources.

I would seek current wages for different job classifications for each of the respective countries, current levels of unemployment, numbers of students in various college and vocational technical programs and the latest labor law and tax guide.

BRIEFING OUTLINE

1. Industry: Aircraft Avionics Developer/Producer Group of Countries: US, UK (joint venture), India (3rd country)

Sykes Avionics Co., based in Wichita, Kansas.

Designs, develops, produces, and markets aircraft avionics components for both commercial and military applications.

Joint Venture with Limmey Displays in Manchester, England

Mumbai Magic, a wholly-owned subsidiary of Sykes Avionics Co., Mumbai, India

2. Key Environmental Trends and HR Implications

<u>Environmental Factors and Trends</u>	<u>HRM Policy Implications</u>
<i>[list several key factors for each of the following]</i>	<i>[Identify HR policy implications associated with this and other factors/trends in the column to the left]</i>
<p>Economic Conditions</p> <p>-Markets primarily US and Europe (Source: "A hulking beast joins the dogfight, The Economist, Jan. 18, 2005))</p> <p>-Effect of weak \$/strong £ and € (Source: "The Passing of the Buck" The Economist, Dec. 4, 2004, p 71-73)</p> <p>-Cheap cost of labor in India (outsourcing potential) (Source: "How to Tap India's Cheap IT Labor: Three things you need to know before you travel this route" CFO.com, http://www.cfo.com/article.cfm/2988372?f=archives)</p>	<p>-All employees need to have 'global mindset', they are not just working to satisfy their market, but working together to serve all markets</p> <p>-Can cause anxiety in high cost labor markets, emphasize to employees that company wants to maintain long-term presence in all markets and will not overreact to cyclical economic trends</p> <p>-With operations in India, employees at other location may develop fear of their job being outsourced, need to make sure employees understand that the company values people and is not just looking for the cheapest 'hired gun' from around the world, make sure they see their role as important and significant, i.e. they are not so easily replaced</p>
<p>Social-Cultural</p> <p>-Cultural differences between 3 countries (Source: Course Texts and Samovar & Porter (editors) <i>Intercultural Communications: A Reader</i>, 2003.)</p>	<p>-First, be aware of these differences</p> <p>Second, take proactive steps to promote cultural understanding, also enculturate all employees worldwide so they have a common vision of how this company operates, i.e. create an 'in-group'</p> <p>Third, take advantage of these differences by identifying the strengths of particular groups and then use those strengths to develop competitive advantage and to teach to other global employees.</p> <p>Fourth, I would ensure a systematic process for the incorporation of expatriates into new environments rather than just trying to scoop people up within the organization and send them somewhere else, with the following desired steps:</p> <ol style="list-style-type: none"> 1. When possible, draw expatriates from within the company or subsidiary so that a certain amount of enculturation into the corporate environment has already been accomplished and provide something for the traveler to hang on to 2. Before moving an employee make sure they participate in what the course text called a SWAT team or other exercises

<p>-Assumption that people who share a common language also share a common culture. (Source: Samovar & Porter (editors) <i>Intercultural Communications: A Reader</i>, 2003.)</p> <p>-Diverse business environments (Sources: Course Texts and Samovar & Porter (editors) <i>Intercultural Communications: A Reader</i>, 2003.)</p>	<p>that expose the employees to a foreign environment to see how they adapt</p> <p>3. Before committing employees to long-term expatriate assignments, provide the opportunity for "Awareness-Building Assignments" to find who is suitable to "Aspatial Careers" (Roberts, et al, p 22-24)</p> <p>-With the US, UK, and India being the primary HCN/expatriate/TCN source, it will be important not to be lulled into thinking that because everybody shares a similar language, everybody thinks the same way. While the Hofstede differences between US and UK are relatively close (though the cultures are still very different), Indian nationals have more significant difference, for example, Indian nationals tend to have a more collective approach and score higher in power distance.</p> <p>-The company will operate a hybrid/matrix structure. For marketing, a multidomestic structure will be set up with the primary divisions being US Civilian/US Military/Europe Civilian/Europe Military, products will flow through these divisions. Such a set up is also necessary to allow the joint venture partners in the UK feel that they truly are involved in a 'management partnership' and not beholden to some hierarchical structure. The research and development aspects will be one division operating in both primary locations, and the software support based in Mumbai will operate as more of an affiliate organization. By linking the marketing sections to their respective markets, the divisions can serve their respective market. The technical research will be a combined effort. The software division in India will act as a more autonomous unit, allowing it to take advantage of local conditions while supporting the other divisions.</p>
<p>Market/Competition Changes</p> <p>-Aircraft demand can be inconsistent/cyclical (Source: "Aircraft: The Aircraft Industry Defined" The Industrial College of the Armed Forces Industry Study, http://www.ndu.edu/icaf/industry/2000/aircraft/aircraft2.htm)</p> <p>-Rivalry between two largest aircraft producers (Boeing and Airbus) (Source: "The Airbus Showdown" Washington Post, Dec. 8, 2004, p A31)</p> <p>-Military contracts subject to political forces (Source: "Aircraft: Military Fixed-Wing Aircraft" The Industrial College of the Armed Forces Industry Study, http://www.ndu.edu/icaf/industry/2000/aircraft/aircraft3.htm)</p>	<p>-In recruiting, need to not become overzealous in hiring when the cycle is on the upswing so that when opportunities dry up, layoffs are avoidable.</p> <p>-Same as described earlier, need to stay above the fray and make sure divisions do not occur between the European and American employees supporting their home grown industrial giants.</p> <p>-Again, make sure employees recognize that they may do the best work, produce the best product and still not get contracts, a potential source of huge worker frustration. Also, need to identify those people who can do the "political thing" well, as appropriate for each culture, realizing that the political monsters within various markets have distinct characteristics</p>

<p>Technological Changes -The technological capabilities available to allow for a globally integrated workforce. (Source: Course Texts)</p> <p>-Rapidly changing technology is available (Source: "Outlook: Military Avionics Market", Aviation Today, http://www.aviationtoday.com/cgi/av/show_mag.cgi?pub=av&men=0101&file=0101outlookmilitary.htm, practically any issue of Aviation Week & Space Technology magazine)</p> <p>-R&D is risky, no guarantees of success or profitability (Source: "Aircraft: Essays on Major Issues" The Industrial College of the Armed Forces Industry Study, http://www.ndu.edu/icaif/industry/2000/aircraft/aircraft5.htm)</p> <p>-However, quality assurance/extensive testing required for all equipment limits ability to apply innovations due to certification requirements (Source: personal experience as avionics flight test engineer)</p>	<p>-Virtual solutions, as described in the Roberts, Kossek, & Ozeki article, should be used whenever possible in order to integrate the company globally, and more importantly, to allow for efficient transfer of knowledge.</p> <p>-The importance of hiring and keeping technically proficient employees paramount. Also, provide support for education, participation in conferences, research sabbaticals to keep employees engaged with the latest changes. Also, need to maintain real-time contact within organization to ensure knowledge is being shared between geographically separated units, thus avoiding duplication of effort and allowing faster advances.</p> <p>-Important to balance product development by not stifling employees' innovative desires while keeping focused on products that will ultimately become profitable.</p> <p>-Management needs to make good decisions about which products to get fully certified, which will require ending some projects before undergoing this expensive process. It is important to reassure teams that have developed such products that these decisions are business based and do not (necessarily) reflect poor performance so as not to stifle innovation</p>
<p>Political-Legal Conditions -Rivalry between primary commercial aircraft customers, Boeing and Airbus (Source: "The Airbus Showdown" Washington Post, Dec. 8, 2004, p A31)</p> <p>-Technology transfer considerations, especially for military components (Source: "Dynamics of World Armaments Production, Arms Transfers, and Defense Markets", http://www.wws.princeton.edu/cgi-bin/byteserv.pr/~ota/disk1/1991/9122/912204.PDF)</p> <p>-Security Clearance requirements for some products (Source: Multiple listing for the aerospace industry require security clearances and US citizenship, as evidenced by http://erecruitingolutions.typepad.com/aerospacejobs/security_clearance/)</p>	<p>-Make sure employees understand that our company is above the fray of other competitors and we are focused on providing the best products to all customers. Encourage developing strong relations with customers, but be wary of favoritism.</p> <p>-With a company that crosses both the boundaries between countries as well as developing commercial and military products, the importance of "following the rules" has to be a part of the corporate culture, and not just an afterthought. Employees need to be aware that the company is trying to maximize overall knowledge, but some of the knowledge will have to remain compartmentalized.</p> <p>-This can quickly become a demoralizing factor when employees are not allowed to participate in certain projects because of security requirements, many of which depend on nationality. In order to minimize the HRM effects, it will be imperative to be very up front about the requirements for certain positions and explain that those are the rules to be followed. This will hopefully avoid a feeling of being discriminated against on the sole basis of being an expatriate. Also, a zero tolerance policy needs to be part of the operating culture in terms of security, if somebody <i>knowingly</i> breaks a rule related to security, then they will no longer be employed while they try to avoid going to jail</p>

3. What additional information would you seek, and name some potential sources

-I would seek specific information concerning the local areas where employees are from as well as make sure that the HR office "takes special care" of those people that are expatriates and their families that may have been left behind.

-I would seek out other companies that engage in international business venture within this industry. For example BAE Systems, a company that has more than 90,000 employees spread across 130 countries. They engage in a wide range of commercial and military aerospace activities, have a similar structure as I have proposed with European and North American divisions, and they have tightly integrated with the US defense giant Lockheed in developing entire aircraft systems. If I were to take my basic scenario and look to expand from aircraft avionics to a broader range of Aerospace services, I would do an in-depth case study of this company.

HUMAN RESOURCE MANAGEMENT
ENVIRONMENTAL SCANNING EXERCISE [Lesson Module 1]

1. Industry: Construction _____ Group of Countries: China, Japan (joint ventures), and Afghanistan (whole-owned subsidiary) _

2. Key Environmental Trends and HR Implications

<u>Environmental Factors and Trends</u> <i>[list several key factors for each of the following]</i>	<u>HRM Policy Implications</u> <i>[Identify HR policy implications associated with this and other factors/trends in the column to the left]</i>
<u>Economic Conditions</u> China – Undergoing economic boom, history of unsteady economy, massive construction upgrades force competition among other nations with limited world suppliers, GDP Growth is 9.1% Afghanistan – economy on the rise from coalition nation support – GDP Growth 28.6%, massive/rapid construction upgrades Japan – One of the strongest economies in the world, suffers from a no-import policy that requires the export industry to support a lagging domestic industry	<ul style="list-style-type: none"> - Adjust salary benefits based on strength of economy and local currency (Yen, etc...) - Address Afghan support function availability (medical, etc...) with coalition forces versus off local economy and in conjunction with governmental support agreements, etc... - Provide security training for unsecure Afghan environment as well as potential support agreements from coalition forces
<u>Social-Cultural</u> China – Wide range of religions practiced (primarily Buddhism and Taoism, with smaller numbers of Muslims, Protestants, and Catholics), Afghanistan – Male-dominated society attempting reform, primarily Muslim (Shi'ite and Sunni who are strong majority – instability resulting) Japan – Team-oriented environment, personal gain secondary	<ul style="list-style-type: none"> - Provide cultural awareness programs to address various religious and cultural differences as well as awareness of local sensibilities towards TCN and PCN religious and cultural backgrounds - Train personnel on differences inherent with team-oriented approach
<u>Market/Competition Changes</u> China – Focus on opening up market China's market – major market opportunities viewed by all Afghanistan – Agreement signed to promote trade Japan – Competition to domestic industries closely monitored – heavy focus on export market with restrictions on imports	<ul style="list-style-type: none"> - Train personnel on current market status in China and Afghanistan and potential for a high influx of competition based on opportun market - Adapt procedures to incorporate local governmental agreements and regulations
<u>Technological Changes</u> China – Focus on importing technologies that could directly translate into upgrading building standards Afghanistan – Help being solicited to stand up assistance to the Government of Afghanistan in planning and implementing a new National Institute of Standards Japan – Similar facility standards but with nonstandard parts and supplies. Buildings built to typhoon specifications	<ul style="list-style-type: none"> - Train personnel on existing facility standards and compatability to parent nation standards. - Train personnel to bring local subcontractors in Afghanistan up to industry standards
<u>Political-Legal Conditions</u> China – Commitment under curent regime to economic reform and opening to outside world, human rights issues remain prominent Afghanistan – Held first open election in 2003, Japan – Heavy emphasis on protection of domestic industries (hence extensive restrictions on imports)	<p>For all three, address local political and legal agreements that support/don't support subsidiary efforts. Address salary benefits based on tax requirements for TCN and PCN employees.</p>

Sources:

<http://www.export.gov>
EBSCO Host
<http://www.state.gov>

3. What additional information would you seek, and name some potential sources.

I would search for specific legal/governmental agreements to be found among embassy perssnel. Additionally I'd want specific information regarding tarriffs, and taxes associated with the ventures. Iwould also look into in-place suppliers of construction materials and train personnel accordingly to customs regarding business transactions in the host country.

BRIEFING OUTLINE

1. Industry: Biotechnology **Group of Countries: Australia, UK/Scotland and Canada**

2. Key Environmental Trends and HR Implications

<p><u>Environmental Factors and Trends</u> <i>[list several key factors for each of the following]</i></p>	<p><u>HRM Policy Implications</u> <i>[Identify HR policy implications associated with this and other factors/trends in the column to the left]</i></p>
<p>Economic Conditions</p> <p>Australia In a world dogged by economic downturn, deflation and catastrophic events, Australia stands out as an oasis. Hailed by economists and observers around the world as being a "miracle economy", Australia has recorded growth rates over the past few years that other industrialized nations could only wish for. (Australia: the right mix for investors? With over a decade of economic growth behind it, and forecasts of solid growth into the future (Business Asia, June, 2003)</p> <p>Australia commenced a basic reorientation of its economy more than 17 years ago and has transformed itself from an inward looking, import-substitution country to an internationally competitive, export-oriented one. Key reforms include unilaterally reducing high tariffs and other protective barriers; floating the Australian dollar exchange rate; deregulating the financial services sector, including a decision in late 1992 to allow liberal access for foreign bank branches; efforts to restructure the highly centralized system of industrial relations and labor bargaining; better integrating the state economies into a national federal system; improving and standardizing the national infrastructure; privatizing many government-owned services and public utilities; and fundamental reform of the taxation system, including the introduction of a broad-based Goods and Services Tax (GST). (SHRMformshrm global forum)</p> <p>Canada Canadian IT spending will grow by 3 percent in 2004, led by government spending, according to a new document from Forrester Research, Inc. (NASDAQ: FORR). GDP growth is a key factor in driving business investment in IT, just as in the US, but a slower Canadian economic recovery and the adverse effects of a stronger Canadian dollar on exports are causing a one- to two-quarter lag behind</p>	<p>Australia</p> <p>Recruitment and retention efforts in this area may require innovative techniques with positions open for longer periods of time than in areas with more moderate growth.</p> <p>The terms and conditions of most Australian employees (other than senior managerial and professional employees) are regulated by an award and/or industrial agreement. Awards and agreements may, in turn, be supplemented by additional contractual and statutory obligations. The terms and conditions of employment of senior managerial and professional employees are generally regulated by their individual contract of employment. (SHRM Global Forum)</p> <p>Canada</p> <p>The challenge facing HR will be to find highly qualified technical employees in a sluggish economy that is only now building its IT infrastructure. However, once those individuals are located our compensation structure can be lower than the US structure for the same or similar</p>

the US (Forrester: Three Percent Increase for Canadian IT Spending in 2004; Trends Similar to US Spending; Growth Lags One to Two Quarters Behind Business Wire, April 26, 2004)

The top five sectors offering the best prospects for U.S. exports in the coming year are computers and peripherals; computer software; telecommunications equipment; automotive parts and service equipment; and building products. There is also continuing strong demand for value-added food products from the United States. Generally, Canadians have strong national pride, and will often favor Canadian products, especially if they offer similar features at a similar cost to those from other countries. This is particularly true for any government procurement, local or federal, not covered under either World Trade Organization (WTO) or NAFTA rules. Nevertheless, competition in Canada is generally fair and, as noted above, foreign firms that can offer technical, cost or feature advantages over locally produced goods can do well in the Canadian market. (SHRM Global Form)

UK/Scotland

The rising price of oil, concerns over mad cow disease, and mid east war have affected the economy of Europe and the EU nations. EU countries are still determining their guidelines regarding the importation of BSE products which can and will continue to affect this industry.

Social-Cultural

Australia

English is the official language, with modern Australian English a conglomerate of British and American, using its own phraseology and spelling. Australia is one of the most multicultural nations in the world, and it is possible to find vibrant ethnic communities using almost every other world language.

Canada

In 2002, Canadian biotechnology companies invested close to \$1.3 billion in research and development across the country, the last time statistics were made available. Paul Watson, communications director at the Biotechnology Human Resource Council in Ottawa, says with such a focus on research, scientists tend to be more independent. (Grachnik, A., Computing Canada, April 9, 2004, Tailoring help to the savvy user; staff

positions due to economic conditions in this region.

Human Resources will play an integral role in the training and development of existing personnel as well as the possible transfer of US personnel to Canada to assist them in "getting up to speed".

UK/Scotland

The ability to hire will be impacted by the organization's profitability. Also affected will be the ability to grant salary increases and remain competitive in a highly competitive industry.

Australia

This will make it easier for US and Third Country National managers to transition and to be accepted requiring less cultural adaptation

Canada

A socially independent group of scientist means a group less willing to cooperate in a team environment. This will challenge the organization to develop a corporate culture that fosters a team environment and cascades this philosophy to throughout the Canadian group.

in biotechnology companies don't need a lot of hand-holding in the form of IT support, and that means the IT department can focus on other priorities).

UK/Scotland

"Scotland has long enjoyed a reputation for being one of the most innovative, forward-looking and industrious nations in the world. The Scottish people and workforce are famous for their integrity, inventiveness, tenacity and spirit. This, when partnered with Scotland's economic opportunities, means Scotland is a world-class destination for businesses seeking to expand and develop their commercial activities. (Business Wire, September 13, 2004, Economist Intelligence Unit Report Names Scotland as a Global R&D Leader in Biotechnology and Microelectronics)

UK/Scotland

This is exactly the type of personnel we want to be a part of our world class organization. This challenges the organization to keep these employees motivated. We can do this by providing training, advancement opportunities and utilizing their expertise to develop new technologies.

Market/Competition Changes

Australia

Major reforms to the labor market, business taxation and competition policy, accompanied by strong productivity growth and low inflation have driven Australia's economic performance. (Business Asia, June, 2003 Australia: the right mix for investors? With over a decade of economic growth behind it, and forecasts of solid growth into the future—is the Australian story really as good as it looks?).

Australia

We must therefore, closely monitor salaries to insure that our compensation structure is competitive. The demand for highly skilled, technical and scientific personnel will be intense and we must be competitive with our compensation, benefits, and work environment.

Canada

Canada is a leader in biotech with more than 370 companies in existence. Annual revenues for biotech firms in 2001 were \$3.6 billion, according to a recent report from Industry Canada. (Grachnik, A., Computing Canada, April 9, 2004, Tailoring help to the savvy user; staff in biotechnology companies don't need a lot of hand-holding in the form of IT support, and that means the IT department can focus on other priorities)

Canada

This could present recruitment and retention issues as well and compensation and benefits issues. The net result is that we must be competitive in our HR compensation and benefits packages and our employee relations policies to attract and retain the best talent in the region.

UK/Scotland

New cell culture manufacturing capabilities are good news for biopharmaceutical companies that have restarted the R&D activities that halted during the biotechnology financial slump. However, not all of the new capacity may make it into the contract manufacturing pool. Additionally, recent concerns over mad cow disease may affect export to the EU and Japan. Regulation 1177 requiring documentation of origin may be difficult to document.

UK/Scotland

It may be necessary to accelerate hiring in the R&D area to bring to market new method for testing for BSA faster. This will greatly enhance the organization's profitability. Increasing Quality and Regulatory staff necessary for providing documentation may also be a possibility.

Technological Changes

Australia

...the development of a highly skilled and multicultural workforce, sophisticated IT and R&D infrastructure, high tech adaptation and innovation, competitive business costs and an efficient regulatory environment. While traditional industry sectors continue to flourish, new sectors such as information and communications technology and biotechnology demonstrate leading edge capabilities. The end result has been the creation of a more open, stable and globally competitive economy with the ability to respond to global trends and pressures. (Business Asia, June, 2003, Australia: the right mix for investors? With over a decade of economic growth behind it, and forecasts of solid growth into the future—is the Australian story really as good as it looks?).

Canada

Typical day-to-day problems with e-mail, Internet and word processing still arise in biotechnology companies, but IT managers say the scientists have a greater understanding of the software they're using and are more computer-savvy, which requires a more tailored approach to the services they offer users. (Grachnik, A., April 9, 2004, Computing Canada, Tailoring help to the savvy user; staff in biotechnology companies don't need a lot of hand-holding in the form of IT support, and that means the IT department can focus on other priorities)

UK/Scotland

Scotland has a wealth of research talent that is evident in the breakthroughs achieved in areas such as microelectronics and life sciences by Scottish scientists and researchers," said Martin Togneri, the Senior Director of Scottish Development International, a joint venture between Scottish Enterprise, Scotland's main economic development agency, and the Scottish Executive. "We attribute this achievement to Scotland's university system, which ranks among the best in the world in a number of important research areas. We find it no coincidence that quality of education is a major component to a location being recognized as a world-class R&D center." (Business Wire, Sept 13, 2004, Economist Intelligence Unit Report Names Scotland as a Global R&D Leader in Biotechnology and

Australia

The competition for these talented individuals will be fierce and will require "out of the box" techniques for recruiting and retaining these individuals. Some options which can be explored are sign on bonuses, retention bonuses, career development programs and a competitive pay and benefits package coupled with an inclusive work environment.

Canada

This is a systems problem rather than a people problem. However, the problems with the system can create frustrations that make people wary of utilizing technology. If we provide the appropriate technology that supports their efforts, train them to utilize the systems so they see the value we may be able to overcome some of the barriers that have been created by past failures.

UK/Scotland

Talent once again may be hard to come by. Therefore it will be imperative that we are competitive in compensation, benefits and work environment as well as training and growth opportunities.

Microelectronics)	
<p>Political-Legal Conditions Australia</p> <p>Three political parties dominate the center of the Australian political spectrum: the Liberal Party (LP), nominally representing urban business-related groups; the National Party (NP), nominally representing rural interests; and the Australian Labor Party (ALP), nominally representing the trade unions and liberal groups. Although embracing some leftists, the ALP traditionally has been moderately socialist in its policies and approaches to social issues.</p> <p>All political groups are tied by tradition to domestic welfare policies, mostly enacted in the 1980s, which have kept Australia in the forefront of societies offering extensive social welfare programs. Australia's social welfare safety net has been reduced in recent years, however, in response to budgetary pressures and a changing political outlook. There is strong bipartisan sentiment on many international issues, including Australia's commitment to its alliance with the United States.</p> <p>Free trade and the progressive liberalization of barriers to trade are central tenets of the current international trading system and the Australian Government's approach to trade (Dalton, K., Griff, C., Metro Magazine, Winter, 2003).</p> <p>Canada</p> <p>Production and services are predominantly privately owned and operated. However, the federal and provincial governments are significantly involved in the economy. They provide a broad regulatory framework and engage in redistribution of wealth from high income individuals and regions to lower income persons and provinces. Federal government economic policies since the mid-1980s have emphasized the reduction of public sector interference in the economy and the promotion of private sector initiative and competition. Nevertheless, federal government regulatory regimes affect foreign investment in the telecommunications, publishing, broadcasting,</p>	<p>Australia</p> <p>Free trade and the progressive liberalization of barriers will assist our manager in gaining information necessary to building an organizational structure and culture for successful operation.</p> <p>The tradition of having strong social welfare policies will require that we have a comprehensive benefits package with the organization assuming the majority, if not all of the cost if we desire to maintain a union free work environment. Additionally, our safety programs must be employee oriented with employee driven committees.</p> <p>Canada</p> <p>For the biotech industry, any BSA outbreak or regulation affecting cattle will undoubtedly have a negative effect on the Canadian economy as well as the Biotech industry as a whole resulting in layoffs, lost production runs, and plant shutdowns. Employee morale will suffer for those who are left. When the organization is able to bring back layed off workers, mistrust of management will be an over-riding issue going forward and the organization will be open to union organization attempts.</p>

<p>aviation, mining, fishing, and financial services sectors. (SHRM Global Forum)</p> <p>In May a federal judge granted a court order blocking the U.S. Department of Agriculture's decision to reopen the Canadian border to all processed beef from cattle less than 30 months old. Barone, J. May 24, 2004, Nation's Restaurant News)</p> <p>UK/Scotland Jack Perry, Chief Executive Officer of Scottish Enterprise, said, "It is important to leverage the resources of like-minded economic development organizations in other parts of the world. (Business Wire, May 24, 2004, Scottish Enterprise Signs Economic Development Co-operation Agreement with the State of Massachusetts)</p>	<p>UK/Scotland With the government on our side, it will be easier to secure work visas for our employees and their spouses who want to work. This will help to create successful expatriate experiences.</p>
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3. What additional information would you seek, and name some potential sources.

- **Additional Information I would seek**
 - i. **Ethical Issues**
 - ii. **Environmental Issues**
 - iii. **Transportation and Infrastructure**
 - iv. **Worker Safety Regulations**
 - v. **Employment Regulations and regulations relating to the hiring of temporary personnel and how long an individual can remain in the status of temporary.**
 - vi. **Layoff and termination laws**

- **Potential Sources**
 - i. **SHRM**
 - ii. **US Federal Government**
 - iii. **Consulate or Embassy of the country in this country**
 - iv. **Online publications**
 - v. **Consultants specializing in overseas businesses (e.g. KPMG)**
 - vi. **Local Colleges and Universities with International Business Programs**
 - vii. **Libraries**