



Performance Management in a Global Company

By Pauline Tang



Managing performance in a global context depends on acute commitments to trust, communication, open minds, and understanding of cultural differences above and beyond what would otherwise be required in one location or country.

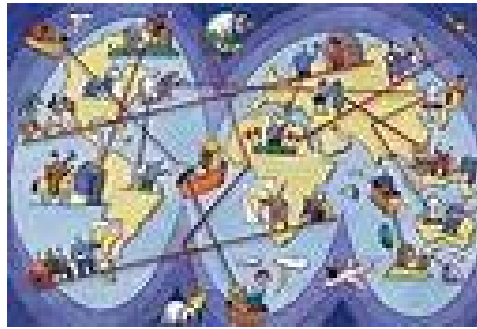
The flat and fast world we live in makes it common practice for corporations to relocate employees to a specific host country for an average two-year term. Or the same corporation may send executives on the road frequently to work with local staff, clients, or suppliers in another country or region. They are road warriors. In both cases when these executives work away from their home office based managers, how is their performance managed, measured, rated and rewarded? Without the involvement of their managers, teams, and colleagues in their day-to-day activities within the same proximity, how are they to receive feedback, support, and reassurance with regard to their performance?

A simple solution – one that is straight-forward – is establishing objectives and goals for the executive in the planning process. Often co-created and mutually agreed upon with their immediate bosses executives commit to goals and objectives in accordance with corporate mission and strategy and off they go. Done.

What this doesn't take into account are factors of the local culture, customs, ways of doing business, and languages that make implementation of the goals in the host country different. Nor does it take into account the psychic and emotional needs of the relocated/traveling employee that subtly but surely have a bearing on performance. Attention to these factors, as intangible and prone to "soft skills" as they may be, is critical because it can make or break an assignment or a project.

In my corporate days when I was among peers from many countries, I would inevitably hear a mutual grunt from all countries whenever there was "roll out" of a global campaign, a one-size-fits-all effort developed in the U.S. global headquarters, expected to work in Asian, Latin and

European countries alike. Country managers then were faced with making the campaign work in his/her particular country according to local customs, perception, languages in which ideas are sometimes lost in translation, and preferred ways to do business. One simple example is a home office's mandate to use the color orange in an advertisement. It represents fun and energy among the Latin culture and danger in Asia. Or the governmental policies in one country encourage foreign investment with more incentives like Singapore, or that revenue drops in the beginning of the year in China, during the long Chinese New Year holidays, just when the U.S. starts up after its own long Christmas holidays. In all these cases local cultures must be taken into consideration when evaluating performances of managers around the globe.



On an individual level, executives living or traveling overseas face the challenges of being isolated from the activities of the home office, separated from their families, misunderstood, and overwhelmed. This is especially true for those sent on a solo mission without the synergy of a team. This calls for consideration of their emotional needs and attending to these needs helps them accomplish the planned goals.

Assuming that goals and objectives are established in the planning process, there are some additional measures that can facilitate performance management in a global context:

- **Intercultural training** – provided not only for assignees but more importantly, for managers in the home office who oversee employee performance. An understanding of the culture and customs in the country where their staff works closes the communication gap. Home office managers can truly customize a plan for specific countries, facilitating success of a plan right at home. Their overseas staff will spend less time educating their managers, which means more time to achieve corporate goals.
- **Overseas staff involvement in home office activities** -- Taking into consideration that employees are left on their own or are constantly on the road in faraway countries, and that their managers are physically removed from their operations can encourage success. Receiving news or constantly interacting with support teams at home gives the overseas staff a continued sense of belonging and appreciation, removes their sense of isolation, and encourages dialogue and teamwork. It is just about the only way evaluation, rating and feedback for performance improvement is possible.
- **Conscientious lines of communication** --- By the same token, there must be a timetable for home office managers to speak with the overseas staff. This capitalizes on all the benefits of involving the staff in home office activities, plus it is quality time for support, checking on milestones, detection of potential opportunities and challenges, and it helps keep goals in line with the mission. It is, in effect, the monitoring portion of the performance management process.

These measures address ways performance can be assessed appropriately where there are gaps in time, distance and cultures. Being open to differences and communication helps reinforce trust, accomplish corporate goals, develop/retain talent, and reward accordingly.

In summary, successfully managing performance of employees in a global context requires implementation of both quantitative skills such as establishing measurable, accountable goals and objectives, and qualitative skills in cultural understanding, leadership, and communication. When the home office demonstrates the commitment, it is possible to transcend barriers to effective leadership across cultures and borders.



About Pauline Tang

Pauline Tang is a cross-cultural management specialist and coach who assists companies and individuals overcome the challenges of doing business across borders, particularly between the USA and Asia. Pauline's extensive global business experience includes professional positions in both North America and Asia, where she worked in cross-cultural business functional areas in American, British, and Chinese organizations.