HRM Strategy in an MNC from China and Implications for Chinese International Managers' Development

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Abstract

Chinese outward investment has a dramatic growth in recent 20 years. There is some research around the competitive strategies used by the companies from China (e.g. Ragmen 2001; Rui and Ying 2003). However, very little research has explored how they manage people in their overseas subsidiaries. It is particularly sparse in the area of the development of the Chinese international managers and management of local staff. We have little knowledge on

(1) What HRM strategy and practice have been adopted by the companies from China in their foreign operations;

(2) What international staffing strategies used by the companies from China

(3) How the Chinese international managers copy with the foreign environments

(4) What training has been provided for them and whether or not the companies from China use the training programes in the West for their international managers/expatriates

These issues will be vital for the companies who want to survive or develop their overseas business, particularly in current uncertain economic environment.

Using a case study in an MNC from China, we will demonstrate what IHRM strategy and practice used by this company and Chinese managers' experience in their internationalization process. In terms of the findings, we will make a comparison of managing people and international managers' development in MNCs between the West and China, and argue the main factors which influence the HRM strategy and international managers' development in MNCs from China. Based on the theoretical arguments and the case study, the implications for Chinese international management development in their internationalization process will be explored.