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DISSERTATION

THE TRANSFER OF HUMAN RESOURCE MANAGEMENT PRACTICES
TO BRAZIL:
A PRACTICAL ASSESSMENT
AND THEORETICAL TEST OF PORTABILITY

Submitted by

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In partial fulfillment of the requirements

For the Degree of Doctor of Philosophy

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Fall, 2000

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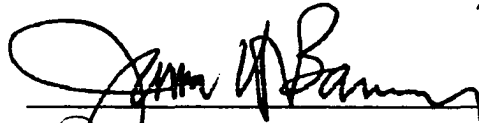
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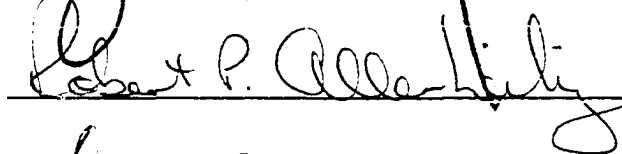
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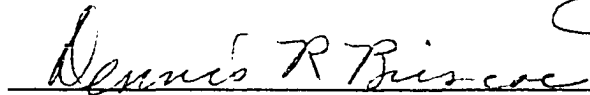
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WE HEREBY RECOMMEND THAT THE DISSERTATION PREPARED UNDER
OUR SUPERVISION BY DAVID W. STEPHEN ENTITLED THE TRANSFER OF
HUMAN RESOURCE MANAGEMENT PRACTICES TO BRAZIL: A PRACTICAL
ASSESSMENT AND THEORETICAL TEST OF PORTABILITY BE ACCEPTED AS
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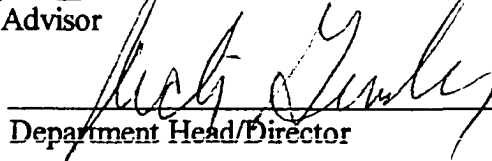








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ABSTRACT OF DISSERTATION

THE TRANSFER OF HUMAN RESOURCE MANAGEMENT PRACTICES TO BRAZIL:

A PRACTICAL ASSESSMENT AND THEORETICAL TEST OF PORTABILITY.

Human resource management (HRM) practices may contribute to a firm's competitive advantage. HRM theories and practices developed in North America are laden with culturally bound values, perspectives, and expectations. When a multinational enterprise (MNE) attempts to transfer HRM practices and policies to a foreign operation abroad, or when a foreign firm attempts to import HRM practices from abroad, the cultural values inherent in the practices may not fit the foreign cultural environment. Fifteen interviews with Brazilian HRM practitioners and academicians were conducted in Brazil to elucidate what practices are appropriate to the Brazilian environment and what theories seem to support those practices. Findings of the study indicate that importation of American management models and practices are common in Brazil but that adaptations must be made in order to make practices fit the economic, political, and cultural environments. The unique Brazilian environment and examples of transference are assessed and described by the informants. Successful importation of foreign models and practices requires "cannibalism," or organic metabolization, by the local culture. A Brazilian theoretical model of "strategic anthropophagia" illustrates this metabolization. An original model is presented to test the portability of the transfer of management practices, based on the anthropophagus theory. Conclusions assert that the Brazilian

model of strategic anthropophagia and the test of portability are methods that are congruent with the essential criteria for developing strategic HRM practices that contribute to developing a competitive advantage in Brazil.

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Chapter 1: Introduction

Background

The literature on human resource management (HRM) and human resource development (HRD) indicates that because the concepts developed in the USA as a result of management concerns in the American environment, its underlying theories and overt practices may be criticized as ethnocentric constructs (Hollingshead & Leat, 1995; Clark, 1996; Mendenhall and Oddou, 1995). But while virtually all authorities admit that national culture is a major influence on the sensible management of human systems, it is not at all clear which management practices transfer well from one culture to another, which do not, and why this is so. Further, the theories underlying HRD are debated (Swanson, 1998; McLean, 1998). If HRM is an ethnocentric American construct, lack of understanding about the theories, which support it, makes it difficult to explain why it is ethnocentric.

The desire to transfer HRM ideas and practices to other cultures is fueled by two forces: 1) international business opportunities in nations with differing cultures; and 2) desires of developing nations and newly industrialized countries to develop and manage their human resources effectively. Whether or not the American model appropriately

“fits” other cultural contexts is a subject of concern to both business and society. Guest (1990) points out that three basic beliefs underlying the HRM concept fit the American culture: (1) a belief in human potential for individual growth; (2) a desire to improve opportunities for people in the workplace; and (3) a belief that strong leadership is important to success. Thus the American HRM model fits other cultures only to the degree that these underlying assumptions are universal. This is not established.

As organizations “internationalize,” that is, as they move outside of the domestic environment, crossing international borders to find new markets and new sources for resources, they often seek to implement their activities in familiar ways, using methods, processes and procedures which are perceived to have previously contributed to success domestically (Daniels and Radebaugh, 1998). This includes transferring the set of HRM practices and policies to new cultural environments. The first and primary focus of this inquiry is to observe and identify how those HRM practices transfer across cultural borders, specifically from the USA/Canada cultural environment to Brazil.

Many national HRM associations in rapidly developing economies are appealing for help in developing credible HRM learning systems and certification processes (World Federation of Personnel Management Associations, 1998). Brazil is a newly industrialized country, rich many resources including human capital, but little has been published (in English) regarding its HRM practices. The secondary focus of this inquiry is to describe HRM as it is practiced in Brazil.

Research Questions and Context

There are two basic areas of inquiry:

First, since the English-language literature yields very little information about the nature of HRM and HRD in Brazil, it is valuable to the field of HRM to describe some features of the HRM function in the Brazilian culture. This contributes to the general body of knowledge about the state of HRM internationally, an area of inquiry deemed important enough to the Institute for International Human Resources (IIHR) and World Federation of Personnel Management Associations (WFPMA) to warrant a global survey. Administration of the relevant portion of the WFPMA survey to HRM and business management professionals in Brazil, augmented with personal interviews, will address this topic. The basic research question here is, “Is there a distinctly Brazilian style of HRM and, if so, how can it be described?”

Second, it is desirable to observe and describe some of the problems and successes encountered in the transfer of HRM policies, HRM practices, and organizational culture from USA and European firms to their Brazilian subsidiaries. Similarly, Brazilian firms attempting to import such policies and practices may demonstrate the same challenges in transfer and implementation. This inquiry is accomplished through interviews with Brazilian HR managers, in Brazil, working for multinational enterprises (MNE's) or Brazilian firms. The basic research questions for this part of the inquiry is, “What policies and practices transfer successfully to the Brazilian environment and which do not? What adaptations must be made?”

While it is logical to presume that some obstacles may be encountered in the transfer, given the cultural differences identified by Hofstede (1996) and by Trompenaars

(1999), these differences have not been proven in practice to actually be associated with problems (or successes) of transferring North American or European HRM practices from those cultures to Brazil.

Inquiry Approach

This inquiry has developed over the course of the past eight years and is the result of a personal quest to understand personal experiences, first living and working in Brazil, then returning to the American culture. Two sets of research questions have emerged: 1) What picture emerges of HRM practices in Brazil? Does it fit any existing model? From the USA perspective, what do scholars and practitioners need to know about Brazilian culture in order to understand what is going on in current Brazilian HRM practice and in transferring HRM policies and practices? What do US scholars and practitioners need to understand about the USA culture and about HRM in order to make sense of this inquiry? 2) What happens when a North American firm attempts to transfer its corporate values and HRM policies and practices to a work environment in a differing culture (in this case, Brazil)? How is transfer affected? What impedes it and what facilitates it?

These questions were clarified in the course of this inquiry which employed a variety of approaches: first, relevant literature was reviewed (see the Review of Literature); next, for concepts that the literature fails to clearly elucidate, contrasting perspectives were qualitatively analyzed in an attempt to synthesize the underlying themes and convergent ideas (see the Synthesis of Literature sections); a reflective, semi-autobiographical ethnography of Brazil was authored to discover some key issues that might affect HRM applications (see Ethnography section); finally, interviews with

Brazilian HRM professionals and scholars served to uncover information about Brazilian management and transfer of HRM models to Brazil.

Significance of the Study

These research findings may support the use of existing theory and HRM models as a guideline for cross-cultural transfer of practices in a business environment and for developing national human resource management systems in general. From a grounded theory perspective, this research may contribute to developing a broader perspective of HRM, yielding other models of practice more appropriate to different cultural environments and, perhaps, clarifying the theoretical underpinnings of HRM.

At a more practical level, the study may contribute to the body of knowledge published in English on Brazilian HRM practices and the effects of transferring HRM practices laden with foreign cultural values and expectations to the work environment in Brazil.

Definitions

All definitions, by nature, are descriptions that are transferred to the word or concept to which they correspond. Thus, words assume meaning by symbolically representing a definition or set of definitions. Because words are used to define words, there are assumptions within assumptions for any definition. Terms peculiar to this inquiry are defined below. Some concepts require a lengthy discussion and are most appropriately addressed in the review of literature (Chapter 2).

In an attempt to operationalize the definitions of concepts relevant to this study, many assumptions must be made. One is that some concepts are, by nature, ambiguous. For example, any discussion of culture usually begins with an attempt to define it, but

attempts to even identify the dimensions that make up culture have proven illusive. Several authors describe culture as a set of dimensions, but there is no agreement on which specific dimensions should be examined. The matter is further complicated because each researcher gives the identified set of dimensions different names and defines them differently. The same problems exist with identifying and then defining the theories underlying HRD.

Rather than attempting a shallow, concise definition of these big ideas, the review and synthesis of literature is devoted to discussing the disparate definitions and converging characteristics of concepts such as cultural dimensions, human resource management, human resource development, and theories implicit in human resource development.

Clark (1996) summarizes the three elements most frequently cited by European scholars as “central to the notion of HRM in a number of different [European] countries” (p.251):

1. HRM is important as a source of competitive advantage;
2. Decisions regarding HRM issues should be within control of the firm, devolved to the line level;
3. HRM strategies should be integrated with corporate strategies and both should be mutually reinforcing.

Other assumptions are more straightforward and even take on a “null hypothesis” character, seeming to say, “This is how the world is presumed to be; can you prove it to be otherwise?” It is assumed that:

- human resource management systems grow from experience in managing people in a specific cultural environment and, as such, are laden with the values and expectations of that culture;
- cultural issues do influence the transfer of management practices;
- HRM practices of firms in the USA and Europe have contributed to success in their own cultural environments, and therefore it is reasonable to attempt to pursue the same means to achieve success in the Brazilian environment;
- cultural “fit” of any specific management system is determined by the degree to which it must be adapted to match the cultural norms and expectations of the workforce, or by the degree to which the workforce must adapt to accommodate the norms and expectations of the management system. Good “fit” implies that little adaptation is required and that the model or practice is portable.

It is important to note that the following assumption is NOT made: that HRM is a valid and universal construct. “Advocates of HRM are prone to discuss it in universal and general terms. However, there has been little actual research or analysis to prove that its prescriptions will automatically be valid in national systems other than those in which the concept is widely used, notably the US and the UK.” (Hollinshead and Leat, 1995, p. iv) So what is a company to do? In the face of not knowing the appropriate HRM practice to employ, the obvious choice is to employ one that has worked elsewhere, under different conditions, in the past, and see what happens.

The reader should detect an ambiguity between the two assumptions, that “HRM is not a universally valid construct” and that “HRM practices of firms in the USA and

Europe have contributed to success in their own cultural environments, and therefore should contribute to success in the Brazilian environment.” This is a real-life example of how business deals with the uncertainty and ambiguity of operating in a foreign environment. The desire for normalization of policy and practice globally, and a desire to achieve good cultural fit, make strange bedfellows.

The following terms are operationally defined:

Culture- Metaphorically, culture is the human operating system, the “software of the mind” (Hofstede, 1991, p. 4). Verbs make sentences go. Culture should be a verb because culture makes people go. A complex concept, culture can be thought of as a set of systems, interactive and sometimes ambiguously conflicting: the sets of values, assumptions, expectations, understandings, behaviors, orientations, and ways of thinking and solving problems that are shared by members of a super ordinate group and taught to new members as correct (see Daft, 1999; and Trompenaars, 1998). This inclusive definition is not to be confused with the much shallower concept of “corporate culture,” described in the review of literature.

Firm- Used more frequently in British literature than in American, firm is synonymous with company, enterprise, corporation, and organization.

HRM- The acronym is derived from the phrase “human resource management.” In some quotations, paraphrases, and descriptions, the acronym is abbreviated as “HR,” used adjectivally to modify a noun or noun phrase (e.g., HR studies, HR department, HR availability, HR practices, HR director, etc.). Convention also calls for the use of the acronym, “HRD” (human resource development), which,

in this study, is assumed to be a subset of HRM (the attributes and scope of HRD is fully discussed in the Literature Review). To avoid confusion, HRM is used throughout, unless clarity, readability, or accuracy are enhanced by another phrase or acronym.

Policies- specific and prescriptive statements of intent, implicit or explicit, designed to set behavior standards and guide decisions so that they are congruent with the values and operating strategies of the firm.

Practices- workplace behaviors resulting from specific plans that are purposefully put into effect and intended to be congruent with established policy, at the site level, at the firm level, or at the national level.

Strategy- a “game plan” devised by management to achieve desired business performance, driven by two needs: one, a need to pro-actively shape how the firm will conduct business and, two, a need to coordinate the independent actions of many people, departments and functions within the firm to establish a consolidated company-wide game plan (Briscoe, 1999).

Strategic HRM- decisions regarding human resource issues that contribute to and are congruent with the firm’s overall strategy.

Limitations and Delimitations

Limitations are those aspects of the study over which the researcher has no control but which may affect the validity of the findings. Delimitations are those constraints and influences imposed by the researcher that may affect the validity of the findings. Several unavoidable flaws exist in this design; the following issues could be threats to this study’s validity.

Limitations

Limitations include emotional and physical stresses on the researcher related to international travel, issues of participant truthfulness, and communication impediments caused by language differences. Of these, participant truthfulness may be of greatest concern.

The HR managers of MNE's interviewed in Brazil are generally charged with implementing the HR policies and practices prescribed by the firm's headquarters (HQ). There may be a tendency for them to refrain from discussing implementation problems that could be interpreted as a personal failure to meet company expectations. Further, since these managers hosted American researchers from an American university and expected to conduct the interview in English, there may have been a tendency to appear as if their management efforts are "progressive" in that they are following a proven or cutting-edge model of HRM imported from a more developed country. Establishing a relationship of trust and confidence between the researcher and the management executives involved might attenuate such limitations, but this may be outside the control of the researcher. The degree to which this limitation is perceived to affect the study is assessed in the findings and discussion chapters.

Further limitations include a constraint on sampling. Interviews are limited to accessible HR managers and other management-level participants. Time spent with participants was limited due to the fact that the interviews and observations take place on-the-job and participants will have constraints on their time and attention. Sampling limitations are further discussed in the methodology chapter.

Finally, the study is limited by the perceptions of the managers interviewed. The question here is not whether or not they are honest in their responses, but whether or not their perceptions of HRM are the result of studying American style HRM or the result of developing an authentic Brazilian approach to HRM. There may be a tendency for Brazilian managers to embrace American HRM concepts that are perceived as being progressive, whether or not they are culturally appropriate. This concept is further explored in the section on assumptions, below, and in the section on trustworthiness in the methodology chapter.

Delimitations

The inquiry was delimited by the researcher both in time and in scope. Research time in Brazil was limited to five weeks, during which most of the Brazilian data were gathered. It was impractical to return and ask participants for clarification or further information.

Research design was further delimited by opportunistic, convenience sampling of Brazilian managers willing to participate in the study. The researcher's resources limited travel inside Brazil to contact interviewees in person.

Although the researcher has sufficient understanding and knowledge of Brazil and of HRM to make sense of the information available, the researcher's Portuguese language fluency (and the English language fluency of the Brazilian participants) may have impeded communication. Brazilian participants fluent in English were targeted, but some participants preferred to converse in Portuguese. While it would have been convenient to limit participants to only those fluent in English, that luxury was not practical. Further, since it is bad manners for a foreign visitor to expect hosts to speak English exclusively,

the researcher felt compelled to approach Brazilian participants on their own cultural ground and to conduct portions of the interviews in Portuguese.

Perhaps the most profound delimitation resulted from a culture gap. This is considered a delimitation in that it can be somewhat controlled by the researcher. Although the researcher attempted to understand the perspective of Brazilian managers, cultural differences may have produced invisible obstacles. While it may be possible to describe differences or similarities in HR practices and management attitudes, it may be difficult to describe *why* such practices and attitudes exist. The degree to which cultural perceptions influence data gathering and analysis is assessed in the discussion section. A concerted effort was made throughout the study to recognize and obviate cultural bias, but evaluating how well bias is described or avoided is very subjective.

Assumptions

The relationship between the researcher and the participants was non-threatening, so participants were presumed to be truthful. Honesty of responses from participants was assumed, however there is a possibility that some data may reflect a desire to proffer socially acceptable information. Some Brazilian managers may pursue an American model of HRM simply because it is perceived as more progressive than Brazilian practices, whether or not it is culturally appropriate. This could skew the findings, indicating the Brazilian HR practices are more similar to American practices than is the case.

A related assumption is that what is “progressive” in American management concepts may not be appropriate for progressive Brazilian management. This is a problem because there is an inherent value judgment in the idea that the USA is a “more”

developed country and Brazil is a “less” developed country. It is assumed that Brazilian HRM practices can develop and become more progressive (that is, make better contributions to organizational effectiveness), but, at the same time it is assumed that a Brazilian model of development and progress may differ from the North American model.

An underlying assumption of this study is that all perspectives and all practices are culture-bound. This means that the researcher expects to discover differences. However, it is possible that differences sought do not exist. This assumption is evaluated in the discussion chapter. The study also attempts to describe *why* phenomena occur and assumes that there are underlying theories that explain specific practices. Even when similar practices are observed, it is assumed that the underlying reasons for the similarities may differ. This idea is expanded in the review of literature in the section describing cultural dimensions.

Finally, it is assumed that the translation of the survey that was used is culturally sound and conceptually accurate, although there is no way to test this assumption before conducting the study. Accuracy is assumed because of the iterative translation process, although it is not yet established that American concepts of HRM are “translatable” to the Brazilian cultural environment. For example, “teamwork” may have a different meaning in the USA where egalitarianism is more *de rigueur* than in Brazil. The assumption of culturally accurate translation goes beyond literal accuracy and is evaluated in the discussion chapter.

Chapter 2: Review And Synthesis Of Literature

Introduction

The literature review and synthesis is intended to show support for the primary basic assumption of this inquiry: that culture affects human resource management and development practices. While this might seem obvious, even trivial, at first glance, the pitfall is in dismissing such an assumption too thoughtlessly. It is what is least apparent in our own culture that most profoundly effects our attitudes, beliefs, values, expectations, and relationships with others. We tend to take our cultural mindset for granted, and the part we do not think about, we presume is universal. “Culture hides much more than it reveals, and strangely enough what it hides, it hides most effectively from its own participants... [T]he real job is not to understand foreign culture but to understand our own.” (Hall, 1959, p.29) The real job of this literature review is to understand the hidden dimensions of our human resource management models.

The literature review seeks to illustrate how culture permeates and influences both the external and internal environments of an organization. The following steps trace the development of HRM and illustrate how culture has molded management perspectives:

- First, the development of HRM is shown to be a product of American culture.

- Next, a European perspective of HRM is explored and several models are presented that clearly illustrate that cultural contexts and forces are both external and internal environmental influences on management.
- A model of international HRM illustrates the forces that affect HRM issues in multinational enterprises.
- Evidence is presented to show that HRD embraces a systems approach to improving organizational performance. The cultural character of the workforce is an influential factor in the system. In many developing countries and newly industrialized nations, human resources for technical jobs or management positions are scarce or underdeveloped. HRD is the integral part of HRM that deals with changing work environments to fit people and with planning learning activities to improve workplace performance.
- The literature review then describes the broad array of cultural dimensions proposed by cultural researchers. An analysis of these dimensions shows that the research converges on four basic cultural dimensions. The dimensions relevant to Brazilian culture are explored in an ethnography of Brazil, based on academic literature and personal experience.

Background

As organizations "internationalize," that is, as they move outside of the domestic environment, crossing international borders to find new markets and new sources for resources, they often seek to implement their activities in familiar ways, using methods, processes and procedures which are perceived to have previously contributed to success domestically (Daniels and Radebaugh, 1998). Among such familiar processes are the strategic human resource management (HRM) and human resource development (HRD)

activities that have helped the organization achieve its objectives. Strategic HRM practices, by definition, are aligned with organizational vision and goals. Strategic HRM can be defined as the array of competitive moves and business approaches that managers employ in running a company that contribute to the strategic goals and strategic operations established (Briscoe, 1999; Daft, 1999). But while a successful assembly line process might transfer across borders easily, human resource management activities may not transfer as successfully, simply because nuts and bolts fit together universally, regardless of environment, but people and practices may not.

"There is considerable evidence that the national context of a firm's operations plays a significant role in shaping organizational practices" (Tregaskis, 1998, p.137). But the proposition that cultural differences may affect the successful transfer of human resource management practices immediately puts this inquiry at the risk of a logical fallacy, "begging the question." Can culture be operationally defined so that it can be viewed as a legitimate variable? How can a researcher be confident any difficulty (or ease) of transfer is attributable to the "culture variable?" According to H. Gospel of King's College (personal communication, June, 1999), attributing such difficulties to cultural differences is the "last refuge of the scoundrel" and other variables, such as economic and political environments, organizational structure, employment and industrial relations, and industry type should be examined.

However, Gospel's academic colleague, Clark, seems comfortable inhabiting such a "scoundrel's refuge" and holds that differing cultures demand differing human resource management treatments (Clark, 1996). Other researchers agree, and have collected a credible body of evidence that documents the differences in management practices in

European, Japanese and American cultures (Calori and de Woot, 1994; Brewster, 1995; Mendenhall and Oddou, 1995; Briscoe, 1995; Dowling, Schuler, & Welch, 1994). The phenomenon is self-evident according to Cascio and Bailey (1995): "Cultural differences significantly influence management approaches and performance of employees in organizations... Practices that have evolved out of American management theories are... difficult to transplant" (Cascio and Bailey, 1995, p.16).

The assumption is made here that cultural issues do influence the transfer of management practices. The point of this literature review and synthesis is to identify some specific North American concepts (and their attendant practices) that are affected, and to identify to what degree they are affected when transferred into non-American cultural environments. Only then can we identify underlying reasons (culture, organization size, structure, government regulation, etc.) for the transfer of specific policies and practices being successful or impeded.

HRM: An American Perspective

The positive lessons gleaned from examining Japanese management practices during the Japanese "economic miracle" from the 1960's through 1980's (Hollinshead and Leat, 1995) and the high performance of a number of exemplar organizations in the USA, led to the conclusion that human resource management should be a priority and that strategic HRM could offer businesses a competitive advantage (Brewster, 1995; Clark, 1996). Summarizing Clark (1996), the idea, deriving from scientific management, features careful selection and training of employees (as per the Japanese), extensive performance appraisal and individual feedback often tied to bonuses or other kinds of compensation (from exemplar organizations in the USA), detailed job descriptions and

work design (a positivistic perspective of scientific management), and a trend towards collaboration within work groups and teams (resulting from a desire to combine the positive effects of Japanese collectivism with the belief in American creativity). The resulting concept was dubbed Human Resource Management, from which HR Development emerged as a specialty, part of the HR "flow" (described below), claiming the three venues of 1) training and development; 2) career development; and 3) organizational development (Peterson, 1997). The full retinue of HR functions in the USA is detailed next.

Society of Human Resource Management Model

The Society for Human Resource Management (SHRM) is the USA's professional organization vested by its members with the responsibility of determining certification competencies for HR professionals. SHRM (1997) has determined that every organization must deal with the following basic human-oriented functions. An understanding of and proficiency in managing these areas make up the body of knowledge and competencies determined to be essential to the HR professional.

- Human Resource (HR) planning (evaluating employment markets, planning for staffing needs)
- Staffing (recruitment and selection of employees, career planning, dismissals and lay-offs)
- Maintaining HR information systems (employment records, inventory of skills available to the organization)
- Training and development (determining training needs, training and motivating employees, developing managers and leaders)

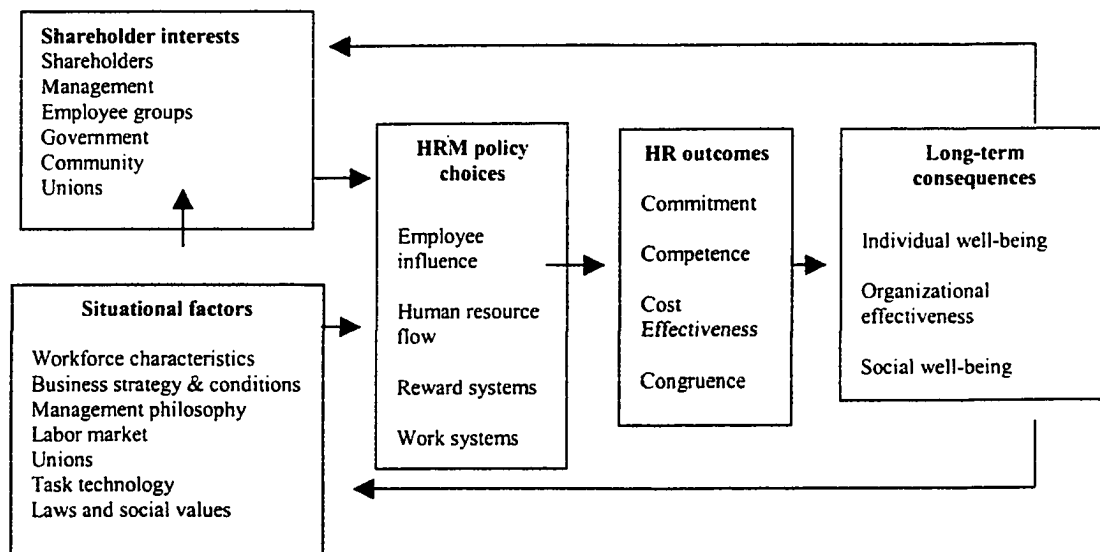
- Organizational culture, development, and change management (helping people and the organization adapt to needed change)
- Employee Performance (job analysis and description, performance appraisal, workplace behavior problems and disciplinary action)
- Compensation and benefits (developing and administering salary and pay schemes, health plans and other benefits)
- Legal compliance (employment laws, payroll accounting and tax laws, workplace safety laws, record-keeping)
- Labor relations (dealing with unions and employee groups)
- Health, safety and security (protection and care of employees and the organization)

The Harvard Map of HR Territory

The seminal model of HRM was developed by Beer, Spector, Lawrence, Quinn-Mills, and Walton (1984) at the Harvard Business School and maps the HR territory (see Figure 1). The concepts embedded in the model represented a new view of personnel management, and the idea that HRM policies have immediate and observable organizational outcomes took hold of business management in general and the personnel profession in particular (Hollinshead and Leat, 1995).

The Harvard Map of HR Territory indicates a cyclical inter-relatedness that corresponds to a systems theory approach to management (described in "Synthesis of HRD Definitions and Theoretical Underpinnings" below). The results of HR management (at the "end" of the cycle) are the long-term consequences evidenced by the

effect of the HR management on individuals, the organization, and the society in which it operates.



Source: Hollinshead, G., and Leat, M. (1995). Human resource management: an international and comparative perspective. p. 17. London: Financial Times- Pittman Publishing.

Note. Originally published by Beer, M., Spector, B., Lawrence, P., Quinn-Mills, D., & Watson, R. (1984) Managing Human Assets. NY: Free Press.

Figure 1. Map of the Human Resource Territory: The Harvard Model showing inputs to HRM and the idea that HRM policies have immediate and observable organizational outcomes.

Although long-term consequences are evaluated in terms of effects on individuals and society at large, the primary evaluative focus remains on organizational effectiveness. "A central facet of HRM philosophy relates to organizational effectiveness, which the authors [of the Harvard model] define as the capacity of the organization to be responsive and adaptive to its market and social environment" (Hollinshead and Leat, 1995, p. 18). The effects of these responses and adaptations are an input to HRM policy choices and are evaluated by the two "causal" forces, stakeholder interests and situational factors.

Situational factors make up the environment in which the firm operates and include workforce characteristics, labor market and union influences, technology, and legal and social constraints. Stakeholder interests include ownership issues, employee groups, and public interests such as the organization's relationship with the community in which it operates. There is, obviously, an overlap among these "causal" forces since situational factors and stakeholder interests are interrelated in the real world. At the heart of the map are these HRM policy choices (Hollinshead and Leat, 1995) which are also determined by employee influence, work and reward systems, and human resource flow (inflow, internal flow, and outflow – see “Briscoe’s Strategic International HRM Model” below).

It is interesting to note that the Harvard model shows that employee influence is evident in all four of the inputs to HRM policy choices: employees are stakeholders (as shareholders, employee groups, unions, and as members of the community); employees influence the situational factors of the business environment (workforce characteristics, labor market, and, again, as unions); employees directly influence policy through workplace performance; and, finally, the long term consequences related to individual well-being influence HRM policy decisions. It could be that the individualistic orientation of the USA culture results in a heightened profile of the employee. As we shall see later, other environmental influences (such as culture and legislative constraints) in other countries result in differing foci of HR models which otherwise feature these common key components (Brewster, 1995).

The firm that can outpace its competitors in developing new core competencies is in a superior strategic position (Hitt, Ireland, & Hoskisson, 1999). From this, follows the

logic for the argument that human resource management can be a source of competitive advantage. With purposeful management and development, human capital can increase in value, offering a firm new resources from which to build core competencies that add value. All HR models are concerned with demonstrating the manner in which management of human capital improves individual performance as required to achieve organizational or social goals (as described in "Synthesis of HRD Definitions and Theoretical Underpinnings" below). Pfeffer (1994) notes that the sources of competitive advantage tend to shift over time, and that management of the workforce can be one source of competitive advantage that is less likely to be duplicated by competitors. As such, effective HRM can be a source of sustainable competitive advantage.

Paradoxically, although the prototypical HRM concept is distinctly American in its focus, Pfeffer (1994) argues that many barriers, both internal and external, exist in the USA culture to prevent its effective realization. Internal barriers include preconceived notions of business heroes, preconceived theories of human behavior, the language (and other symbols) used in managing people, career paths of American managers, and internal resistance to change. External barriers include the adversarial management-labor union relationship common in the USA, and a flawed legal system that rewards litigation over conciliation. This somewhat attenuates the argument that HRM is more easily applied in the USA than in other cultural environments and leads to the same observation Pfeffer (1998, 1994) makes, that managing people is a difficult task in any environment, made more complicated by the dynamic and often unpredictable nature of the workforce and factors that affect the employment relationship. Nevertheless, competitive advantage can accrue to those firms capable of overcoming the barriers.

Pfeffer (1998) has collected a variety of case studies and empirical research that positively relate effective HRM to a firm's performance, including Huselid's (1995) analysis of 968 responses from HR professionals. Findings from that study reveal that firms that concentrate management energy on "high performance work practices" demonstrate significant decreases in employee turnover, increased sales per employee, as well as increased market value and profit per employee. Zigarelli (1996) points out that the market value and profitability calculations are *estimated*, based on expected savings gleaned from reduced turnover, and estimated profit improvement based on increased productivity. For both this study and another subsequent study the following year, a one standard deviation increase in HR management concentration (as measured on a scale that evolved from the data) was associated with a fourteen percent (approximately) increase in shareholder wealth, as calculated per employee. In Pfeffer's (1998) words, "firms in the upper 16% [sic] of the sample distribution in terms of their use of high performance management practices experienced about a 14% [sic] market value premium- clearly economically substantial." (p.35) The seven categories identified (Huselid, 1995) emerged from data gathered for a more general study (the 1991 National Organizations Survey) and were vaguely described as 1) selectivity in hiring, 2) employee training, 3) incentive compensation, 4) equitable treatment, 5) decentralized decision making, 6) opportunities for promotion from within, and 7) vertical hierarchy. The primary weakness of the study is its inability to judge the effectiveness of HRM systems, rather than individual practices, because the data are not suitable for calculating interaction effects of the independent variables (above) on the dependent variable, managers' perceptions of firm performance.

Further, Pfeffer (1998) cites an unidentified study of over 100 German firms that demonstrates a similar link between investing in human capital and higher-than-average stock market performance, over the long term. While these findings support the claim that HRM is an effective source of competitive advantage (perhaps even across cultures) they do not identify specific practices that are effective, other than a general and concerted effort to attend to the issues that have been of concern to the HR professional since the mid-eighties.

Pfeffer (1994) summarizes the inquiry by observing “the fundamental problems in achieving competitive success through people are more social and political than they are technical.” (p.206) From this, Pfeffer surmises that the essential elements for HRM implementation are 1) any appropriate model that generates useful action, 2) sufficient social support to engage the organization in a sense of unity and purpose, 3) language that is powerful in symbolizing meaningful roles and goals, and, 4) demonstrated evidence that the process works.

In another study of 590 firms, Delaney and Huselid (1996) found additional evidence of a link between organizational performance and HRM practices, although they note that “[s]ubstantial uncertainty remains...as to *how* HRM practices affect organizational outcomes, whether some practices have stronger effect than others, and whether complementarities or synergies among such practices can further enhance organizational performance.” (p.949-950)

In summary, the established links between HRM and firm performance do little to guide cross-cultural transfer of HR practices, since no specific sets of practices are positively identified, even in the USA culture. More important, knowing what to do may

be valuable, but knowing how to do it is more important. Implementation is the key. The most that can be said, now that additional evidence has been proffered, is that we can now base our faith that HRM and firm performance are linked on a few empirical studies, lending credibility to the basic belief in the efficacy of HRM. Only a narrow range of HRM practices have been addressed in the surveys, which make comprehensive analysis impossible and generalizations inappropriate (Delaney and Huselid, 1996). Key HRM issues that have been scrutinized, such as staffing, training, and motivation, may require rethinking in differing cultural environments, a consideration germane to the research questions regarding cross-cultural transfer.

Further, the researchers (Delaney and Huselid, 1996; Huselid, 1995) caution that their scales measured managers' subjective perceptions of firm performance, rather than objective financial measures of firm performance. This could indicate that the degree of "fit" of the HR practice to the organizational culture could be an important consideration. In other words, it is possible that when all members endorse the progressive HRM practices the organization pursues, performance improvement follows. This is a serious matter for consideration when transferring HRM abroad, from the USA to another culture, since practices and policies (and, more important, the underlying values that generate them) that are embraced by one culture may be inappropriate or even rankly unpalatable to another.

HRM: A European Perspective

The concept of HRM was originally developed by Americans for the American environment. Looking at USA-style human resource management and development from a foreign perspective adds a lens of objectivity. C. Brewster, director of the Cranfield

School of Management in the UK, is a major contributor to the European body of HRM literature. Brewster (1995) argues that

"...central to the notion of HRM... is the notion of organizational independence and autonomy... [this idea] implies that... organizations... are free to develop their own strategies... [T]his view of freedom and autonomy in HRM is peculiarly American- related to Americans' view of their country as the land of opportunity in which any American, through hard work or self-improvement can be a success, with the ideal model of the 'rugged individualist' or self reliant small business entrepreneur, and a vision of the 'frontier mentality.' These ideals are reflected in the comparatively low levels of [governmental] support, subsidy, and control... They are visible in the 'private enterprise' culture of the United States, and in the concept of the 'right to manage' and the antagonism of management towards labor unions." (p. 3)

Guest (1990) concurs and points out that three basic beliefs underlying the HRM concept fit the American culture. In fact, they represent ideals of the American Dream: (1) a belief in human potential for (and right to) individual growth; (2) a desire to improve opportunities for people in the workplace; and (3) a belief that strong, personal leadership is important to success.

However, it is logical to assume that there is a functional need for a human resource management system in all organizations, no matter what the national environment or industry sector: there is always a need to recruit, train, manage, and reward staff, equipping them with sufficient resources to enable them to perform necessary tasks, in accordance with formal and informal constraints (Hollinshead and Leat, 1995).

In defense of the Harvard Map of HR Territory and American-style HRM, Poole (1990), offers editorial comments in the premier issue of the International Journal of Human Resource Management, holding that the model is useful to practitioners and scholars of international business for four reasons:

- It is the most influential and most familiar approach in the international business and scholarly communities;
- its use in MBA programs (particularly in the USA and the UK) propels it into future use by academics [sic] and practitioners;
- its scope and breadth are sufficient to accommodate international applications (with some limitations);
- accompanying the model, the original Harvard studies offer references to international trends and international human resource management.

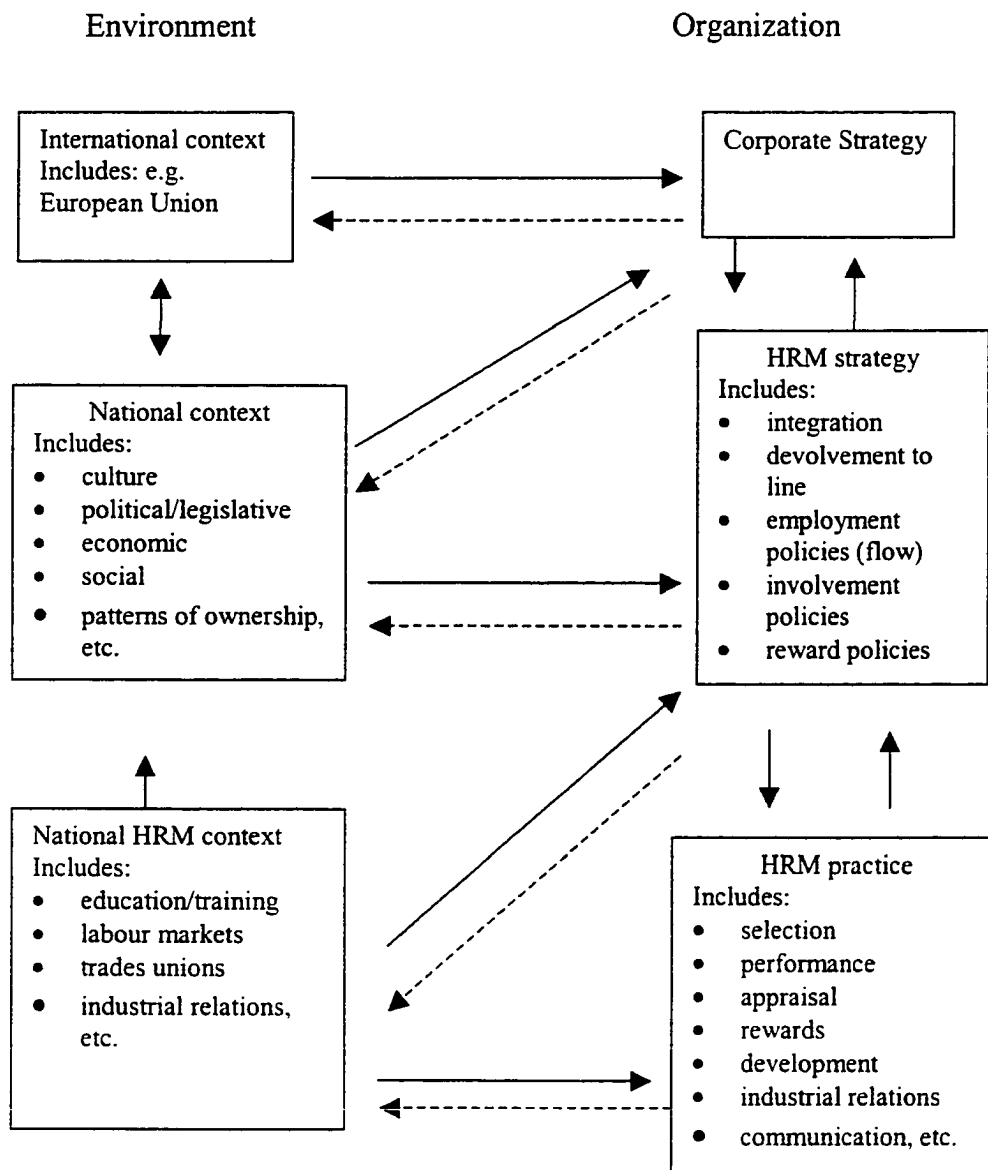
Brewster's Contextual European Model of HRM

Somewhat less linear than the Harvard Map is Brewster's (1994) Contextual European Model of HRM (see Figure 2). Brewster's Contextual European Model of HRM shows the HR function as integrated more into the environments in which it must operate, and focuses on diverse environments more than does the Harvard model. The "long term consequences" of the Harvard Map (organization effectiveness, and individual and societal well-being) are not addressed in Brewster's (1995) model. This is not an oversight. Brewster argues that the more balanced nature of shareholders with the concept of the organization as a "Social Partner" is inherent in the environment. Patterns of ownership differ (state-owned, bank-owned, family-owned) and profitability may be less an organizational goal than service to employees or a larger system, such as society at large.

At first, this concept seems unintelligible to most Americans. Jenkins and van Wijk (in Clark, 1995) explain from a French perspective:

"... the social cost of Anglo-Saxon capitalism [is] unbearable even for most liberal minded French... [T]he lower performing system wins out

paradoxically because of its consensual basis, because of its long-term perspectives, and because of its emphasis on collective rather than individual success." (p. 74)



Source: Brewster, C. (1995). Towards a European model of human resource management. *International Journal of International Business Studies*, 26 (1) p.14

Figure 2. Brewster's Contextual European Model of HRM shows the environmental forces that affect HRM.

Brewster's (1994) Contextual European Model of HRM places the HRM decision-making process under the influence of international forces (such as the growing influence of the European Union on member nations), the national environment (such as national culture, and social, economic, and political influences), and, finally, the supply and management of national human resources (education system, labor market, trade union contributions and constraints, etc.) These three environments exchange influence with the organization at three levels: corporate strategy; which leads to HRM strategy; which leads to HRM practice. Like the Harvard Map, the flow between elements is reciprocal and iterative.

Synthesis of European HR Literature

To compare the focus of HRM literature in Europe to that of the USA, an analysis of 20 articles by European authors was completed (see Appendix A) to determine the factors considered when describing or discussing HRM practices in selected European nations (European Union members only: Denmark, France, Germany, Great Britain, The Netherlands, Spain, and Sweden). The articles made frequent comparisons and references to USA HRM practices, so the USA is included in the analysis. (See Clark, 1996; Brewster, 1995; and Calori and de Woot, 1994.)

The following points summarize the main differences between the foci of concern among the majority of the EU countries examined and the dominant American perspective:

- Labor relations and union influence- These impose significantly greater constraints on management autonomy than in the USA.

- Cultural variations, both national and regional- The European cultural environment is more heterogeneous than the USA, resulting in a greater variety of employment relationships.
- Social protection and social market economies- The concept of socialism is antithetical to American individualism and capitalism, and determines a very different employment relationship.
- Employee involvement- The concept of co-determination (institutionalized employee control of management decisions) is part of the social market economy ideal and is a feature of cultures high on the collectivist index, in marked contrast to the idea of voluntary employee involvement in collaborative decision making in the USA.
- HRD and education, training and development- In the EU in general (and particularly in France, Germany and The Netherlands), there is greater State support in supplying both education and vocational training programs to the workforce.
- HRM practices and national economic success- In the EU, there is heightened State control of and involvement in HRM practice, which is tied to national economic policy.
- HRM models- A greater variation of management models exists in the differing environments.
- Ownership issues- In the USA, private ownership is taken for granted; in the EU various modes of ownership (State-owned, bank-owned, family-owned) affect management decisions.

Given these somewhat dramatic differences, it becomes obvious that in areas where concerns seem to converge (in categories such as 'HR as a source of competitive

advantage' and 'HR as a strategic partner'), the reasons for the common focus are not at all common. Surface level similarities are misleading. For instance, in the USA, an organization may be concerned with leveraging HR into "strategic partnership" to gain competitive advantage and increase profits for shareholders; in the EU a State-owned firm may be used by the State as a training site for the nation's vocational education system, contributing to the national goal but burdening the firm. In both cases the HRM function is "strategic" and is a "partnership," but both strategies and partnerships are very different.

Clark (1996) summarizes the three elements most frequently cited by European scholars as "central to the notion of HRM in a number of different [European] countries" (p.251):

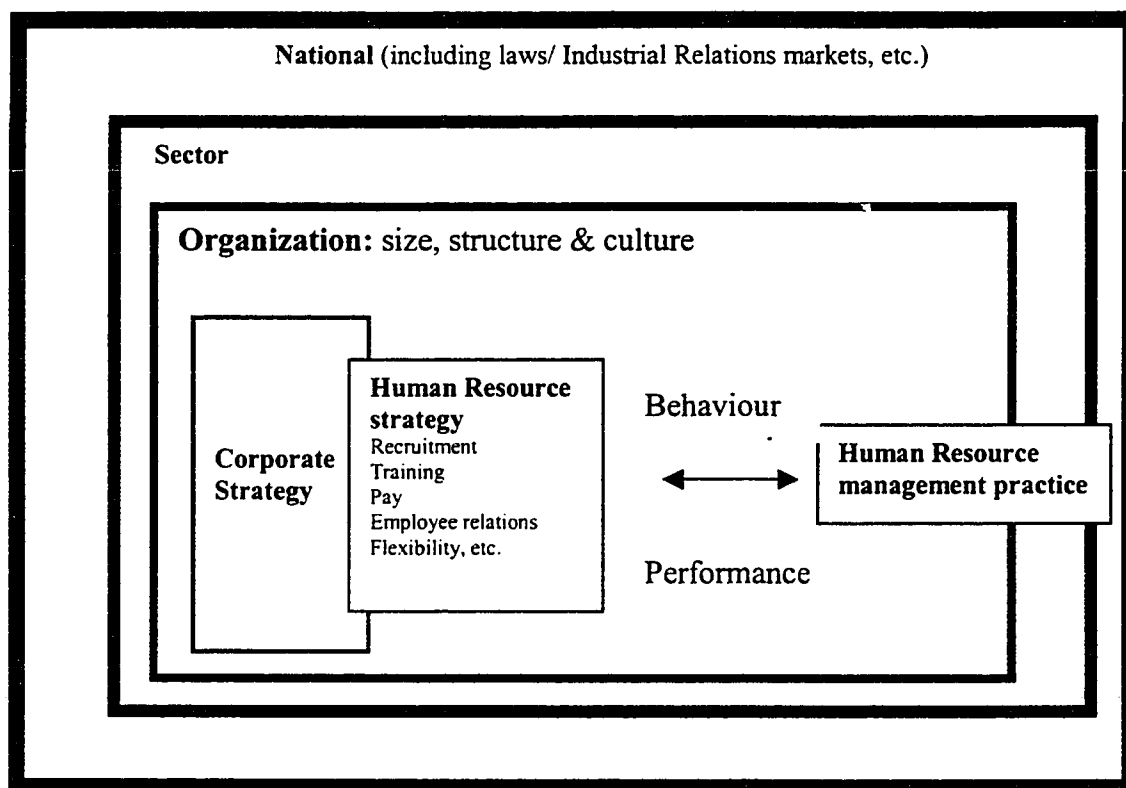
1. HRM is important as a source of competitive advantage;
2. Decisions regarding HR issues should be within control of the firm, devolved to the line level;
3. HR strategies should be integrated with corporate strategies and both should be mutually reinforcing.

Price Waterhouse/Cranfield Model

An alternative European HRM model, proposed as more suited to international operations (at least European ones), is derived from the Brewster and Bourniois (1991) Price Waterhouse/Cranfield survey of strategic HRM in Europe (see Figure 3).

As do the other HRM models, it emphasizes different elements of the Harvard Model rather than proposing a completely new paradigm. Although the process is similar, HR management autonomy is more limited. For instance, Brewster (1995)

argues that, in Europe, the employment environment is markedly different, particularly in the area of employment relations, which features heightened constraints on management choices. These constraining dynamics are imposed by government, trade unions, workers' councils and social responsibility expectations to a degree not evident in the American environment. Further, Brewster argues that these dynamic environmental



Source: Brewster, C. and Hegeswich, A. (eds.) (1994). Policy and practice in European human resource management. *Price Waterhouse/Cranfield Survey*. p.6. Routledge: London.

Figure 3. Price Waterhouse/Cranfield Study Model shows that HRM autonomy is limited by internal and external environmental forces.

forces vary among European countries, such that it is inappropriate to group shareholder and situational factors, even as iterative elements, as if they were ingredients of the environment rather than the environment itself. For example, constraints levied in an electronics manufacturing firm by a works council in Germany will differ markedly from

those levied by a works council in The Netherlands, even though the two countries (to a foreigner's eyes) appear to have many of the same cultural dimensions, the organizations feature similar structural patterns, and the works councils appear to function similarly.

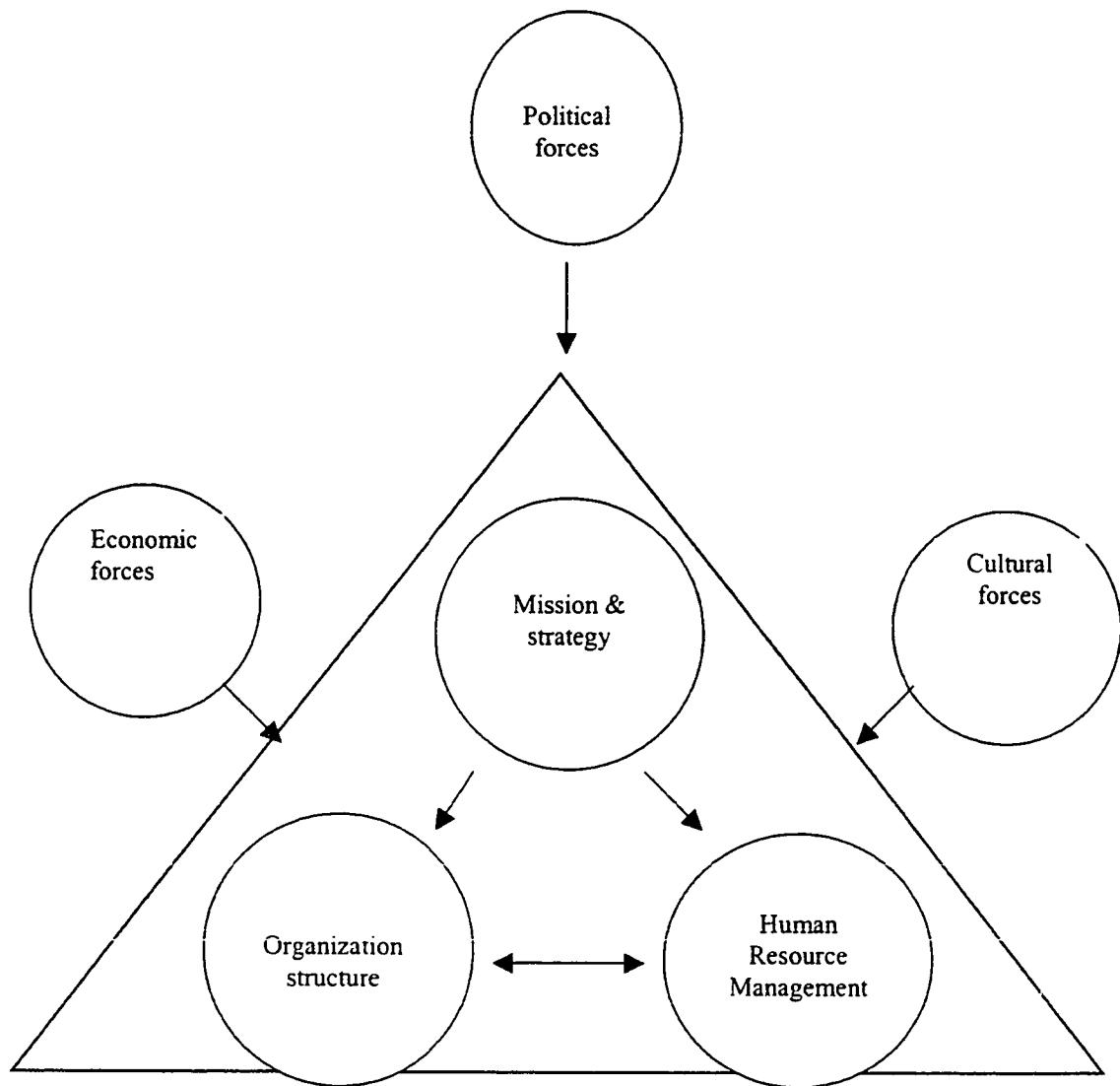
Brewster and Hegeswich's (1994) Price Waterhouse/Cranfield Study Model is a target-like set of concentric boxes: the largest, outer box is the set of national forces (laws, labor market forces, national culture, etc.); the next box, nested inside the largest, represents the environment of the specific industrial sector (operation mode); then follow boxes for organizational influences (organization culture, size, structure, etc.), corporate strategy, and finally, human resource strategy and management. Although Brewster is criticized (ironically) for "ethnocentric methodology" (Clark, personal communication, June, 1999), most European scholars concur with the perspective that the HRM concepts, descriptions and models that have enjoyed the most popular distribution are ethnocentric in that they fit the American and Western European perspectives better than they do the Japanese and Southern European perspectives (Clark, 1996; Pieper, 1990; Calori & de Woot, 1994; Mendenhall & Oddou, 1995).

Matching Model of HRM

As early as 1984, Frombrun, Tichy and Devanna (1984) proposed that competitive advantage will accrue to those organizations best able to exploit environmental opportunities and reduce risks or threats to survival (Clark, 1996). This is accomplished, in part, by aligning the firm's structure and human resource systems so that they complementarily support the strategic objectives of the organization (see Figure 4).

The argument is pretty straightforward and Darwinian: the firm with the best "fit" between structure and HR function is most likely to survive. Dubbed the "Matching

Model of HRM," it does not show the elements of the HR process in terms of input and output as does the Harvard Map, but it does clearly show the relationship of the HR function to the forces that influence the organization as a whole. This holistic approach supports the concept that HRM is not a stand-alone corporate issue but an integral part of a greater system. From this perspective, HR "flow" is not the recruit-train-retain-release



Source: Fromburn, C.J., Tichy, N.M. and Devanna, M.A. (1984) Strategic human resource management. New York: John Wiley and Sons.

Figure 4. The Matching Model of HRM shows the relationship of the HR function to the forces that influence the organization as a whole.

flow commonly referred to in the USA, but “flows” from and is dependent on the organization's market-oriented strategy (Miller, 1997).

The Matching Model shows HRM as matching two primary elements, those that are external to the firm and those that are internal. Externally, HRM must respond to the same external environment as the other modes of operations (finance, production, and marketing). The firm's response to the uncontrollable, external forces requires that HRM strategy and structure be "integrated" into other modes of operations (finance, production, and marketing). They all are influenced by the same forces and should act in complimentary concert; the degree to which HRM is in harmony with the other modes determines the "fit" or integration. The three external forces that influence organization operations are economic forces, political forces, and cultural forces. Internally, HRM is one of three inter-related elements; the other two are the overall structure of the organization and the mission and strategy of the organization. Of these, the mission and strategy is dominant and determines the organizational structure and HR management system.

Although the Matching Model (1984) does not show direct iterations among the elements as well as do the Harvard Map (1985) and Brewster's (1995) Contextual Model (it predates both), it does more clearly indicate the influence of external forces. What sophistication it lacks in detail is offset by its practicality. Inherent in the model are two very practical questions:

- "What elements can we not control?" (answer: “external forces,” and requires a harmonious response to those forces by all modes of operation);

- "What elements can we control?" (answer: "internal systems, structure and strategy" and requires harmonious alignment among the internal operations).

International HRM Model

The concern of international human resource management (IHRM) is how core human resource management and development functions change when an organization "goes international" and how additional HR functions are required to support such moves. Dowling, et al. (1994) recap the seven generic venues of the HR function:

- Human resource planning
- Staffing
- Performance evaluation
- Training and development
- Compensation
- Labor relations
- Benefits and in-house communications

In the international arena, all of these functions differ from domestic HRM and several additional HR functions emerge (Briscoe, 1995; Dowling, et al., 1994). A great deal of the literature is devoted to the study of expatriate management and how these core functions are influenced by the need to prepare, move, support, manage, and repatriate foreign assignees, resulting in a significant financial investment in expatriate human capital. Since the focus of this inquiry is on transferring parent company HRM policy and practice to the level of host country nationals (HCNs), the HRM functions associated with expatriate management are not included here; only those associated with HCN management are. Combining Briscoe's (1995) and Dowling's (1994) observations:

- IHRM requires a broader perspective, more cultural awareness and knowledge- It is essential to understand the cultural, political and legal environment in which the organization's employees operate. IHR practitioners need a broad understanding of the economic, political and sociological factors that can influence global business through the work environment.
- IHRM must cope with more external influences- Managing people in differing environments requires dealing with many new and often unpredictable factors. Issues such as union relations, government regulations, tax laws, health and safety issues, dealing with government officials, travel permits and work visas, schools, recreational facilities, housing, security- all are concerns that must be managed.
- IHRM changes as the organization matures- Over time, the foreign subsidiary becomes more independent as the organization gains experience and confidence in operating in the new environment. The emphasis changes from managing expatriates to training and managing the host country nationals in key positions.
- Decision-making is more complex- All the issues mentioned above contribute to the pressure on the IHR manager to make sound decisions when operating in a foreign culture. The pressure is compounded when we consider that the organization may be operating in many foreign environments, not just one. Determining policy and practice for multiple operations throughout the world is complex because policies must frequently be customized to the culture, while at the same time a MNE usually tries to standardize policies and procedures company-wide.

Briscoe's Strategic IHRM Model

In developing models of the IHRM function, Briscoe (1999) and Dowling, et al. (1994) cite Morgan's classic IHRM model (see figure 5). However, Briscoe's (1999) Strategic IHRM Model takes Morgan's concept to the next level of sophistication and is presented here as an improvement.

Briscoe's (1999) model is three dimensional and plots three HR functions (procuring, management, and outprocess) against five categories of employees (expatriate assignee, local hire, etc.) and four modes of operation (export, licensing agreement, joint venture, etc.). Briscoe's model serves to guide this inquiry, since, in the case study portion of the The considerations of environmental constraints that Brewster's (1995) Contextual Model and the Price Waterhouse/Cranfield (1994) Model offer are less apparent in Briscoe's model, but constraints other than culture seem to be embedded in the mode of operation and HR function dimensions, and cultural constraints seem to be inherent in considering whom is hired (employee type). In Briscoe's words, "country types... are essentially captured in the concepts of types of employees" (Briscoe, 1999, p.6).

The Dearth of IHRM Literature

However, this brings up an important issue: How much accommodation and what kinds of accommodation does a MNE make in matching HR functions to the cultural environment? Is it possible to predict what HR policies and practices will "fit" the culture? What guidelines, prescriptions, models, or theories are applicable to the three cells relevant to this study (which are HCN + Foreign subsidiary + Procure-Manage-Outprocess)? "Regrettably, neither in the academic nor in the practitioner literature is

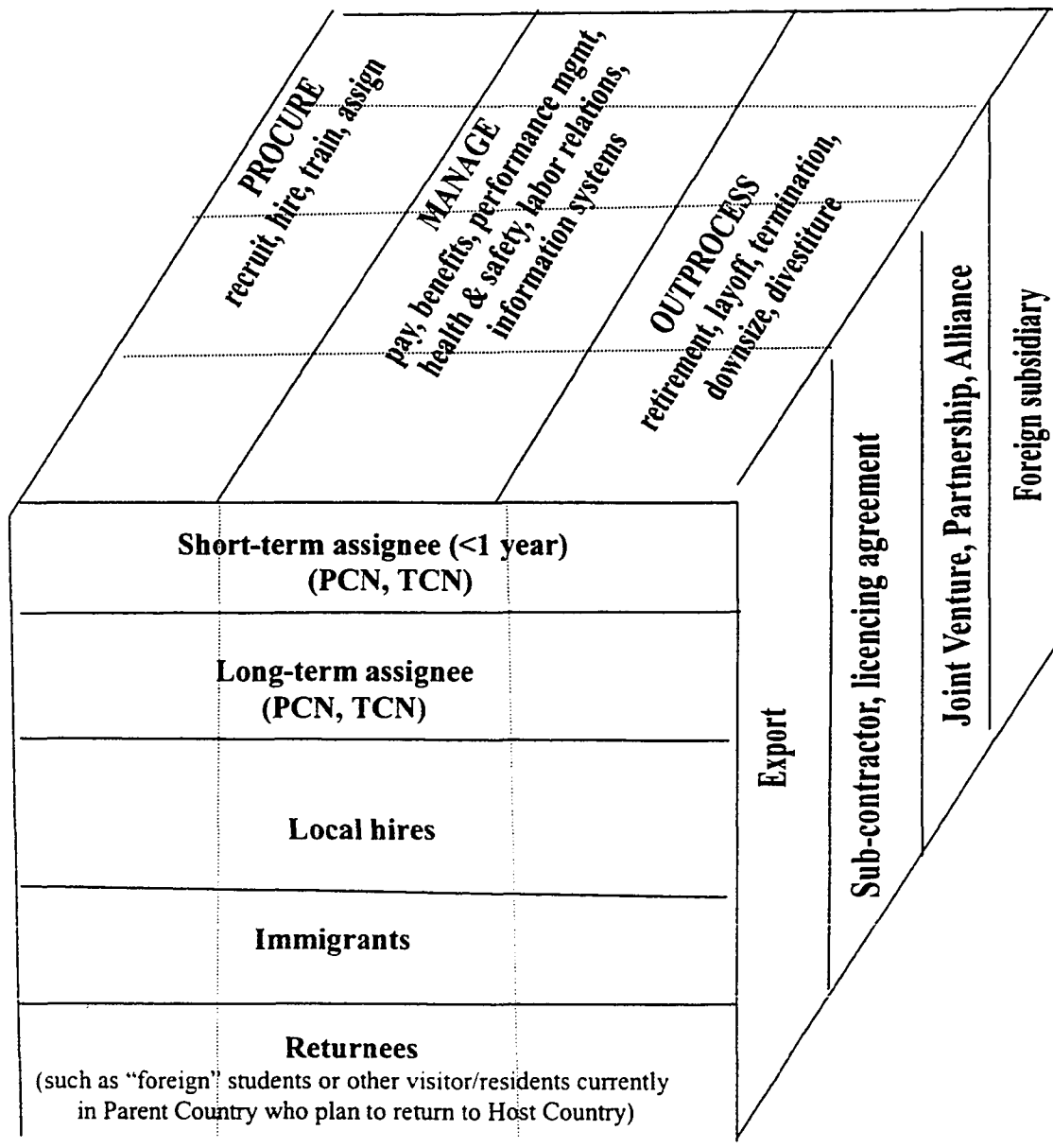


Figure 5. Briscoe's Strategic IHRM Model plots three HR functions against five categories of employees and four modes of operation.

there much help in identifying in either a descriptive or a prescriptive way the practice in these cells, let alone the 'best practices'." (Briscoe, 1999, p. 9)

Synthesis of HRD Definitions and Theoretical Underpinnings

HRD Definitions

In the premier issue of the journal Human Resource Development International, Weinberger (1998) reviewed twenty-five years of HRD literature and posted a chronological catalog (from 1970- 1995) of 18 scholarly HRD definitions along with their underlying theories. It seems there is no clear agreement on what HRD is, let alone what international HRD is. Because Weinberger does not offer a summary definition, an analysis of the body of direct quotes and paraphrases was conducted to synthesize one, using the following methodology: Each definition was fragmented (decontextualized) into subjects, verbs, predicate nominatives, and descriptive modifiers (see Appendix E). Each category was then coded and processed so that summary topics emerged in each category. To arrive at a summary definition, topics were put back into subject-verb-object order along with descriptive adjectival and adverbial phrases and Weinberger's summary of theories.

To summarize the emergent HRD definition and under-pinning theories:

- The (only) three subjects of HRD concern are human development, training, and workplace performance.
- Transitive verbs are used (exclusively) to connect the HR function to its objects. The majority of verbs are active, and generally imply affecting a positive change in individual human performance (e.g., develop, help, enable, improve, increase), which

in turn positively affects the group or organization in which the individuals operate.

There is a sense of mutual benefit to both the individual and the organization, even though it is clear that the desired improvement is determined by the organization and is driven by organizational needs evident in the workplace.

- The two objectives of HRD are 1) an increase in personal productivity through personal growth and development of skills and knowledge, and 2) improvement in the organization's effectiveness through systemic changes that affect its people. HRD features the perspective that these two objectives are inter-linked; they are parts of the same or a larger system.
- HRD is described in two basic ways: 1) the effect on the organization's performance through a comprehensive design of the work environment and individual jobs, and 2) planned learning at the individual level to develop and exploit human potential in a timely and lasting fashion.

A synthetic definition, then, is proposed: HRD is concerned with human training and development and how they relate to improved workplace performance; HRD aligns the work environment and job design with planned learning activities; HRD activities optimize individual learning and personal growth to mutually benefit the individual and the organization or group with which he/she interacts; the goal of HRD is improved human performance as measured by increased organizational effectiveness.

HRD Theories

Continuing the summary findings:

- Systems theory is the dominant paradigm in HRD in its focus on the interplay between the organization's overall performance and the performance of the people

within the organization. Psychological theory (and from it, adult learning theory) is the primary tool employed in HRD. Although economic theory is frequently cited by authorities, it is rarely if ever mentioned in any of the definitions of HRD.

This summary of under-pinning theories differs somewhat from Weinberger's (1998) conclusions. Weinberger lists the following (in no apparent order) as the key underlying theories associated with HRD:

- Systems theory
- Psychological theory- with the emphasis on learning
- Learning: adult learning- organizational learning- learning organizations
- Performance improvement
- Economic theory

According to Swanson (1998), HRD draws on psychological theories including "learning, human motivation, information processing, group dynamics, and psychology-based theories of how we make decisions and behave in organizations" (p. 883). Holton (1998) also suggests that references from industrial psychology, educational psychology, cognitive psychology, and developmental psychology are common in HRD research. The synthetic description of HRD activity presented here features an emergent emphasis on systems management, which serves to broaden the perspective of HRD to explicitly include more outside influences (such as stakeholder interests and situational factors) and long-term consequences (such as organizational viability), as illustrated by the Harvard Map of HR Territory.

A brief description of adult learning theory, systems theory, and economic theory follows.

- Learning Theory- Learning theories derived from behavioral psychology.

Behaviorism is based on the premise that learning occurs primarily through the reinforcement of desired responses, that is, a series of connections between stimuli and responses. Adult learning theory differs from a behaviorist view of learning through conditioning by reinforcement and argues that the learner is the focus in determining what needs to be learned, how to learn it and what specific goals should constitute success in the learning process (Van Wart, Cayer, & Cook, 1993). Key contributors in this arena are Knowles (1980), Knowles and Associates (1984), Rogers (1969) and Maslow (1970). Adult learning theory focuses on the learner in the context of the learning environment. Because the adult learner influences the learning dynamic so dramatically (and vice-versa), the context of work-related learning brings up a host of motivational issues (Paige & Martin, 1996). As such it is related to systems theory in that the learner and the environment are inter-related.

- Systems Theory- Learning does not occur in and of itself, instead, it is a component of the learning resources in an organizational system (Knowles, 1985). Consequently, with the acceptance of the systems approach, HRD is less concerned with planning, scheduling and instructing and more concerned with managing the system (Knowles, 1985). Jacobs (1989) proposes that systems theory be the unifying theory for HRD and also proposes a domain of human performance technology (HPT) defining that theory: HPT is the development of human performance systems and the management of the resulting systems, using a systems approach to achieve organizational and individual goals (Jacobs, 1989).

This is an example of another link to performance improvement within the systems concept.

- Economic Theory- Although it is inconclusive that economic theory is much attended to in the HRD definitions, lip service is paid to it by 8 of the 16 authorities analyzed in that they named it as an underlying theory of HRD. In defense of including it, the terms *organizational survival*, *success* and *goals* seem to be tied to the idea of financial benefits to the organization. The basic arithmetic model (Swanson & Gradous, 1988) for forecasting HRD's financial benefits is a simple calculation, given one can accurately measure the variables: *Performance Value minus Costs = Benefits to the Organization*. A key focus of HRD is enhancing productivity. Human capital theory is described by Becker (1975): "Investments in human capital are activities that influence future monetary and psychic income by increasing the resources in people" (p. 9). Such investments fall into the HRD territory because the process can be stated as a set of educational rationales and desired learning outcomes. The instructional objectives are achieved and measured through the application or improvement of specific skills, knowledge or health. Humans are considered capital resources in that they possess skills, experience and knowledge, and therefore have economic value to organizations (Weinberger, 1998) and can enhance productivity (Snell & Dean, 1992). Schooling, productive wage increases, and knowledge development are all cited by Becker (1975) as forms of investments in human capital. "All of this is tied to economics," concludes Weinberger (1998), "so economic theory, specifically human capital, is certainly significant and relevant" (p.89).

In summary, then: Theoretically, learning occurs within a system and HRD is concerned with managing the system to improve individual performance as required to achieve organizational goals through investment in human capital.

It may be that HRD, as a discipline, is indeed outgrowing its original definitions and theoretical boundaries, insinuating itself more into the field of business management in general (i.e., organization development) and human resource management in particular (i.e., performance improvement). It is interesting to note that the definitions between 1970 and 1983, coined before the advent of the Harvard Map of HR Territory in 1984, do not include the concept of a systems approach to HRD. Definitions coined after that indicate a growing willingness to consider more outside influences, viewing the “development” aspect of the HR function in the light of more external and internal influences. If this is the case, then the same cultural influences that account for the ethnocentricity of the American HRM model may prove that our concepts of HRD are also ethnocentric. Likewise, the cultural influences illustrated by the three European HRM models previously examined will affect approaches to HRD in differing cultural environments. The fact that cultural issues do not figure in discussions of HRD does not prove they are unimportant, only that they are ignored.

Culture Dimensions

The fundamental challenges of international HRM, whether the activity is a startup venture, merger, acquisition, or joint venture, are often rooted in differences in culture (Cascio & Serapio, 1991; Rankine, 1998). While some aspects of human behavior may be put into a "managerial equation," culture is not a "thing" as much as it is

a paradigm, an identity, a sense of self. Culture is more something group *is* than something it *has* (Cartwright, 1992).

Definitions of culture abound to the point of confusion and depend on the individual observer's paradigm or discipline. Anthropology and sociology describe culture with the intention of understanding societal differences; psychology attempts to identify cultural influences on individual personality differences; and the management disciplines are concerned with defining attributes of organizations and work environments. Schneider (1988) notes there are multiple definitions, which tend to be overly vague and general, resulting in confusion and a lack of consensus.

For purposes of this study, culture is defined as a set of *expectations* about what specific values, beliefs, and attitudes are shared, resulting in expectations about behavioral norms established in countries, regions, social groups, industries, corporations, and even departments and work groups within a business firm (Mockler & Dologite, 1997).

Of particular interest to this study is the degree to which differing cultures tolerate unequal distributions of power and the manner in which cultures establish social relationships that support personal and group needs. Below, arguments for using Hofstede's dimensions of individualism-collectivism and power distance as guidelines for analyzing the Brazilian and foreign intercultural intercourse are presented.

The next seven paragraphs (1-7) present an overview of the cultural variables identified by six of the major contributors to cultural research. The findings are summarized in Table 1.

1. Most scholars attempt to apply some set of descriptors to the cultures they study, and commonly cited cultural descriptions are those identified by Hofstede resulting from the seminal work started in the 1970s. Hofstede carried out an extensive empirical analysis that resulted in identifying four bipolar dimensions differentiating national cultures. Hofstede's four dimensions are, in brief: (a) Power Distance, the degree to which a society tolerates the fact that power is distributed unequally, (b) Individualism-Collectivism, where Individualism implies an independence among members and a social framework where people care for themselves and immediate family only, and Collectivism is characterized by a sense of individual connectedness to a group broader than the family, a sense of loyalty to that in-group, and an expectation that their in-group will look after them, (c) Uncertainty Avoidance, which measures the degree to which a society feels threatened and tries to avoid uncertain and ambiguous situations, and (d) Masculinity-Femininity, also defined as the competitive-cooperative dimension, or the degree to which a society prefers masculine values, such as competitiveness, assertiveness, and/or materialism, as opposed to feminine values such as cooperative relationships, holism, and quality of life. (Hofstede, 1980) In 1997, Hofstede revised the masculinity-femininity dimension, modifying it to reflect less an orientation to masculine or feminine values in favor of how stringently a culture asserts strict adherence to gender roles. Further, masculinity-femininity was found to be a meaningless descriptor for some Asian cultures and a new dimension has emerged, which Hofstede (1997) calls Confucian Dynamism. This dimension describes an orientation to time, allowing researchers to score a culture on whether its participants take a long term or short term perspective.

2. Trompenaars (1999), following and expanding upon Hofstede's work, identified seven fundamental dimensions which describe culture: (a) Universalism- Particularism, rules or relationships as priority, (b) Collectivism- Individualism, group or individual as priority, (c) Neutral- Emotional, the range of feelings expressed, (d) Diffuse- Specific, the range of involvement, (e) Achievement- Ascription, how status is accorded, (f) Time Orientation, past, present or future oriented, and (g) Attitude toward the Environment, controlling nature or letting it take its course. Trompenaars also identified seven "dilemmas" or universal social problems that must be addressed by societies. These are associated with cultural differences: (a) Universalism-Particularism, considering rules or merit, (b) Analyzing- Integrating, separating parts or integrating wholes, (c) Individualism-Communitarianism, attention focused on individual or group enhancement, (d) Inner-Directed-Outer-Directed, inner values or external influences as motivators, (e) Time as Sequence- Time as Synchronization, approaching activities on time schedule or with coordination, (f) Achieved Status- Ascribed Status, emphasis on accomplishment or affiliation, (g) Equality- Hierarchy, emphasis on equality or authority
3. Other culture researchers have identified and defined variants that occasionally correspond to those identified by Hofstede. Triandis, Kim, Kagitcibasi, Sng-Chin Choi, and Yoon (1994) argue for four pairs of cultural differentiation aspects; 1) association vs. disassociation, 2) superordination vs. subordination, 3) overtness vs. covertness, and 4) informality vs. formality.
4. Triandis, et al (1994), in developing parameters for their model, credit Fiske (1990) as previously synthesizing the most convincing and embracing elements, which are named: 1) communal sharing (much like collectivism), 2) authority ranking

(emphasizes power distance), 3) equality matching (reflects reciprocity and other attributes of social relationships), and 4) market pricing (similar to individualism).

5. Deutsch (1990) uses three similar dimensions: 1) cooperation vs. competition, 2) inequality-equality, and 3) informality vs. formality.

6. Schwartz (1990) uses 1) self direction, stimulation, hedonism, and achievement which all correspond to individualism; 2) security, restricted conformity, traditionalism, and benevolence which correspond to collectivism; and 3) universalism-equality and power/wealth/authority which correspond to Deutch's equality-inequality dimension.

7. Maruyama (1993, as cited by Tung, 1995) describes four epistemological orientations (H, S, I and G), each of which is comprised of eight differing logical processes by which people analyze and synthesize information. For example, the USA is characterized by H-type logic featuring adherence to classification schemes, sequential processing, competition in argumentation, and belief in a single truth. The S- and G-type logic is more dominant in Japan which prefers contextual epistemology, simultaneous processing, non-confrontational forms of discourse, cooperation and ambiguity. These differing logical approaches can result in very different practices regarding such HR issues as recruitment, training, and responsibility.

Synthesis of Culture Dimensions

In an attempt to make sense of all the differing approaches to describing cultural dimensions, concepts in the literature are synthesized to illustrate which cultural variables seem to converge conceptually.

The Synthesis of Cultural Variables (Table 1) illustrates how all these various cultural dimensions might be categorized. Hofstede's cultural dimensions of 1)

uncertainty avoidance, 2) individualism and collectivism, 3) masculinity-femininity, and 4) power distance are used as an overarching template for categorization. The factors identified by other researchers are categorized beneath the corresponding Hofstede dimensions. There are four basic categories where the research converges: concepts of personal orientation, group orientation, how social power is distributed, and how social relationships are perceived. Thus convergence in power distance (equality) and other attributes of social relationships can be established as dominant among typologies. In every society, culture expresses ways in which people manage their interdependencies with one another. If there are, indeed, any universal cultural variants, they address the way societies procure and/or enforce the use of power and how relationships are formed and perceived, given that society's distribution of power. "Power is a universally recognized... value, reflecting a basic human dynamic and expressing the preferred degree of hierarchical relations in society. It is associated with wealth, authority, social power, etc. Such fixed roles are not apt to change quickly" (Schwartz, 1994, p.84).

Hofstede (1990) associates high power distance (acceptance of hierarchical power structures in society) with groups which score high on collectivism; such groups tend to enforce more rigid, unchanging power distribution structures than individualistic societies. Given that the variables seem to converge in areas identified by Hofstede as individualism-collectivism and power distance, those dimensions are used as guides in this inquiry.

It is clear that social scientists are structure-hungry and tend to flock to theories and models that offer an overarching structure to human behavior. However such structures result in generalizations that are impertinent. Two countries measuring

similarly on several scales may be quite different when the reasons for responding similarly to the measures are analyzed (Triandis, et al, 1994). For instance, "Would you choose an apple over a piece of cake?" may be answered similarly by several respondents ("I prefer an apple"), but the behavior may be motivated by very different rationales: one person may be dieting, one person may be wheat intolerant, one may prefer to eat on the run, etc.

Table 1

Synthesis of Cultural Variables

Cultural Vari-ables	Degree of RISK TOLER-ANCE	INDIVIDUAL ORIENTATION & COMMUNICA-TION	GROUP ORIENTATION & COMMUNICA-TION	ORIENTATION TO NATURE & TIME	SOCIAL POWER	SOCIAL RELATION-SHIPS
Hofstede (1990)	Uncertainty Avoidance	Individualism	Collectivism	Masculinity-Femininity	Power Distance	
Deutsch (1990)					Equality-Inequality	Informality vs Formality Cooperation vs Competition
Triandis, et. al. (1994)		Disassociation	Association		Superord-ination vs Subord-ination	Informality vs Formality Overtess vs Covertess
Schwartz (1990)		Self direction, Stimulation, Hedonism, Achievement	Security, Restricted conformity, Traditionalism, Benevolence		Universal-ism-Equality and Power/Wealth/ Authority	
Fiske's (1990)		Market pricing	Communal sharing		Authority Ranking	Equality matching
Trom-penaars (1999)		Individualism Ideas specific to context	Collectivism Ideas diffused throughout culture	Masculinity-Femininity Polychronic vs Monochronic (Hall)	Status through Achieve-ment! vs Status through Ascription	Universalism vs Particularism
Hall (1983, 1986)		High Context Communication	Low Context Communication	Polychronic vs Monochronic		

It is for precisely this reason that cultural comparisons, whether they indicate similarities or differences, are inappropriate. Although little research is available in

English on Brazilian workforce management, a great deal is published about France. Since the two countries score similarly on one of Hofstede's dimensions, the temptation exists to apply some observations about the French to Brazil. But it would be inappropriate to equate the Brazilian culture with the French culture even though both score within one point of each other on Hofstede's (1997) power distance index (Brazil's tolerance for power distance is 69 on the index, compared to France's 68). Similar scores do not indicate any underlying similarities. Indeed, Brazil's reasons for tolerating power inequalities arguably spring from its experience as a colony controlled by a colonial power, an experience France never had nor would ever tolerate. This idea is explored in more detail in the "Ethnography" section.

Organizational Culture

Adding the adjective "organizational" to the term "culture" changes the meaning profoundly. Hall (1983) identifies three levels of societal culture, describing primary level culture as being so deeply embedded that one is scarcely aware of it; it is perceived as part of the natural order of the world, as independent of human influence as the rhythm of the tides. For instance, Hall proposes that basic cultural concepts of nature, such as time orientation, may begin to be imprinted on societal members at the fetal stage, while still in the womb. A baby develops, sensing the rhythms and pace of the mother's activity, harmoniously resonating with the time orientation of her culture, so that the cultural acquisition process for a new member begins before birth. Organizational culture may build on such primary levels of societal culture (when and if all members of the organization share the same societal culture) but, applying Hall's other two levels,

organizational culture seems to be acquired as a surface level veneer, or if it is a bit more ingrained, residing at a secondary level.

Research on organizational culture, begun in the 1980's, features a consistent theme that a strong organizational culture, one with a high level of shared meaning, common vision, clan-like attitude toward members, and high level of behavior integration, impacts organizations to perform well (Deal & Kennedy, 1982; Peters & Waterman, 1982). Hofstede's (1997) research on organizational culture revealed that shared perceptions of daily practices, rather than shared values, should be considered the core of organizational culture. Shared practices affect organization members more than the founder's or leader's values (Ferrante, 1997). Hofstede suggests a seminal difference between basic and acquired values: basic values are passed on and learned at a deeper cultural level, they are not acquired in the workplace. Although members may voluntarily acquire and uphold a shared set of conduct rules, these are not as deeply imbedded as basic values, which are generally acquired before adolescence.

Workplace values and behaviors are of concern in this inquiry and it is apparent that the strongest influence on behavior derives from the fundamental assumptions, beliefs, and values acquired at the deeper, societal culture level. Superficial changes in behavior, stated beliefs, and values may be apparent in corporate cultures, however, underlying assumptions may remain unchanged or difficult to modify (Schein; 1985). Sathe (1983) and Schein (1985) questioned whether or not the behaviors, values, and beliefs prescribed by corporate culture are merely complied with or truly incorporated. Both argue that changes in behavior may result in changes in underlying assumptions over time, however, the unconscious nature of these assumptions makes it unlikely. In

terms of workplace behavior, then, even though workforce members may embrace a distinctive corporate culture, national culture continues to play a major role in differentiating work values, and the national or societal culture dominates the more superficial organizational culture (Ferrante, 1997).

Another Dearth of Literature

This review of literature pertaining to national culture and organizational culture fails to elucidate an issue pertinent to this inquiry: What happens when a workforce attempts to adopt an organizational culture that prescribes behavior and values that are not supported by deeper level cultural values and beliefs? What might be the outcome of such an ambiguous layering of contrasting cultures? How might workers be affected by the disequilibrium of trying to accommodate conflicting culture sets? The literature is mute on this subject.

Ethnography

Another approach to studying culture is through an ethnographic examination. An authentic ethnography, that is, one created by the researcher, requires much more effort (on the part of both reader and researcher), but it may help avoid making ethnocentric comparisons. To this end, I have prepared the following ethnography of Brazil, focusing on issues that may be relevant to concepts such as power distance and individualism-collectivism.

Culture Revisited

The American Field Service (AFS) employs a useful metaphor, comparing culture to an iceberg. A few, obvious elements are visible above water (food, language,

appearance), but 90 percent of culture is hidden under the surface. Subsurface elements include

“notions of leadership, tempo of work, authority, concepts of past and future, approaches to problem solving, attitudes toward the dependent, patterns of group decision making, notions of modesty, concept of self, roles and status by age-sex-class, social intervention, body language, concept of beauty, concept of cleanliness, patterns of handling emotions, nature of friendships, physical space, and use of time” (AFS, 1998, on-line).

Brislin (1981) notes that many abstract definitions of culture exist, from brief general descriptions to detailed lists of various elements and concludes that all are equally useful. All definitions share a basic premise: Every culture develops a set of expected norms and behaviors, adherence to which is judged as "good." Sub-cultures within the dominant culture may modify the behaviors, but the principle still holds; adherence to a dominant set of beliefs, attitudes and behaviors is expected. The focus on *expectations* rather than on a set of beliefs, attitudes and behaviors is important in the following discussion.

It is important to decide whether culture should be viewed as a set of behaviors or a set of expectations. Behaviors may vary more than expectations, particularly between members of different social classes. And this is an essential issue, which may explain some apparent ambiguities in Brazilian culture. It is useful to explore the idea of developing a set of expectations, especially since an expectation is paired with judgment. Confucius observes, "All people are the same, it is their habits which differ." Since we expect people to be as we ourselves are, we also expect them to act similarly. This observation helps set up an explanation of the source of cultural conflict developed by Storti (1990) who proposes that we project our pre-formed rationales onto others

resulting in an expectation that they will react or behave in the same way that we would, or at least in a way that is explained by our set of pre-formed rationales. Storti was interested in illustrating how an unexpected behavior triggers a reflexive negative reaction. If the behavior is expected, then it fits one of our existing rationales and is judged positively ("That's the way I would/people should behave."); if it is unexpected then it either violates an existing rationale or corresponds to one which we judge negatively ("That is not the way I would/people should behave" or "I understand and disagree with the reasons for that behavior.")

This is useful in explaining how culture dominates our decision making process, resulting in negative or positive judgments which are based on our expectations. This complex set of internalized, culturally based expectations is the basis for most judgments we make everyday (Storti, 1990).

From this premise we arrive at a rather abstract definition of culture as a set of expectations or attitudes about behavior. Behavior of individuals may vary according to the situation, but as long as the behavior falls within general parameters of expectations we have internalized, then we judge the behavior as culturally acceptable. Thus, behaviors may vary, but expectations do not.

Brazilian Culture: An Ethnography

A more specific definition of culture is attempted by three social anthropologists in Brazil who created an operational definition: Culture is most specifically defined as a set of activities and behaviors, which are evidenced in the daily lives of individuals (Dressler, Dos Santos & Baliero, 1996). Defining culture in strict terms is advantageous to researchers who are concerned with enumerating the aspects of culture that are shared

across a broad range of people. However, such a narrow definition may result in some puzzling ambiguities.

For instance, Dressler, et al. (1996) were interested in determining what lifestyle characteristics were shared across differing socioeconomic classes in Brazil. Their question was, "What aspects of 'lifestyle' are shared among poor, lower class, middle class and upper class Brazilians?" Lifestyle was defined by consumer habits and by adopting attitudes that correspond to one's social identity. While they found wide variance in consumer *behavior*, they found consensus on *expectations* about what constitutes a "good life." The conclusion is, that defining culture as a set of behaviors (such as buying habits) is useful for determining differences among people, while defining culture as set of expectations (such as perceptions about a "good life") is useful for determining similarities.

Herein lies the basic ambiguity with which any study of Brazil must wrestle. Brazilians share many similar expectations while they vary widely in behavior. While socioeconomic differences are stringently divisive, there exists what Brazilian anthropologist Darcy Ribeiro calls a "national ethnicity" among countrymen which has created a society that "knows itself, feels and behaves as a single people" ("Eine Kleine Samba," 1995, p.42). Brazilians are divided in class but at the same time, unified in spirit, in much the same paradoxical manner as Charlie Chaplin viewed the human situation: "Life is a tragedy when seen in close-up, but a comedy in long-shot."

The expectation then, is that we will encounter paradox, ambiguity and contradiction within the cultural elements we scrutinize. Hidden within the ambiguities

are the subsurface elements of Brazilian culture that help us understand the unifying complexity of so diverse a people.

Fatalism and power distance.

One apparent ambiguity in Brazilian culture is a sense of pessimistic fatalism coexisting with an apparent animated exuberance of spirit. The former is evidenced by Brazil's rather high tolerance for differences in social power distribution (Hofstede, 1997); the latter is characterized in speech patterns in which greetings take on a greater range of inflection, affection, and energy than Americans demonstrate.

But dark fatalism lurks like a shadow beneath the veneer of happy expression. Comparing some differences, Brazilian UN delegate and scholar Clodomiro Vianna Moog lists a menu of contrasts between the American and Brazilian outlooks on life and ends with the observation: "In the United States: [there is the] belief that goodness will win out over evil in the end, and health over sickness. In Brazil: [we have] doubts and mental reservations of every kind" (Moog, 1995, p.42). Moog characterizes Brazilians as pessimistic and cynical, as believing that man is evil until proven otherwise. Moog also describes an underlying Brazilian suspicion of others, as if displays of magnanimity might mask hidden, self serving motives. If this is true, that Brazilians are pessimistic, cynical, and suspicious, then those traits are ameliorated by an off-setting attitude that everything will turn out for the best, and if it doesn't, then things are tolerable as they are. Thus we encounter our first paradox, an oxymoron: Brazilians can be optimistically pessimistic.

It is essential to illustrate how this fatalistic attitude affects both cultural expectations and individual behavior. This theme emerges in several sections below but is nowhere better illustrated than in the Brazilian attitude towards political power.

Faith in the Brazilian political system.

The phrase above, "faith in the Brazilian political system," would surely evoke a sardonic snort from most, if not all Brazilians. Americans generally have the expectation that the American political system is responsive to the electorate and that our politicians are culpable and not above the law. (Indeed, in the USA, the 1990's rash of scandals and investigations indicates a desire to prove this point.) We see a grass-roots commitment to political activity every autumn in the USA: lawns bloom with political yard signs; local politicians and their supporters canvass neighborhoods knocking on doors; literature solicits "Call me, I care" invitations.

Nothing of the kind exists in Brazil, even though, by law, each Brazilian must vote. Although Brazilian politicians do campaign, it is not at the grass roots level as in the USA. A brief historical perspective follows to help explain what Brazilians may expect from political leaders and may illustrate how tolerance for a hierarchical power distribution evolved.

The colonial experience contributed to the common mistrust of the efficacy of Brazilian politics. (Catholicism, mentioned later, also had an effect.) Early Portuguese control of Brazil was characterized by a small elite of enfranchised captaincies granted by the Crown, slave-holding landowners who ruled vast tracts of coastal Brazil (Summ, 1995). These viceroys (literally: substitute-kings) had little reason to cooperate with each other since their futures depended on vertical political ties to those higher up, not on

horizontal confederate ties. Indeed, horizontal ties were politically dangerous since one's neighbor's patron might be at odds with one's own patron. Thus, from earliest times, politics and a lack of social solidarity were soul mates. Royally enfranchised barons who operated independently of each other and also independently of the overseas crown controlled huge sections of Brazil.

After the colonial period, when the Crown resided in Rio de Janeiro (the Imperial period) the central government remained distant and was never strong enough to directly control the vast country. Therefore, it continued to sanction local autonomy, controlling the viceroys only loosely. Again, a clear picture emerges of political decisions made by powerful families who had already been controlling their own land holdings for generations. "And when this control was threatened by other families, then each clan would arm its retainers (sometimes even its slaves) and fight it out" (Mayberry-Lewis, 1995, p.154). The average citizen, then, had two choices: cling to the patron and hope for his success, or leave and look for a new patron, which amounts to the same thing. One sails or sinks with the fate of the patron.

Following the Imperial period, after independence from Portugal (the Republican period), a benevolent monarchy was mixed with a kind of democratic oligarchy in which the powerful families elected advisory members to the central government. In order to best serve their own needs (and what else is politics?), this oligarchy developed a loose system of fluctuating interdependence among themselves, designed to make sure their interests were represented in Rio. The average Brazilian citizen was no more enfranchised under this modified hierarchy than during the Colonial period. From this point of view, politics is best left to the patrons who have the power anyway. The

prudent course is to remain loyal and hope that one's loyalty is rewarded. (It becomes more and more clear how Brazil's tolerance for unequal power distribution has evolved.)

Presently, ninety percent of Brazil is Catholic and the bureaucratic structure of the Catholic Church, with its attendant emphasis on hierarchy, reinforces the model of the government Brazil has inherited (Rosenn, 1971). The similarities between church and state are also evidenced in the church's formalism and slowness to change. Catholic paternalism focuses on intercessionaries between people and God. It is not a far reach to make the connection that the patron saint and the secular or political patron play similar roles. Thus, two powerful cultural icons, the political system and the main religious institution, are endemically paternalistic, and the combined influence on Brazilian expectations is far reaching.

Under today's Republican democratic system, politicians appear to be elected by popular vote, but looks may be deceiving. Determining who, exactly, holds the political power is not as simple as examining the political titles. Politicians may stay in office without actually holding the office. An example serves better than a general explanation here:

Consider Mayor Carvalho of Cunha, a small, prosperous city in São Paulo state. Elected to office in 1938, he controlled the municipality for over twenty years. But according to Brazilian law, it is illegal for a mayor to succeed himself in office, so it is common for such a politician to introduce a "friend" to the voters to serve the interim term. Next, he usually has himself elected chairman of the city council until he can regain the office, titularly. In Carvalho's case, "appointing" an interim "friend" to office helped solidify his power, as he granted this top post to first one faction and then another.

So common is this process that separate nouns exist to describe the offices: *prefeito* means "mayor," while the *chefe* is the mayor pro-tem (the "friend") and *chefe politico* is the real boss, who may or may not currently be enthroned, in this example, Carvahlo (Shirley, 1971).

Today, in contemporary Brazil, there is little sense of communal support of political parties that seek to gain power through a popular vote. At the national level, democratic politics may result in politicians being elected for their programs, but any president so elected, that is, who comes to power outside the bounds of the patron-client paradigm, is also outside the system he attempts to guide. "For the average Brazilian, the search for power is always vertical, and the tried and true method to improve upward mobility is to seek favors through complex avenues of patronage" (Maybury-Lewis, 1995, pp.153-159). In a society in which upward mobility is restricted by class, race, and education, partisan politics is not nearly as useful a tool as the politics of patronage. Paternalism is valued over political activism in securing power and favoritism. The best way to circumvent or "work" the legal system is through direct appeal to authority. Indeed, Brazilians have developed a sophisticated method of "working" the system and influencing bureaucratic authority, as will be explained later.

In 1997, there were over fifteen major political parties holding seats in the federal congress in Brasilia (Arthur Anderson International Executive Services, 1997). Such a dynamic is practically unthinkable for most Americans, but Brazilians seem to look beyond the party names and identify the real source of power: personal relationships. Here is one testimony:

"Politics is very close to home for most upper- and middle-class Brazilians. Of course I have a government job in addition to my private

activities, and so do most people I know. If I did not have a position with the municipality, the state, or the federal government, then almost certainly my brother, sister, uncle, first cousin or compadre would have one. One of my first cousins has a high appointive office in the present government. I have never called on him for a favor, but it gives me a feeling of security to know that I could, if and when I should need to. Each of us has a *panelinha* ("little pot") of friends-a group of friends, associates, relatives, and supporters who are related to the political sources of power" (Wagley, 1963, p.288).

There are mutual advantages in asking for and granting favors. There exists a tacit recognition of the *noblisse oblige* principal in which a patron owes favors to those who ask (Wagley, 1963). Today, instead of direct appeal to the king, the appeal may be directed to anyone "above." This is one way of addressing the class differences in Brazil and though it does not break down the stratifications, it does allow for extensive intercourse between classes. A member from a lower class may appeal to a member of a higher class with expectations of good results. One receives the favor and the other receives the satisfaction of playing the *patrão* ("the big benefactor"). This concept is deeply ingrained in the cultural fabric and is one in which all participate. Again, recall the observation that it is the set of shared expectations that demonstrate similarities across a culture, even though behaviors may differ.

The question is, "What expectations among Brazilians does this legacy develop?" Brazilians generally see a clear difference between the governed and the governors and have "a poorly developed expectation of honest, public-serving behavior by government officials" (Rosenn, 1971, p. 26). An optimistic faith in the democratic process is certainly not fostered by this legacy, rather, a cynical expectation that an appeal to those in power for a personal favor is more effective. There is little expectation that democracy is a powerful tool. Rather, a complex web of personal relationships among those within a

power-elite exists, and favors can be wrung from this elite if one makes the proper connections. To effectively use the paternalistic appeal system, one must know to whom to appeal. An extended family can help the networking process. Political party membership is less productive than identifying and understanding the personal relationships among the political chiefs. Paternalism is also practiced socially at all levels of society. Personal appeals for favors are expected to be successful because a tacit obligation exists for those in a position to dispense them.

These expectations and this description of the distribution of social power in Brazilian culture help explain the tolerance for power distance as noted by Hofstede (1997) and also helps us understand the nature of Brazil's collectivist orientation. Although Brazilians score well below the midrange (scoring 38 on a scale of 100) on the individualism index, they rank right at the midpoint (26th of 52) and are not considered strongly collectivist. However, they have a much stronger sense of collective group identity than do Americans (who rank first of 52).

Greetings and small talk.

The Brazilian tolerance for unequal power distribution, ambiguously concurrent with a feeling of national unity, is further illustrated in communication norms. For all its diversity, Brazil has a remarkably homogenous national culture (Wagley, 1963). Perhaps the most unifying cultural factor in a country whose population is so widely diverse is its single language, *Português*. Rudyard Kipling described Brazilians' greeting and parting rituals as "elaborate", attributing the "widespread national courtesy" to the fact that "People resent... above all things, rudeness, lack of consideration, and injury to their 'face'... [M]utual accommodation from the highest to the humblest" is customary

(Kipling, in Summ, 1995, p. 98). What he observed in the 1920's is still customary today. During the first session of a beginning Portuguese language class at CSU, the Brazilian teacher explained why they were spending the entire lesson learning greeting and leave-taking phrases: "In Brazil, you greet everyone when you enter a room and when you leave you say good-bye. It is considered rude to ignore this. It is not like here where you may work all day with a person without ever saying 'Good morning' or 'Good bye.'"

The loquacious greeting rituals are a prelude to the characteristic Brazilian penchant for conversational verbosity in general. Spanish journalist Ricard Baeza waxes poetic in a description of Brazilian badinage.

"The Brazilian is a conversationalist par excellence, the archetype of conversationalists... How to describe a Brazilian chat, this kaleidoscopic small talk that flits from one theme to another without ever alighting on any, that in five minutes talks of a hundred things... and that falls upon you like an irresistible shower, a shower that tastes of cane and tropical nectar?" (Baseza, in Summ, 1995, p. 100).

It is the common expectation to pass a significant amount of time before and after any informal gathering or formal meeting engaged in *bate papo* (literally "clapping the beak"). The main thing is to engage in light-hearted, imaginative banter, unfettered by formality while at the same time observing a high level of discretion designed to make everyone feel as equal and comfortable as possible. In this atmosphere of garrulous affability, life takes on a lighter hue. Even though a frequent topic is the health of relatives (or more likely their ill health), the tone is one of cheerful concern. Paradoxically, more woes than blessings are often interwoven into the repartee but the mixture always ends up more sweet than bitter.

But Brazilian attitudes toward one another in dialectical situations are not quite as simple as the sound of conversation implies. Beneath the affability lies ambiguity most

apparent in the phrase, "Do you know whom you are talking to?" This is a vulgar phrase, rarely spoken, which resides in the consciousness of all Brazilians at all class levels. Its polite use is undesirable and its arrogance is obvious, but its usefulness is equally recognized. The expression "implies a separation, radical and authoritarian in nature, between... different social positions" (da Matta, 1978, p. 138). Under the egalitarian veneer of lighthearted banter among people of differing classes, lurks a recognition that "everyone should know his place" so that the protocol of politeness does not weaken the rigid, hierarchical social structure. As a matter of fact, Brazilians use their chit-chat skills strategically and "are expert at discovering the class of any stranger in their midst-they ask about his or her family and watch for signs of deference to the upper class, and take notice of his dress and speech" (Wagley, 1963, p. 100).

Perhaps the single most profound phrase in *Português* is the incomplete sentence *Si Deus quizer...* ("If God wills... ") It seems incomprehensible to many Americans that an appropriate response to "I'll see you tomorrow," should be "If God wills... " Brazilians seem to expect the unexpected to occur and accommodate the concept with a kind of happy-but-resigned fatalism. (This is also evident in the double meaning of the verb *esperar*, "to wait" and "to hope.")

To summarize this section, Brazilians use lively, personal conversation to ameliorate the disparities of class distinctions, which serves to accommodate and reinforce a tolerance for high power distance. At the same time, certain phrases (spoken or tacit) are at hand to reinforce those same social class distinctions, reinforcing the unequal distribution of power. Other phrases help to avoid direct conflict by shifting the

responsibility for one's actions or conditions to fate in a kind of hopeful resignation, as if the disparities in power were not just social but spiritual.

Jeithino: The "little way".

This final section of the ethnography explains the formal methodology Brazilians have developed to cope, on a practical level, with bureaucratic and social power inequalities.

Brazilians have a way to resolve problems generated by four hundred years of cumulative bureaucracy. In Brazil the shortest distance between two points is not a direct line, it is indirect. It involves finding "the little way" or *jeitinho* (root word, *jeito*). *Jeito*, "a way," refers to the paralegal, outside-the-system way of achieving a goal. This takes the "appeal to one above" a step further. Difficult to define precisely, a few examples are more entertaining and comprehensive than an explicit definition:

- *jeito* is when the last guy in line for tickets wanders up to the front, cuts in line "just to ask a question," and the cashier is suddenly called away from the window. Next thing you know, the guy is leaving with his tickets and the cashier is posting a sold-out sign.
- *jeitinho* is getting a membership card to a wholesale shopping service even though you don't qualify as a retailer... but you happen to car pool with a cousin of the accountant who is auditing their inventory.
- *jeito* is the fellow who is mysteriously the only bidder for the item being auctioned.
- *jeitinho* is being stopped on the road by a military policeman for a normal examination of your documents and chatting about his family and their needs, resulting in

a small contribution to the *caixinha* (little box) in order to secure a "little way" for the policeman to ignore the irregularity he has discovered in the vehicle documents.

These examples could occur anywhere in the world; Brazil has no monopoly on bribes and favors. In one sense, finding "the way" to get things done is a common sense approach to life. But the Brazilian *jeito* concept is institutionalized: one can actually hire specialists in *jeito*. They have offices and storefronts. One genre is the common commercial *despachante*, or "facilitator." Rather than spend hours taking your automobile registration to the bank and three different bureaucratic offices necessary to obtain proper documentation, you might choose to pay a small processing fee to a *despachante* who will not only do the paperwork and dispatch it for you, but accomplish the tasks in half the time it would take you. He already knows "the way"; it is his profession. There are many kinds of *despachantes* with various specialties such as insurance, automobile registration, identity cards, banking processes, visa and passports, etc. Given Brazil's convoluted and impenetrable legal requirements and bureaucracies, paying someone who has the connections and who knows "the way" often is the only reasonable resource for problem solving.

This aspect of Brazilian culture has roots in its colonial period and an "Iberian practice of encouraging all officials and even the meanest vassal to appeal directly to the king if they disagreed with the order or policy of a superior" (Rosenn, 1995, p. 28). *Jeito* is the process of getting around the law with an artful dodge or an appeal to authority. This does not mean Brazilians have no respect for the law, it simply means they have more respect for finding a way to bypass the procedures which are, after all, not that important or applicable to the particular and personal case at hand.

There is rich ambiguity here. Brazilians flaunt laws because they are overburdened with regulations, but intricate and extensive regulations are highly valued in order to insure that one's personal rights are protected. In other words, the laws are there to protect me, not prevent me... This is also apparent in religious orientation. Most Brazilians are Catholic, but "most are Catholic in name only, paying lip service to the precepts of the Church in much the same fashion as they pay lip service to much of the laws" (Rosenn, 1995, p. 26). From the Brazilian perspective, it is essential to have laws and religion, but it is not essential to be needlessly constrained by them.

Violations of the law are vexing to the average American, at least until one benefits by being on the receiving end of the stick, as a personal anecdote illustrates:

Claudio (a highly placed investment banker accustomed to having his way) and his wife had invited my wife and me to an outdoor concert featuring a top artist. Tickets were sold-out (and oversold) weeks in advance. We arrived early (10:00pm), with tickets, but were confronted with a line several blocks long. Claudio calmly mentioned that he would "see what he could do" and approached the front of the line. Several minutes later, he returned, saying, "We can go right in." Presuming he had tipped the doorman or spoken to the management, we followed, delighted.

Fifty meters from the entrance he turned to me and said, "Start limping. Your knee is injured."

"What do you mean?" I asked incredulously, his scam beginning to dawn on me.

"You are an important American diplomat and you've hurt your leg so you can't stand in line. That's what I told the doorman." At this point I understood the depth of his story, but had not yet fathomed its breadth. My limping skills got all four of us through a

side entrance onto an impossibly crowded, standing-room-only field. Designed for 4,000, already twice that number were in attendance. (Note that in the USA, such occupancy rules would never have been violated; but in Brazil there is always a "little way" around such laws to accommodate those who wish to get in on a good thing.) We followed Claudio blindly, squeezing through the mass as he led us to a roped-off and heavily guarded grassy terrace at the side, near the huge stage, a small VIP section with tables and chairs, free food and beer, and most important, plenty of elbow and dancing room.

"Now you can't walk. As a matter of fact, you can barely stand up," he directed me.

"What?" I exclaimed, alarmed and even outraged at his moxie. But by then he was speaking to the head guard, informing him that the "foreign dignitary" had been pushed down and trampled by the crowd and needed to rest before requiring evacuation by helicopter or other means.

The guard did not doubt his story, but doubted the possibility of evacuation. "We can't get a helicopter in here. Look at this crowd! We couldn't evacuate anyone even if we had to."

"Well, the sponsors of this program are certainly responsible for this. You don't want them to find out you refused aid to an important foreign dignitary. He'll just have to sit down and wait till things clear up a bit. "

Aided by my wife and Claudio, we dragged my crippled legs up to the VIP area where we enjoyed the concert and I made a gradual but speedy recovery. I would have preferred to dance more, but the beer and hot delicacies were ample compensation.

I am inclined to wonder now how much of Claudio's story was believed by those to whom he appealed. On reflection, perhaps all were prepared to make a certain amount of accommodation for scams such as this, factoring it into the formula for dealing with the Brazilian public. I suspect that even those who doubted the ruse were not resentful of us taking advantage of the system as we did. In Brazil, those with the connections or the wit to secure special treatment deserve it, even when they don't deserve it.

No one wants to be responsible for keeping such tight reins on procedures that there is no latitude for finding "the little way" to get around them. As law professor Keith Rosenn (1995) notes, in Brazil, that way lies madness. In this sense, Brazilian culture fosters the expectation that no matter how insurmountable the obstacle, it may not be a major impediment if one can discover a way around, instead of over it.

Conclusions of the Ethnography

It is hoped that this close-up description of Brazilian culture serves to explain the underlying perspective of the Brazilian people as it relates to their high tolerance for power distance and their mildly collectivist orientation. A Brazilian tolerance for ambiguity has been described in the sense that status and class rank are maintained even in social situations in which all appear to be treated as equals. The ethnography should also serve to assure the reader that the researcher is competent to make further social observations in the Brazilian culture, as this inquiry demands.

Brazilian culture differs from North American cultures in its heightened tolerance for power distance and hierarchal power structure, a less individualistic approach to social order and responsibility, and a more fatalistic attitude about events as evidenced by greater uncertainty avoidance. North American HR management approaches have been

shown to feature egalitarianism in manager-employee work relationships, diminution of hierarchy, reward systems based on individual performance and personal responsibility, and a more self-centered locus of control. Brazilians have different expectations than North Americans about these aspects of social order, individual performance, and reward systems. It has been established that a management system should fit the culture. Thus, this ethnography and the review of literature in this chapter has established the groundwork for an inquiry that asks, “Has the Brazilian culture spawned its own, distinctive management style and can it be described?” and “What adaptations must be made to foreign HRM models and practices to be effective in the Brazilian environment?”

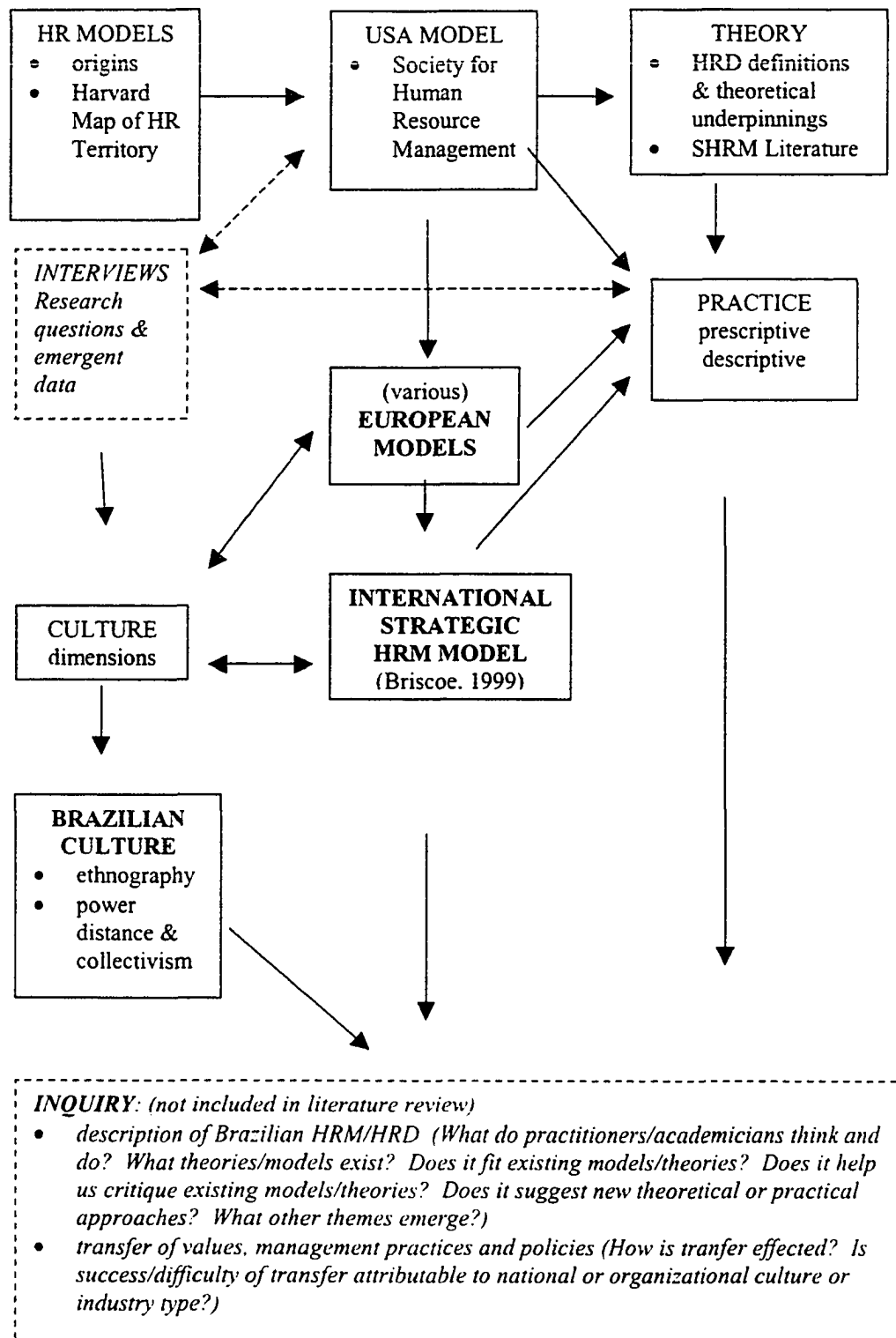
Chapter 3: Methodology

Overview of the Research Design

The design of this inquiry may be best illustrated in picture format (see Figure 5). The schematic diagram indicates the inquiry was designed to answer the primary research questions. The first set of questions is, “Is there a distinctly Brazilian style of HRM and, if so, how can it be described?” and the second set of questions is, “What policies and practices transfer successfully to the Brazilian environment and which do not? What adaptations must be made?” The first set of questions is theoretical, the second has practical applications.

The first part of the inquiry is composed of a review of literature available to the researcher in English. It includes a history of the theory and practice of HRM in the USA and Europe, with primary emphasis on the UK. Additional literature in Portuguese became available during the research conducted in Brazil.

The second portion of the inquiry was conducted in Brazil, consisting of interviews with Brazilian HRM practitioners at fifteen organizations, and included one academician. The research questions changed subtly during the course of the inquiry to reflect the respondents’ focus on environmental forces and resources that affect



Legend: HR = Human Resource; HRM = HR Management; SHRM = Society for HRM; HRD = HR Development.

Figure 6. Schematic Diagram of the Inquiry shows field work in dotted boxes.

management practices, however, research design and the primary focus of the research (HRM in Brazil) did not shift.

Design Considerations: Justification of a Qualitative Research Design

A qualitative research design is appropriate when attempting to describe dynamics that are complex and ambiguous by nature, especially when it is impractical or impossible to identify variables in advance of the study. It has been somewhat awkward in the literature review and synthesis to combine research findings from the USA with those from Europe because the style of research differs (Brewster, 1995). According to two prominently published British HR academicians (Brewster, of the Cranfield School of Management and Clark, of Kings College), both US research and its attendant traditions in literature review have merit (are detailed, careful, replicable, etc.) but may be over-reliant on statistical detail, concentrating on what is measurable as opposed to what is important (personal communication, June, 1999). Most damaging, US literature reviews are crippled by a wealth of US literature and a dearth of external literature, resulting in an imbalance and a poor representation of contrasting perspectives. On the other hand, the European literature is often descriptive, featuring case studies and reports of management practices unique to specific countries, focusing on what can be explained rather than on what can be measured across cultures by using the same yardstick. Even then, Clark and Brewster debate the ethnocentric nature of their respective European studies.

A partial solution is to analyze and synthesize English language literature and theory in an attempt to identify emergent themes. It is informative to note in which cultural environments the themes seem to converge, just as it is equally informative to

note that some themes are unique to only one or two cultures. The foregoing review of literature has attempted to address this issue.

This has been the guiding principal in the literature review and synthesis, which emerged as an integral part of this inquiry. The Schematic Diagram of the Inquiry (see Figure 6) illustrates the relationships among the parts of the inquiry. To understand the various approaches to HRM in differing environments, it has been helpful to analyze a set of models to understand how the various approaches relate. In the schema, the boxes with dotted borders represent the portion of the inquiry detailed in the Findings section, that is, analysis of the interview data. The other boxes represent ideas and themes that have emerged in the development and discovery of the basic research questions. The models and theories collected in the review and synthesis of literature may be helpful in describing HRM practices in Brazil, or they may be useful with some modifications.

Themes have been identified through a process of fragmentation and decontextualization (especially in the analysis of HRD theory) and then reformatted in an attempt to more clearly communicate the meanings and ideas beneath the surface of the words. But that does not mean that they are free of cultural context or free from the researcher's personal perspective. On the contrary, they are rich in context and filtered through the researcher's understanding (especially in the ethnography), so that the themes retain their rich meaning. The fact that meanings may differ from one cultural environment to another, and that similarities and convergence of themes may be misleading, has been explored in the literature review.

Each part of the study required field work for data gathering and employed the philosophical and theoretical framework of being both theory-driven and issue-oriented

(Creswell, 1998). It is theory-driven in respect to establishing why and how underlying cultural forces affect human management systems. It is issue-oriented in respect to describing what is practiced. These two frameworks are complementary and such a blend lends the study an air of harmony and unity.

Because the primary foci of this inquiry are 1) an analysis and description of organizational behavior and HRM in a foreign culture (Brazil), and 2) the cross-cultural transfer of human resource management and development policies and procedures, the qualitative typology most appropriate to describe the whole inquiry is an “ethnographic case study,” a term suggested by Merriam (1998, p. 34-35). Several of Patton’s (1990) categories of qualitative research methods contribute to this designation: ethnography, focusing on culture; heuristic inquiry, integrating the experience of the researcher with that of the participants; ethnomethodology, focusing on normal routines and habits; ecological psychology, focusing on interactions and relationships between people; and systems perspective, describing and analyzing whole systems of human behavior.

A goal of this inquiry is to paint a holistic picture. The goal is, by nature, a complex one, multi-dimensional and full of meaningful, sometimes contradictory descriptions, exposing ambiguous relationships among the parts. This is a strength of the qualitative research paradigm and, thus, a qualitative approach is appropriate to an inquiry of this nature.

Unraveling complex questions using multiple sources of information and data is congruent with qualitative methodology. In addition to a synthetic (rather than a comparative) approach to the literature review and the ethnography, fifteen in depth, semi-structured interviews were conducted in Brazil. The interviews took place in

natural, on-the-job settings. Additional data were gathered by examining print and other media sources that contain information relevant to the firm's HR policy and practice. Relevant Brazilian academic literature in Portuguese became available and is presented in the Findings.

A survey (see appendix A) developed by an outside source, the World Federation of Personnel Associations, was used as the partial basis for the interviews, but the survey itself proved to be only an aid for the semi-structured interviews. The interviews featured open questions (examples are included in Appendix C) designed to elicit deeper responses and elucidate the participants' perspectives. Data were analyzed in the field in a cursory fashion so that emergent themes could be cross checked in subsequent interviews. This facet of the research was designed to reveal the general nature of HRM in Brazil (about which there is very little information available in English) and to gain a broader perspective. This divergent approach, gathering data from many differing sources, helps triangulate the findings of the case study with the observations of the literature review and the ethnography. Establishing multiple perspectives on the same issues is a feature of qualitative research design (Creswell, 1998).

Methodology: Describing HRM in Brazil

An existing survey formed a basis for the semi-structured interviews, which were the primary data source (see appendix A). The survey was developed in the UK under the auspices of the World Federation of Personnel Management Associations (WFPMA) and is described below. Augmenting the paper and pencil survey are face to face interviews with HRM practitioners and academicians in Brazil.

The survey portion of the research replicates a current research project of the WFPMA. The face to face interviews are intended to clarify responses to the survey and

to elicit additional information, as recommended by WFPMA survey administrator, Whittaker (personal communication, 1999). This design aspect takes the WFPMA research a step further than their original design. The survey was administered during face to face interviews at fifteen organizations with Brazilian HR practitioners and one academician. An “official” version of the survey exists in a Spanish translation; that version was used as a reference for translation from British-English into Portuguese. The Spanish language version was used as a guide to insure that technical and professional terms were either appropriately retained or reworded. Translation was done by a native Brazilian-Portuguese speaker, fluent in both Spanish and English; back translation was done by the researcher, a native American-English speaker, fluent in Portuguese and Spanish, and familiar with both American English and British English HR terminology.

The data gathered from the survey and interviews were analyzed using the ATLAS/ti qualitative data analysis software, in accordance with both the software manufacturer’s recommended qualitative data analysis methodology and established qualitative research methodology. Data analysis is fully described below, in its own section.

Open Interviews and the WFPMA Survey

In an effort to better serve its members, from 1998 through 2000, the WFPMA undertook a research project to determine if “a common core of competencies exists around the world” (WFPMA, 1998, p.1). This research need was established by an identified absence of a “worldwide definition of what constitutes an HR professional and the wide variety of approaches to professional development... [and seeks to] help clarify the value of the contribution of the HR profession to business” (WFPMA, 1998, p. 1).

Cranfield School of Management Director, Brewster, in the UK, was a primary developer of the survey, based on the amount of work Brewster and colleagues have already done in answering similar research questions in Europe (see Brewster and Hegeswich, 1994). The survey is intended to be responded to by a single head of each country's appropriate HR association.

The WFPMA project was intended to contribute to social welfare and development worldwide. The final stage of the research attempts to identify "whether there are generic standards of professionalism and development common to all countries... [to establish] whether generic standards can be developed for application internationally" (WFPMA, 1999, p.5). According the WFPMA, "many national associations [of HRM practitioners]... particularly in rapidly developing economies, are looking for help to establish credible learning systems and certification processes which enable HR professionals to make the kind of operational and strategic contributions that are needed" (WFPMA, 1998, p.4). It is hoped that such research will result in a clear understanding of the core competencies associated with professional standards of HRM so that HR professionals can more effectively contribute to "the worldwide process of change" (WFPMA, 1998, p.4) and development of human resources, especially in developing nations and newly industrialized countries.

In a personal consultation with Whittaker, the British Institute for Personnel Education Director and administrator of the WFPMA survey, at the offices of the Institute for Personnel Development in London (June, 1999), the core portions of the survey, specifically relevant to this inquiry, were identified as Section II (Education and Training), items 3, 4 and 5 (see Appendix C, items 1, 2 and 3); Section III (Skills and

Knowledge), items 4A, B, and C (see Appendix C, items 4, 5, and 6); and Section IV (Personal Details), items 3 and 4 (see Appendix C, items 7-10). The fact that only selected items are chosen and that some rewording of the directions was necessary was deemed appropriate by Whittaker, given the fact that the survey was to be administered to HR practitioners rather than a single spokesperson for a national HR association. The suggestion of augmenting the survey with personal interviews in order to seek additional information and clarification from respondents was endorsed by Whittaker. As a matter of fact, were such interviews a feasible option for the WFPMA research design, Whittaker would have included them as “highly worthwhile” (personal communication, June, 1999).

Whether or not the survey instrument is reliable has not been established since it is newly constructed and, as yet, results unpublished. Perhaps the most important question is: Does the survey have construct validity? “Often, especially in applied disciplines, there is little underlying theory to support the constructs” that an instrument attempts to measure or describe (Gilner and Morgan, 1998, p.169). The WFPMA survey appears to have construct validity in that it is designed by a group of transatlantic experts who are deemed to understand the theory and practice of HRM in differing cultural environments. However this claim can be contested for two important reasons. First, for construct validity to exist, the construct the instrument is attempting to measure must be guided by an underlying theory (Gilner & Morgan, 1998). Theory underlying HRM is debated, especially in the USA, where both the theory and the debate germinated. Second, the instrument is designed to be used in differing cultural settings, but the whole concept of HRM can be criticized as ethnocentric, fitting only the American culture and,

perhaps, also applicable to the Anglo-European culture (the UK, in particular). Any attempt to measure or describe HRM in “foreign” cultures may be meaningless.

However, that is one of the facets of this inquiry, to find out more about HRM in another culture, and the instrument may be a helpful tool to accomplish that.

Participants

According to Creswell (1998), an “opportunistic” sampling method is one appropriate approach for conducting an ethnographic study. Opportunistic sampling relies on the judgment of the researcher to identify likely sources of information. This allows the researcher to follow new leads and take advantage of the unexpected, which is particularly important when working in the field. For a case study, Creswell prefers “maximum variation” as a strategy to select sources yielding multiple perspectives. This ethnographic case study combined these selection strategies with the necessity of using a convenience sample of data sources. This allowed for good triangulation and comparisons among the participants and data sources.

Data Analysis

The data gathered from the survey and interviews were analyzed using a computer assisted application for qualitative data analysis (CAQDA), the ATLAS/ti qualitative data analysis software. The data came from three sources: a structured questionnaire (see Appendix C); semi-structured interviews that were tape recorded and later transcribed; and printed documents and scholarly journal articles relating to HRM policy and procedure in Brazilian Portuguese. Relevant data were transcribed to an electronic format (computer text files), and then analyzed through an iterative process of coding,

during which relationships among codes, memos, and text passages were manipulated with the intent to discern emergent narratives that describe the data in a meaningful way.

Interview structure and conversational wording of research questions

The Findings include the observation that personal relationships are an integral part of a functional Brazilian work environment. We found it necessary to establish a similarly warm, conversational rapport with interviewees in the initial ten to fifteen minutes of each interview. The interview structure consisted of presenting an overview of the research focus and its benefits, as described in the consent and confidentiality form (Appendix F) required by the University. The consent form, in Portuguese, served as an *entrée* to establish an informal, warm tone and includes the following information (translated). Note that the wording in the consent and confidentiality form is more conversational than the formal research questions described in the Methodology section, but that the questions address the same concerns.

- The purpose of the research is to answer two basic questions: 1) What HRM practices are common in Brazil? In other words, how do Brazilians manage workers and what lessons can North Americans learn from them? 2) What North American HRM practices can be most easily adapted to fit the Brazilian culture and what practices do not need to be adapted? In other words, what should American firms do or avoid doing in Brazil?
- The benefits of answering these two questions are that we may 1) improve understanding between the two cultures and promote amicable business relationships; 2) contribute to the growth, prosperity, and development of Brazil; and 3) assure the success of international business in Brazil.

Following this introduction to the research focus, tape recording began and the open questions in the interviews guided the informants to more specific issues. This portion of the interview generally lasted forty to sixty minutes and generated the bulk of relevant data. An attempt was made to avoid jargon and technical terms during this portion of the interviews (unless initiated by the informant) since the survey employed such HRM-specific terminology. Finally, the pencil-and-paper survey was presented as a checklist of HRM topics. Participants were asked to comment on issues enumerated in the survey that were not covered in the interview. Completing the survey provided good closure to the interview session but, generally, did not produce relevant observations not already better elaborated during the interview.

Open coding

Following the coding procedure suggested by Creswell (1998), open coding was first done in the field as data were analyzed after each of the first six interviews were transcribed. Open codes were generated and the emergent themes were compared to the research questions to determine if the questions did indeed reflect the content of the data being collected. This stage of analysis was primarily concerned with answering the questions, “Are we getting data that are relevant to the focus of the study? Are we asking the right questions? Do the interview questions need to change?”

It was obvious that the respondents tended to describe the effects of the Brazilian cultural, political, and economic environments in response to the questions about Brazilian style management. In other words, the question set: “Is there a distinctly Brazilian style of HRM and, if so, how can it be described?” seemed to elicit responses that might more appropriately be captured by the questions, “What environmental forces

and resources affect Brazilian management; what management problems and opportunities do these forces and resources create; what practices are/are not appropriate responses to this environment?” Even though these questions more precisely reflected the content of the data (and are used as an organizing principal for presenting the Findings), the wording of actual interview questions was not changed because the original questions were more general, more conversational in tone, and allowed respondents greater latitude in expressing their ideas.

Although close analysis of each interview was not done until we returned from Brazil, a constant comparative approach (Creswell, 1998) in the field was employed. After each interview, field notes were analyzed and a debriefing session held between the researcher and assistant. This allowed us to note when new information emerged and the new observations were then used to form new interview questions for subsequent interviews. Assertions of individual interviewees were tested to see if subsequent informants would corroborate or elucidate data collected in previous interviews.

On return to the USA, all fifteen interviews were analyzed and open codes assigned to text passages and to memos that were generated both in the field and during analysis. As new codes emerged, previously coded data were recoded so that all the data were subjected to the same open code set.

Before the data were collected, many codes had emerged as the European HR literature was analyzed in the review and synthesis of literature. Some of these codes, as well as their definitions or descriptions, are listed (see Appendix E). To avoid “data overload” (Miles and Huberman, 1994, p.56), these codes were used as possible descriptors in the first analysis of the interview data. However, these codes did not

adequately describe the meaning in the data, and the majority of codes appropriate to the data were newly generated.

Axial coding

The open codes were combined into axial codes which assembled the data into categories (Creswell, 1998). These categories are presented in the Findings as a logic diagram (see Figure 8) and helped clarify the emergent research questions, “What environmental forces and resources affect Brazilian management; what management problems and opportunities do these forces and resources create; what practices are/are not appropriate responses to this environment?” Axial coding yielded the highest level of abstraction of data analysis and proved useful in determining whether or not existing models of HRM may be used to illustrate the Brazilian environment.

Selective coding

Categories in the axial coding model were integrated in selective coding. Open codes were resorted and “story lines” (Creswell, 1998, p. 57) emerged. These narratives are presented in the Findings using direct quotes from the interviews. Two basic story lines or narratives serve to capture the relevant data and are presented in the Findings as Part One: Environmental Forces and Resources, and Part Two: HRM Actions. The first narrative describes the Brazilian environment in terms of internal and external forces and resources that affect management, and the second narrative describes HRM practices in Brazil in terms of reactions to the environmental forces and resources. It should be noted that the computer software that assisted the data analysis (Atlas/ti) was invaluable in retrieving quotes from the texts that were linked to specific codes.

This process moved the data analysis forward in three steps suggested by Miles and Huberman (1994) and by Muhr (1994): 1) from a descriptive coding phase (assigning descriptive or open codes); 2) to an interpretive coding stage (assigning meaning by grouping open codes into axial codes); 3) to seeking patterns in codes (determining story lines and presenting the data in narrative form through selective coding). The use of CAQDA technology was helpful in avoiding the data retrieval dilemma (Miles and Huberman, 1994) in which a large mass of data makes it difficult to discern meaningful relationships.

Trustworthiness

Because much of the data collected came from field work in the USA and Brazil, there were additional stresses to deal with besides data gathering. Stresses included managing the fatigue of travel, the emotional impact of operating in a different cultural environment, and the psychological stress of conducting interviews in a mixture of languages. Transcribing the essential parts of the interviews to text files required that over half the data entry be done after return from Brazil. This provided a break for the researcher after the field work, allowing a distancing from the experience during which new ideas may emerge, and energy and enthusiasm be revitalized.

Data gathered are considered reliable for several reasons, although some difficulties exist. All participants were observed and interviewed in an authentic environment, at work, in their own country. Although interviews were conducted primarily in English, a level of “language comfort” for both the participant and the researcher was negotiated since the researcher speaks conversational Brazilian Portuguese. This resulted in clear communication, however some misunderstandings are

admitted. The relationship between the researcher and the participants was amicable and non-threatening, so participants were inclined to be truthful. Guarantees of confidentiality also reassured the informants.

The semi-structured nature of the interviews, guided by the survey and follow-up questions (see Appendices C and D), to determine HRM practice in Brazil provided a degree of assurance that all participants were queried on the same issues. At the same time it allowed for divergent questions and responses that provided additional information.

Finally, the researcher's familiarity with Brazilian culture (having lived and worked in Brazil five years) lends a degree of credibility to the inquiry. Brazilian participants, in particular, responded enthusiastically to Americans who demonstrated a sincere interest in, understanding of, and love for Brazil. The researcher's passion facilitated the study and makes observations more trustworthy.

Researcher's Perspective

The researcher's competence and perspective have already been noted. In a very real way, my experiences living in Brazil changed my life. It was the first time I had ever resided, long-term, outside my own culture, and, as many sojourners have experienced, the first lessons I learned were not about Brazil, but about myself and my own culture. My wife and I went to Brazil to satisfy a desire for adventure and to seek professional growth. I came to the realization that there is no such thing as professional growth without an attendant degree of personal growth.

There is much about American culture that I find frustrating, even distasteful. I prefer the Brazilian set of values and behaviors in many ways. Living in Brazil provided

me with the luxury of cherry picking the most palatable parts of both cultures. I could ignore the ugly parts of each and claim the best of both. I was in no hurry to go home, and fantasized about living in Brazil forever, or at least returning to retire when the time was right.

We left Brazil under very unpleasant circumstances: both my wife and I were fired unjustly. That's actually what they call it on the required legal pay sheet: "dismissal without just cause," which earned me a fat severance bonus (that's the good news) on my final paycheck (that's the bad news). In the next two years, three other American expatriates working for the same enterprise, all competent and well-liked (especially by their Brazilian peers), were dismissed abruptly, unfairly, and unpleasantly by the same administration. The dismissals were all accompanied by false and slanderous allegations by the superintendent and his cronies. The additional unjust dismissals relieved us of the self doubts we had about being fired, and reinforced our suspicion that there was something rotten within the administration.

But I was astounded at the reactions of our Brazilian co-workers, with whom we were on excellent terms. No Brazilians were moved to support us publicly. In what amounts to an epidemic of firings since then, no Brazilians have made any remonstrations about the unjust treatment of their foreign compatriots. At first I felt betrayed, then, after being back in the USA for a year or so, I began to understand.

There is a very different attitude towards power and authority in Brazil. Those who have it are somewhat exempt from the culpability of abusing it; those who do not have it, fear those who do and are not appalled to find power abused. It is very difficult for an American to imagine the lasting and deep effects of a violently repressive and

abusive military dictatorship such as Brazil experienced for nearly three decades. Before that, other forms of authoritarianism, extractive colonialism, and paternalism shaped the cultural landscape, resulting in deeply rooted expectations about how power is distributed in society. A few years of democracy does not erase these expectations, it only masks it. (See the “Ethnography” section of the Review of Literature, Chapter 2.)

It was only after I began a formal study of culture and management that I was able to reflect on my experience and reassess what made our Brazilian friends seem to turn their backs on us and on others like us. A fall from favor may be unpleasant in the USA; in Brazil it may be deadly. Equality and justice are not universally embraced ideals. For the Brazilian, the closer you are to a victim, the more likely you, yourself, are to be a target. Power is not equally distributed and justice is not a likely outcome, never has been, never will be. These are facts of Brazilian life that are enduring if not immutable.

Now I have crafted an opportunity to return to Brazil and explore the Brazilian approach to employment relationships. The lens through which I examine Brazil today is different than the one I had while living there, which differs from the one I had when I began this inquiry two years ago. I expect my perspective to continue to change as I discover more about myself and Brazil. My experience in the Brazilian workplace has made me sensitive to the subordinate-superior employment relationship and I am curious to apply my new lens to a formal scrutiny of how a North American management approach, laden with values embedded in that culture, plays out in the Brazilian workplace.

Chapter 4: Findings

Sample

During July and August, 2000, interviews were conducted in Brazil with human resource (HR) managers at fifteen firms. Table 2 details the firms by national origin of parent company, origin of national ownership, industry sector, and name of firm, respondent and title. The firms included nine multi-national enterprises (MNE's) with USA management influence, three with European influence, two Brazilian-run firms with some USA influence due to ownership or joint venture issues, one exclusively Brazilian owned firm, and one Brazilian academic institution.

Disclaimer for Generalizations

Although these management influences are important considerations, all informants had experience outside of their present position and all spoke of the nature of management in Brazil at large. Thus, the interview data tend to generalize to the entire Brazilian population rather than to reflect only the properties of the sample population. To present findings otherwise would be a misrepresentation of the informants' statements. Generalizations presented in the findings and discussion should be read with the understanding that they are the informants' generalizations, not the researcher's.

Table 2

National Origin and Industry Sector of Firms.

Firm type (ownership or national origin)	Industry sector	Firm pseudonym	Informant pseudonym & nationality	Informant title
USA-MNE	Consultancy	Big Five Consultants	John Donson, USA	Partner-Foreign Investment Affairs;
USA-MNE	Oil & gas	World Fossil Fuels	Adison Luis, Brazil	HR Director South America
USA-MNE	Consumer electronics	Worldwide Consumer Electronics	Nicolaus Engenaro, Brazil	Recruitment & Selection Mgr, Brasil
USA-MNE	Natural gas	Texas World Energy	Dominic Silver, Brazil	HR Manager, Brazil
USA-MNE	Food industry	International Food & Beverage Corp	Connie Contadora; Sinsera de Olhos, Brazil	Remuneration Manager; HR Recruitment & Talent Sourcing
USA-MNE	Food industry	International Snackies, Brazil	William Middleberg, Brazil	Associate Director of HR
USA-MNE	Auto & truck mfg	Worldwide Motors, South America	Jose Seamans, Brazil	Senior HR Director, S. America Operations
USA-MNE	Food & cosmetics supplier	Natural Essences International	Macedo Oleander, Brazil	HR Director for Latin America
UK-MNE	Consumer & industrial chemicals	International Industrial Chemicals	Jerry Escolare, Brazil	Remuneration Manager
UK/Dutch- MNE	Consumer home products	Euro-World Consumer Products	Maria Bonita, Brazil	HR Manager, Intern Selection & Development
German-MNE	Auto & truck mfg	AutoMundial of Brazil	Karla Mayor, Brazil	Personnel Administrator of Exterior Supervisors
USA w/ Brazilian mgmt	Retail service & sales	Optical Images	Brucello Michaels, Brazil	Vice President
USA-Brazilian joint venture	Telecommunicatio ns	Cell Brasil	Dwayne Phillips, USA/Brazil	Executive HR Director
Brazilian	Consultancy	Qualidade Consultancy	Neto Ramires, Brazil	Owner-Director
Brazilian	University	National University	Alonzo Phoenix, Brazil	Professor- MBA Director

NOTE: Honoring confidentiality agreements, pseudonyms have been substituted for informant and firm names.

Care was taken in the analysis to note instances where one informant made a generalization that contradicted another's. Since it would be unwieldy to repeat this caveat for each occurrence, it is presumed that all statements that seem to generalize about the nature of culture or management in Brazil will be read with the tacit prefix: "The informant(s) made the following generalization(s) about Brazil(ians)..."

These generalizations, along with summary observations presented throughout the Findings are clearly summarized in Figure 8, "Assertions, tentative findings, and researchable hypotheses," found in the final section of this chapter.

Emergent Research Questions

In-depth interviews took place in a natural environment (usually the informant's office), lasted between sixty and ninety minutes, and featured open-ended, partially guided questions. Interview questions became more and more reflexive as data accumulated in an attempt to determine if interviewees agreed with each other. During the later interviews we noted a high degree of corroboration on information and opinions gathered in previous interviews.

In the following discussion, the term "research question" is differentiated from the term "interview question." Interview questions reflect the same focus as the research questions but are more conversationally worded. Research questions 1) are more formal and technically worded, 2) were clarified by grouping open codes into categorical axial codes, and 3) reflect a higher level of abstraction. Informally worded interview questions tended to follow the train of thought of the informant. In the interviews, it was useful to pose the same question in several formats to insure that the informant had adequate

opportunities to clarify and elaborate. In some cases, the conversation switched from English to Portuguese and back in order to facilitate communication.

As expected, the over-all focus of the research did not change in the course of inquiry. After the first six interviews were transcribed, it became clear that, no matter how the research questions were posed, the two main topics of discussion were: 1) How do environmental forces affect the Brazilian style of management? 2) What policies and practices transfer successfully to the Brazilian environment and which do not? What adaptations must be made?

The first question, “Is there a distinctly Brazilian style of management, how do environmental forces affect it, and can we describe the model?” is quite abstract in nature and tended to elicit comments about the nature of the Brazilian work environment, Brazilian culture, and comparisons to the USA and Europe.

The second set of questions, “What policies and practices transfer successfully to the Brazilian environment and which do not? What adaptations must be made?” is much more concrete and tended to elicit comments and stories about failed attempts of MNE’s to transfer specific policies and practices, and local frustrations with dictates from foreign headquarters.

It became clear early in the interview process that we were obtaining a great deal more information about the Brazilian environment than specific Brazilian HRM practices, as if the focus of the interviews was, “Describe the Brazilian environment as it relates to the workforce and workforce management.” During data analysis, open codes were categorized into four axial codes (Creswell, 1998) or what the computer assisted data analysis software developer calls “code families” (Muhr, 1997). The code families

or axial codes yielded four sets of questions, revealing that environmental forces were a central phenomenon. This sorting of open codes allowed the data to be organized to explore causal conditions and offered a valuable organizing principal for presenting the data as responses to technically worded research questions. Figure 7 illustrates the relationship of each code family to the emergent research question(s).

Code families:

1. Forces: internal and external
2. Resources: internal and external
3. Problems / constraints / market opportunities
4. Actions: HRM practices and advice

Relevant questions:

1. What external and internal environmental forces affect workforce management?
 2. What external and internal resources are available to respond to these forces?
 3. What are the problems, constraints, and opportunities these forces create?
 4. What actions are effective, given these forces and resources? What policies and what practices transfer successfully and which do not? What HR management advice is appropriate for operating in the Brazilian environment?
-

Figure 7. Code families are matched to research questions

Data describing Brazilian environmental forces and resources, the problems and opportunities they pose for management, and appropriate responsive action are organized into the following four sets of questions: 1) What external and internal environmental forces affect workforce management? 2) What external and internal resources are available to respond to these forces? 3) What are the problems, constraints, and opportunities these forces create? 4) What actions are effective, given these forces and resources? What policies and what practices transfer successfully and which do not? What HR management advice is appropriate for operating in the Brazilian environment?

As noted in the Methodology chapter, this more technical rewording of the basic research questions is useful in presenting findings, but was not conversational enough to work well in the face-to-face interviews. Typical equivalent interview questions were more conversational: “What do we need to understand about Brazil in order to know what management practices work here? What HRM practices are difficult to implement here? What advice would you give to an American HR manager coming to Brazil?”

Questions 1-3 correspond to the research questions that emerged after the first few interviews were transcribed and analyzed in the field: “Describe the Brazilian environment as it relates to the workforce and workforce management.” Respondents tended to respond by first describing external and internal forces (questions 1 and 2) that affect the work environment (question 3), then by describing actions and strategies for dealing with them (question 4.)

Question 4 corresponds to the second set of interview questions: “What policies and practices transfer successfully to the Brazilian environment and which do not? What adaptations must be made?” Respondents frequently cited attempts to implement foreign HR policies or practices that were irrelevant given the environment and the resources available in Brazil.

Since question 4 is inextricably interrelated to the responses some data relating to specific HRM actions are included in the analysis of the forces and effects, labeled below as Part One: Environmental Forces and Resources: Effects on Management. However, since question 4 contains the key to practical application, further analysis is presented in Part Two: HRM Actions.

Figure 8 illustrates the relationships of the questions. Two symmetrical circles outside of the work environment represent forces (on the left) and effects (on the right). Forces and resources (questions 1 and 2) imply that a problem, constraint, or opportunity exist. These forces and resources may be internal or external to the firm. Effects (question 3) are these problems, constraints, or opportunities. Together, they determine HRM action, pictured as a circle at the bottom. HRM actions (question 4) are described as reactions, coping strategies, competencies, successful and unsuccessful examples of transfer of policy and practice, and also include informants' advice for operating in the Brazilian environment.

A triangle represents the workplace environment and contains enterprises by firm type: MNE's; state and family-run businesses; traditionally managed firms; firms operating according to "new economy" principles; and the informal economy of Brazil.

MNE's and the new economy firms are of primary interest to these findings. The "new economy" is defined as the set of environmental forces that have emerged in Brazil since 1995. These include 1) a more stabilized Brazilian economy and currency; 2) increased competition from new global competitors allowed to enter the Brazilian market; 3) increased sales opportunities for firms capable of exporting; 4) improved sources of resources, including capital; 5) increased need to diversify to establish new markets and sources of resources; 6) increased need for management processes that respond more quickly to these new market forces and opportunities.

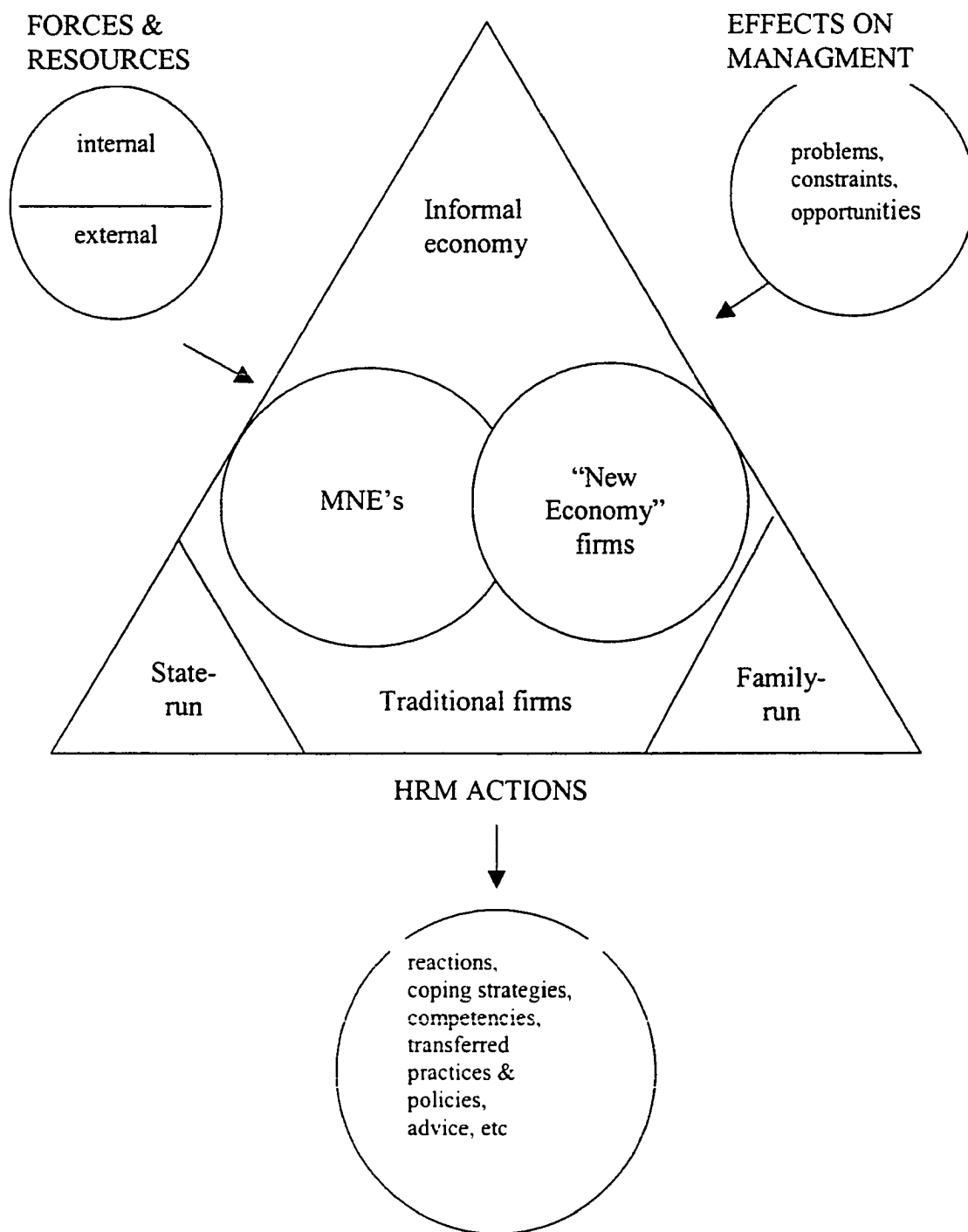


Figure 8. Forces, Resources, and HRM Actions in the Brazilian Environment shows interrelatedness of environmental forces, resources, and firm type on HRM action.

Note that questions 1 and 2, focusing on environmental forces and resources, can be addressed from several perspectives. What is a negative environmental force for one firm may be a positive resource for another. For example, the traditionally closed nature of the Brazilian economy has been a constraining external environmental force on most MNE's because they were not allowed to operate in Brazil in the same manner they operated in other environments. However, for state and family run firms, or for MNE's with favored status, this protectionism gave them an advantage, sheltering them from competitive forces or supplying them with a market monopoly or favored access to resources. Likewise, a factor may be described as a force or a resource, depending on the context. For example, the management structure of a firm is an internal factor which may yield a beneficial resource or present an unwieldy and constraining force. Finally, for both forces and resources, what is external to one firm may be internal to another. These dynamics are explained in the informants' words below under the findings for each specific question.

In summary, the research yields data in three areas: 1) the environmental forces that require a response, paired with the resources available to craft responsive action; 2) the effects of these factors stated as problems, constraints, or opportunities; and 3) specific HRM actions that are appropriate or inappropriate. The first two are addressed in Part One.

Part One- Environmental Forces and Resources: Effects on Management

Introduction

The first set of questions deals with environmental forces that require a management response. The data reveal responses to research questions 1-3: "What

external and internal environmental forces and resources affect workforce management? What are the problems, constraints, and opportunities these forces create?" In addition, question 4, "What actions are effective given these forces and resources?" must be included since this question elicited many of the descriptions and is inextricably linked to the responses.

The code family for this set was named "Forces: internal and external" and is by far the largest data subset, containing 26 open codes as members. Selective coding sorted the open codes into five narratives, each with two sub-sections:

- Descriptions of the Brazilian cultural environment and effects in the workplace
 - Relationships
 - Attitudes toward work and self development
- Unstable political and economic environment
 - Politics: Paternalism, fatalism, and hierarchy
 - Economics: Responses to hyperinflation
- Decision-making and planning as a response to the environment
 - Decision-making
 - Planning
- Effects of the closed and open Brazilian economy
 - Closed economy
 - Open economy
- Legal compliance issues in HRM
 - Dismissal and compensation
 - Equal opportunity and diversity

These narratives are related in the next five sections, and are summarized in Table 3, “Environmental forces, resources and effects on management,” found at the end of Part One.

Descriptions of the Brazilian Cultural Environment and Effects in the Workplace

Nicholas Engenarino of Worldwide Consumer Electronics quotes Tom Jobim, the famous Brazilian composer who wrote *Girl from Ipanema*, “Brazil is not for beginners.”

It is culturally diverse, regional, complex, and frequently, full of ambiguity and contradiction. When describing Brazil, the first question one must ask is, “Which Brazil?” William Middleberg of International Snackies points out:

“Well, you have different Brazils...obviously if you go to the Northeast... [you’ll find a different workplace environment than you have here in São Paulo.] In our plant we have been implementing in the past two or three years a new way of working with people in the shop floor. We are moving from the production line where people have very well defined position to semi- autonomous groups of workers...So this is something that works in São Paulo, with people that have a minimum level of education ... You can empower them through those cells, or semi-autonomous groups. [My previous firm] was starting a new plant in the Northeast, and they tried to implement the same model and it didn't work. Because it is another Brazil.”

The Brazil we attempt to describe here is the diverse urban workforce located primarily in the industrial states of São Paulo and Rio de Janeiro. Culture figures as a variable affecting workforce management practice. According to informants, the key characteristics of Brazilian culture that affect the workplace management are 1) personal relationships, and 2) attitudes about work and personal development. The following narrative is a montage of quotes and paraphrases from the interviews, linked by summary observations and transitions.

Relationships.

“Brazilians are individualistic” although they are not isolated by individualism.

Forming warm personal relationships with peers, subordinates, and supervisors at work is essential and the work environment is highly social. A work environment that does not offer this socialization is not likely to be a productive one.

“Brazilians are keen to avoid personal conflict. This is not the way of the Americans, this is not an issue for the Americans.” The professional relationship among workers is subordinate to the personal relationship, and therefore professional criticism or objective evaluation is taboo because it threatens to chill the social climate of the workplace. Managers frequently referred to this dynamic by asserting that “Brazilians are not very objective.”

Conflict avoidance is historically instilled, according to consultant Neto Ramires, who explains that Brazil’s independence and Brazil’s first examples of worker benefits were achieved without confrontation; they were gifts:

“Let me explain how we first got our benefits in Brazil. Mostly,... they came from the auto companies [in the ‘50’s and ‘60’s], especially VW. VW was the first company to have a big plant in Brazil. They made a copy of the Germany plant. In the Germany plant, they had a restaurant in the plant, they had showers. [So in Brazil], it was the first company to give restaurants to their workers, the first company to give showers to their workers... So people say that VW was the first company to have benefits. Not because we fought for that, it came. . from heaven. Even independence. Dom Pedro gave them. Brazilians like to get things like that, they don't like to fight for their own... So, we wait for someone to give us that. We claim from the government, ‘Please you give me things.’ We don't go fight for them. Somebody will give me what I need. That is very Catholicism and very Brazilian.”

Brazilians who confront conflict directly are not awarded hero status, even when they succeed. Negotiation to resolve conflict is promoted, not confrontation. As a matter

of fact, direct confrontation is an act only an *idiota* (a highly derogatory explicative) would attempt, as the following story illustrates:

“There is a story from the Brazilian Indians, who are a big cultural influence, that tells how we believe: Indians would live in the forest. If they saw a tiger, we have a small tiger in Brazil, and if an Indian would fight against this tiger and loose half of the arm, this Indian would be considered in his tribe as a completely fool. He is a fool even if he was fighting to protect the tribe, he was considered an *idiota* because he should have run. **So our heroes in Brazil are the ones who run, and come back later and try to negotiate it.** We don't have real heroes that fight for their needs.” (Ramires) (emphasis mine)

A manager who confronts a subordinate with a performance evaluation runs the risk of creating conflict, and thereby being perceived as an *idiota*; a manager who finds a non-confrontational way to address workplace performance and to negotiate a change in behavior is the hero. This conflict avoidance is “not an issue for Americans”, so, for Americans, the direct feedback that formal performance appraisal requires is not an issue. For Brazilians, it is. (Performance appraisal is explored more deeply later in this section.)

Attitudes toward work and self development.

Brucello Michaels runs the Brazilian-managed firm, Optical Images, an operation created by venture capital from the USA. He speaks of the Brazilian expectation about advancement at work and professional development:

“In Brazil, wages are low and opportunities for real advancement are limited. People do not expect to cross major social or professional barriers, only to make small incremental steps with a clear ceiling on advancement. Not at all like the US where the stock boy can rise to be president. No one looks at me –the VP- and thinks, I can have that job someday. Employees are likely to desert a job for another that offers even slightly better wages.”

Many managers lack pro-active skills in self development. The following exchange during the interview at International Food and Beverage (IFB) informs:

Q: "So, most of the workers see room for growth, but they see a limit on it? Is that an accurate description?"

Olhos: "Yes. It is not only at IFB but other companies I worked at... I see this..."

Contadora: "...that they can see where they would like to be, but they do not see in anything between this point here and this point, what they want to achieve..."

Olhos: "They don't understand that there is a path. And this path takes time, it needs [their own] investment..."

Despite these advancement limitations, both perceived and real, Brazilians are described as hard working. To avoid over-simplification, though, Karla Mayor reminds us of the diverse nature of the Brazilian workforce:

Q: "I want to make sure that I understand. Is it a myth that the average worker in Brazil sees his opportunity for vertical advancement as very limited? Another interviewee told me that the average employee would never look at him, the president of the company, and think, someday I can have that job."

"I think that today Brazil is divided into two big groups. One world is very traditional with limited opportunities for self improvement, with strong beliefs in fate. And then there's a new world- children of a privileged class. They have gone to grand universities, taken courses on the internet, are well developed and they believe in a world without limits... It's higher than middle class, more privileged... These people are very qualified and very motivated but it will still take time, they won't become president or director in two or three years but in their minds they can do anything."

The less-educated perceive limited advancement opportunities in the workplace. Even many educated managers are not oriented to taking active responsibility for directing their own development. An emerging, modern cadre seem free of traditional

attitudes. Attitudes toward professional development are further explored in the section below on performance appraisal.

Unstable Political and Economic Environment

Politics: Paternalism, fatalism, and hierarchy.

The Brazilian political and economic environment affect management in the workplace. Of particular importance is the Brazilian attitude toward change, which is influenced by expectations of who is in control. A background of extractive colonialism and Catholicism, together with more recent effects of decades of military dictatorship and a closed economy result in an attitude of resignation to fate and paternal control. Karla Mayor of automobile giant AutoMundial of Brasil notes, “Brazilians tend to believe more in fatalism, and, I don't know if they believe in it, but they seem to act in a more paternalistic way, to accept greater hierarchy...”

There is agreement that in the less-unionized industrial sectors, the culture is changing from one accustomed and resigned to authoritarian, hierarchical control to one in which the locus of control is more personal. One informant describes an approach-avoidance attitude toward change in the workplace. When the external environment is so tumultuous and uncontrollable, the workplace is seen as a safe haven, a respite. Change is not welcome in the workplace. On the other hand, one tends to seek to control one's environment and the only two places that can be done are at home and in the workplace. Therefore, the workplace can be a place to effect changes, a place where the locus of control is more personal, and an environment which is non-threatening. The informant notes that this is a contradiction, but still makes the assertion that change is both avoided

and sought in the workplace. When change is externally driven, it can be a threat; when the locus of control is more personal, change is viewed more positively.

However, authoritarian control is stronger in some industrial sectors than in others. For example, the auto manufacturing industry is constrained by strong unionization and labor rights legislation. This imposes a bureaucratic, hierarchical constraint on firms' autonomy and capacity to make changes. Professor Alonzo Phoenix explains:

"The structure of work relationships here in Brazil is based on a European model that developed during the time of dictatorship of Getulio Vargas during the '50s. No? This is experience that brought a great flavor of paternalism to the country, it was a centralized influence, they create a great deal of paperwork. And now today everything is centralized. We have a Labor Department that intervenes a lot in the work relationships, in negotiations."

In industries relatively free from union influences, paternalism or autocratic control can be a characteristic of corporate culture. Macedo Oleander of Natural Essences International (NEI) describes unions as "a thing of the past" in his industry but observes that paternalism can be an internal force:

"A kind of paternalistic and autocratic management style prevailed at NEI one year ago. But our director retired then and a new chairman started working last year. So what you are going to see is a big transformation. This kind of guy will be a new leader and fully supports our efforts [of empowerment initiatives and participatory management schemes]. On the other hand we are coming from a very paternalistic, autocratic dimension."

Empowering teams implies creating a sense of responsibility for making needed changes. Employees must believe that they possess the locus of control, and must be given the freedom and resources to make changes and decisions. The paternalistic idea that "someone else is in charge" runs strictly counter to this approach. Empowerment initiatives are a key issue in the auto manufacturing industry. Both major auto

manufacturing HR directors interviewed described intense efforts to reduce workforce numbers and increase efficiency through team-based production techniques.

AutoMundial's Karla Mayor details the problem:

"If someone asked my opinion last year about how a program of empowerment would be received in Brazil, I would describe the Brazilian hierarchy system, paternalism, authority, and I would think that it would be easier to implement in the US or even in Germany than in Brazil... It's very difficult to do it here, very. But we have to do it. Either we do it or our operations fail. By the end of 2002 we must dismiss half our employees. So either we learn to do it and do it well, or we fail."

The attitude that someone else is in charge or that the external environment is an overwhelming force is entirely rational and is difficult to alter. In the workplace, this has produced a reluctance to accept personal responsibility for many performance indicators, and can be an additional barrier to empowerment initiatives.

Economics: Responses to hyperinflation.

Long experience with hyperinflation, associated with the historically unstable economic and political environment, has accustomed Brazilians to externally driven change. As a result, they are likely to look for excuses for not meeting performance goals, and managers are justifiably apt to accept that blaming the external environment is appropriate. Likewise, the unpredictability of the external environment encourages them to be short-term thinkers, reluctant to embrace formal planning processes.

Brazilians believe themselves to be "highly creative in finding solutions" and flexible as a response to the unstable environment. This translates into skill in meeting competitive changes when rapid response is an advantage. Neto Ramires, an HR consultant, tells of Wal-Mart's failure:

"Wal-Mart, is a very interesting story in Brazil. They came in with the low price, and assumed that everybody is going to come to Wal-Mart and

forget Carrefour and other supermarket chains. It didn't happen. The Brazilians and Brazilian chains reacted very fast, because they are willing to change. And being very creative, they attacked those new players and Wal-Mart was a huge failure.”

Such examples of foreign failure and Brazilian savvy about response to a rapidly changing environment illustrate the need for alacrity in decision-making and implementation. The environment also provides a rationale for the Brazilian propensity to refrain from long-term thinking and planning.

Decision-Making and Planning as a Response to the Environment

Decision-making.

External forces require that Brazilians respond quickly. On the other hand, internal management structures sometimes make this difficult. Interviewees agreed that American MNE's were less adept at allowing local managers to make autonomous decisions than the more experienced European MNE's. The challenges of operating in the Brazilian economic and political environment have long been recognized and Brazil has served as boot camp for training managers. John Donson of Big Five Consultants explains:

“The successful multinationals have always used Brazil as a training ground for their future management talent. All the German companies, and some of the American companies, they rotate their future management talent through countries like Brazil. ... You are forced to make decisions; you are like the platoon leader; you have an incredible amount of influence from the economy and... if you can make it in countries like Brazil, you can make it anywhere.”

Since we have already observed that “Brazil is not for beginners”, it should be noted that these managers are not necessarily cast into Brazilian waters on a sink-or-swim basis. Managers at differing MNE's receive differing levels of support. Sometimes the support is unwelcome and perceived as intrusive interference. Although rapid response is

a Brazilian forte, this capability is not always exploited by American MNE's.

International Snackies is a US-based MNE, and, says Middleberg:

"I would say that the degree of interference from the president of the region is quite frequent and very detailed. I am not sure this is the company style or if this is the personal style... And even if you have decisions which are not that big, sometimes you have to go to this superior level to get approval... It affects people that work here. Because of that, it affects HR. Because there is a climate of, a feeling of, let's say, dependence. People get I think more stressed because of that."

Comparing his present experience to the UK-Dutch MNE at which he worked for many years, he notes a difference in maturation and continues:

"...it is obviously a company which is evolving all the time to become a truly multinational or transnational company in terms of understanding how business works in different places of the world and what the differences are. In my opinion International Snackies is an American company trying to be a multinational company... Maybe in the future they will be able to benefit from the understanding of the local environment to build a multinational company which... accommodates the cultural differences of every country. I think it is not yet this way. My previous firm, Euro-World Foods has channels, and has ways of understanding, and accommodates the differences between the different countries in terms of culture and styles..."

Maturation and experience of the MNE affect the level of local autonomy in decision-making. Greater autonomy implies a capacity for more rapid response to local forces. Another important factor affecting decision-making is long-term versus short-term commitment to the foreign enterprise. The short-term extractive colonial treatment of Brazil by Portugal differs from other European colonial powers that sought long-term, developmental opportunities abroad. The US MNE's appear to have followed an extractive, short-term model. Informants agree that German, Dutch, and British firms generally demonstrate a long-term commitment, while US firms demonstrate impatience

when short-term goals are not met and quarterly stockholder reports are not brilliant.

John Donson differentiates:

“A classic American trait is that when everything is going well, all the Americans want to come to Brazil. When the American manager is succeeding, everyone wants to be part of the winning team. You come down, make some changes and suggestions and things continue to go well, and everybody wants to be in on it. When things go the other way, and none of these people want to be associated with it. That is different from the European style. The European style of management is: You are our representative and we are your helpers. If you need help, you call, and we'll send as many people in as you need, for as long as you need, to help you out. In the Euro system, you are not being thrown out to the wolves. It is an extension of the main office, but you have power to do things. [Through the '90's] the American style was, you call us everyday, tell us what is going on, and we'll tell you what to do.”

Planning.

The pace of change in the unstable environment provides a rationale for not planning. Secondly, planning is difficult because data for planning are often scarce in Brazil. Since hyperinflation was contained in the mid-90's, stability has increased, slowing the pace of change and making data collection and analysis simpler. However, the experience lingers in the memories of managers and most do not embrace the value of long-term thinking. Middleberg describes the effect and a gradual change:

“Brazilians are short-term thinkers. This is something that is changing because, you know, before 1994 and 1995 we have a huge degree of uncertainty regarding the economy and the country and every thing that is related to the goodness or badness of the economy and social consequences. Because of that it was very difficult to convince a Brazilian to think long-term. 'Cause you never know tomorrow what it will be, so... This is still in place but it is changing. Now it is more stable.”

This explanation was repeated frequently, perhaps best summarized by Nicoalus Engenario of Worldwide Consumer Electronics (WCE):

“In my opinion Brazilians need to learn to work with plans. But we're not able to work with plans. Our history is of the short-term. Everybody moves very fast. In the economy, even the government moves very fast, changing the currency every three months. Everything changes. It is impossible for a Brazilian think of paying for something in 30 years. (Laughter) It is not like the United States, it is not possible. We pay for a car in the maximum, that is, *the maximum*, of two years. A five-year plan is out of the question. Why spend time planning when you should be spending time acting? We would rather spend time working directly on the problem. In our whole history we never had a long-term view.”

To be fair, Engenarion also points out that planning is not necessarily an American strength, even though it is valued more by the American culture than the Brazilian:

“[Human resource planning] is not a strong competence for WCE. WCE does not have a good competence for planning in United States or worldwide. This is one of our biggest problems.”

Investing in human resources and crafting HR development plans is not a well developed competence for most Brazilian firms, notes Professor Phoenix:

“We do not have a culture of planning for the long-term. This is historical, it is an aspect of colonialism, of extractivism, to take and to remove. (Laughter) And so we have a vision of the immediate, not of the long-range. And this results in management style of the here and now.

Short-term. And so we invest in order to get something right away, up front.”

Q: “Does that apply even to investing in human resources?”

“Yes. Mainly in the small and medium enterprises. They don't like to invest in people because when you have a long-range perspective you have to invest in the people and to prepare the people. And they do not like to do it. If you look to our labor marketing, the enterprises that have trainee programs are big companies and a majority of them are from the United States and Europe, not Brazilian companies. The small and medium companies in Brazil do not invest in people. Or, when they do invest it is from the perspective of a very short-term range.”

Data on which to base plans are often scarce in Brazil. Remuneration manager Connie Contadora at International Food and Beverage complains that compensation

surveys are difficult in Brazil due to lack of data, thus remuneration planning is less exact. Engenheiro of Worldwide Consumer Electronics elaborates:

“It might be that the key point... is that we do not have data to make decisions in Brazil. We do not have thorough data. In United States have statistics for everything. Okay? How many people have blue eyes... this, that? You have statistics for everything. In Brazil we don't have any statistics for anything, so this is the difference. In Brazil we need to use a feeling to decide. Sometimes you do not have a correct direction. Our spread of solutions is higher than in the United States. We take more risks because we don't have as much information to make a decision. This is the difference.”

A final story wraps up these observations about lack of planning, Cell Brasil set a world record for a wireless telecommunications start-up. Backed by a major US baby-Bell and a Brazilian bank, in nine months the company went from conception to operating 150,000 cell phone accounts. Dwayne Phillips is the highly competent HR manager who successfully achieved the extensive recruitment, hiring, and training requirements. Well known by several other informants, they commented on his remarkable achievement. Consultant Netto Ramires assures us that the miracle was accomplished without formal planning:

Ramires: “They were our clients. I know very, very well. Did you see any plan there? Did he show you the plan?”

Q: “No.”

Ramires: “No. He didn't have a plan. He just did it. A written plan? I don't think so.”

Q: “He sounded like he did.”

Ramires: “I can guarantee he didn't have a plan. I know him. He's a friend of mine. Call him up. Let's call him up and ask him...”

The next morning we called Phillips for clarification:

Q: “Dwayne, I just wanted to clarify how much the investors supported your start-up efforts. Did they help you at all in planning recruitment and training strategies? Did they require you to submit a formal plan?”

Phillips: “No, the [American baby-Bell] had a template they had used in other countries for start-ups and they gave it to me, but I never used it. It wouldn’t work here. And the [Brazilian bank] was only concerned about finances. So I just did it.”

Q: “You mean you never had a formal, written down plan?”

Phillips: “Nah, I had too much to do. We had to move too fast...”

It is not surprising that a new company has not yet developed a fully fleshed-out HRM structure, or that a brand new company does not include HR planning at inception, observes Ramires: “Well, start-up companies are a very particular kind. Most companies would have a cycle for the life of the company. So you don't expect for a new company at this stage to plan. And that's where they are, Cell Brasil and Optical Images.”

Apparently, even though Phillips lacked a formal plan, this was not considered a detriment. HR was a consideration, he says; “Yes, fortunately, HR had a place at the table from the start. Everybody had their eyes on HR at the beginning.”

Despite the life cycle excuse, only two informants related stories about successful planning among Brazilian managers. Rather, informants tended to criticize MNE’s for attempting to apply plans to the Brazilian environment. Either the plans were actually inappropriate or Brazilian managers charged with implementing plans felt they limited their creativity and inhibited the flexibility that the environment demanded.

Even in the singular instance in which a Brazilian manager claims to have planned carefully, there is evidence to the contrary. Note the contradiction (in italics) in the following quotation from Phillips:

“In the first 15 days, we offered 150,000 [cell phone] lines in São Paulo, we had 150,000 in the first two weeks... The training activity was heavily concentrated on [sales and marketing], you had to have the call center people trained and the sales people... So the massive training went to these commercial areas. Recruitment was the beginning. We recruit people, put them in one door, and then once they were in, put them in another door, in the training room, *kind of a production line*. After that you had to give them jobs. *It was all very carefully planned*. At moments we had to send people home. After people were hired sometimes we had to send them home because *the training wasn't ready for them...*”

In context, however, one cannot criticize Cell Brasil's success, and it is not surprising that such a massive HR mobilization effort resulted in an occasional bottleneck. On the other hand, some MNE's successfully implement highly structured HR processes. AutoMundial is a German MNE that reduced workforce numbers in Brazil and mounted a massive training program for a leaner workforce, says Karla Mayor:

Q: “How has the empowerment initiative affected...well, lets start at the beginning... recruitment, selection, hiring, initial training, career development...?”

“It was a matter of setting up the system for selection, running them through an assessment center, creating a system for de-selection, for discerning specific competencies and matching those to our needs. It was a highly structured approach starting with recruitment.

Large firms may possess the resources and impetus to implement formal, long-range planning, but small to medium firms do not. Even if they did, the data indicate that resistance to planning is strong and reliance on flexibility, creativity, improvisation, and quick decisions based on feelings is preferred to formal planning.

Effects of the Closed and Open Brazilian Economy

Closed economy.

Trade barriers have protected certain businesses and industries. In Brazil, “the import barriers were there to protect the government and family owned businesses. They never had to respond to market forces because from the 1940s, the Brazilian market was very closed,” explains consultant Donson. This had a profound effect on the development of management talent.

Referring to Figure 7, the sources of management talent for Brazil are state and family-run firms, and small to medium sized, private enterprises which are illustrated as “Traditional firms” and the “Informal economy.” State-run firms include banks, mining and oil operations, and utilities. Family-run business originally grew out of private enterprise and some became dynasties. Family-run business deserve a separate category, apart from traditionally managed firms, because of their more hierarchical structure. The informal economy is unreported commerce comprised of private sales of consumer goods and services.

The informal economy in Brazil is vast and has an impact on human resources. During hyperinflation, people sought to shelter income by purchasing hard goods such as televisions, cars, jewelry, etc. which would hold their value, then to resell them as cash was needed. This had two effects on the workforce. First, such economic activity made working for wages only one alternative for an income. Second, it created an

entrepreneurial spirit and economic savvy among even the less-educated, as Adison Luis of World Fossil Fuels explains:.

“In our daily life you have to get a knowledge of economics and react creatively. It is incredible. With the problems in the economy, with the informal economy you do not know if you are going to have dinner tonight. The informal economy demands a lot of you. Any house maid has a knowledge of economics. In some countries, just the money adviser has the knowledge that a house maid has here, with the money, applications, investments.”

The informal economy was the source of entrepreneurial enterprise. Donson reports that three things are necessary to run a business: product, capital, and management. For the first two requirements, few entrepreneurs in the informal economy were able to earn and save enough capital to purchase the amount of products necessary to grow their business beyond their doorstep. In the case of management, most lacked management skills beyond the street vendor level. Those who succeeded parlayed their businesses into traditionally-managed firms or, in a few cases, into a family dynasty.

Family dynasties enjoyed the protectionism of the closed economy. But, even had the Brazilian economy remained closed, it “takes three generations to ruin a family dynasty,” according to Donson. “Established primarily by European emigrants,” Donson says,

“... the head of the family was the original entrepreneur... they worked 18 hrs a day, 7 days a week, starting from nothing...the second generation has it easier because the parents want to give them what they never had. They send the kids to the finest schools, but they do not get the experience that the first generation had because they were never allowed to get their hands dirty. They lost the zeal, the touch, the feel of how to run the business. The seed is planted for failure... The third generation...tries to reclaim the loss they see as their parents [the second generation] piss the fortune away... they have the MBAs and realize they have to do something or else the multinationals are going to get us.”

In a few cases the family-owned businesses are surviving by reviving their management skills, but many are extinct or suffering from the newly opened economy. The more open and competitive market is not their accustomed beat.

Open economy.

Dwayne Phillips, who lead the HR charge to set a world record for the fastest wireless telecommunications start-up venture, explains the effects of the newly opened economy:

“Brazilian companies by and large delegate and empower less than American companies. Brazilian companies, particularly medium and large Brazilian companies, are family owned, so it is their personal money in there. Therefore they don't like to delegate very much to other people. They delegate because they have to, but it is not because they believe in empowerment and delegation. It is not as professional a style of management.

Q: “Is that changing? Is that trend of family owned businesses decreasing?”

“Yes, they are having to open up in the stock market because they are going public, because the economy was opened five years ago under [former President] Collor. And because of competition, to face imported competitive products and to being driven into competitive exporting. They had to change.”

The external environmental and competitive forces of the “new economy” require quick response, just as did the unstable, hyperinflationary, closed economy. Rapid decision making in both environments is essential, but now, even formerly protected firms must face all the forces. Devolving decision making authority to lower levels is a response. Big Five consultant John Donson says:

“The new economy companies have, by definition, delegated authority right down to the bottom level, in the US, in Brazil, worldwide. The elevator goes down to the bottom. In the case of Brazil, it was already halfway for successful multinationals. For the old economy type

companies, they have to do that. In Brazil they were already doing it, somewhat.

Q: “You are saying that this process is more developed in Brazil than in the US?”

“As compared to old line, old economy companies in the US, yes.”

It would appear that Brazilians, practiced at reacting flexibly, creatively, and rapidly to environmental change, are prepared to meet the challenge the new economic forces produce. This may be true for successful MNE’s and the new economy companies. However the effects on the workforce, particularly in industries that have traditionally utilized a great deal of labor, are severe. Jose Seamans, who specializes in labor relations for Brazil’s second largest auto manufacturer, explains the effects of the open economy on one segment of the workforce:

“At that time [pre-1995] we used to have 20,000 workers in the complex. Now we have 8,000. With the globalization and changing economy we have a recession. And they fired people. And what happened? The technology brought back the affordability in terms of production. But not the jobs. The same thing happened here. We had a recession, we fired a lot of people, and now guess what? We produced two times the number of cars, with one-third the number of people.”

Actually, the arithmetic shows that this represents a 60 percent reduction in the workforce (RIF) with a doubling of production, requiring the remaining 40 percent to increase productivity five-fold.

Likewise, HR manager Karla Meier at the other major auto manufacturer, AutoMundial, has a similar story:

“We are dismissing a lot of people due to this change. We are going for a lean organization. We fired about 10,000 people in two years! So now everyone has to work more, do more functions. No more big meetings to decide, [should we move] right or left? We tell the managers that your piece of the company is your company, do the best you can. Make your own decisions as if you were the owner, the business is yours.”

Added to the challenge is the fact that this remaining workforce represents the segment of population least likely to have an eighth grade level education, and one gets an idea of the management demands of Brazil's new, open economy.

Legal Compliance Issues in HRM

Dismissal and compensation.

Although the new economy sometimes requires a large scale RIF, dismissal is costly, because workers are entitled to up to six months wages at termination, in addition to hefty fines of up to 40 percent of the accumulated value of the employee's federal retirement account. Nevertheless, sometimes dismissal is necessary since the employer cannot legally reduce a salary. Optical Images, funded by a USA-based venture capital group, bought and restructured a family-owned photography and eye wear chain. Vice President Brucello Michaels explains that some of the investment capital was earmarked for RIF costs:

"We had to fire 80 percent of our people. They were making a lot of money. Nothing compared to other companies. Everything, we changed the main office, the HQ, we fire a lot of people. In the office we had probably more than a hundred people at that time. Today, we have about sixty people. And you have laws in Brazil that you cannot decrease the salary. It is forbidden by law. So the money that was invested in this company, part of it was to fire people. That was part of the business. Otherwise, you wouldn't be able to change anything. To change the business... basically what we had to change is people."

Compensation featuring variable pay is a problem in Brazil since, legally, salaries cannot be reduced. This is further complicated by the fact that stock option plans, a popular compensation tactic among MNE's, are difficult to administer in Brazil since the stock is usually traded on a foreign (non-Brazilian) exchange. "Stock options are impossible for me [to implement] because they are registered in the U. S. stock market.

I cannot do anything. I do not have [trade] stocks in Brazil,” complains Remuneration Manager, Connie Contadora. Bonuses and profit-sharing plans may be part of remuneration schemes, but, of course, do not offer some of the advantages of stock options to employers.

Equal opportunity and diversity.

One interesting finding came from an item on the survey that asked at what level of management would equal opportunity requirements be managed. Equal opportunity and diversity issues are not attended to in the Brazilian environment. Even though some informants hinted that perhaps in Brazil some laws exist to address the issues, they were said to “not grab”; in other words, they were ignored or considered irrelevant.

“Diversity. (Laughter) In Brazil we do not know what it means. But in the United States we have laws that regulate diversity. We need this many Blacks, this many Hispanics, this many of those, ...women... In Brazil, is not an issue. This social situation, the problems, of course, they exist in Brazil. It's an issue, but it is not the same as in the U. S... What is diversity in Brazil? How we going to address this issue when no one understands what diversity means in Brazil?” (Engenário)

Even if the idea of improving demographic opportunity were embraced, Brazil lacks *qualified* diverse human resources to fill positions. The interview with Engenário continues:

Q: “Are diversity issues in Brazil more difficult because of a lack of human resources? One person told us that they advertised for a certain management position and they had lots of applicants but not one black person. For some positions it is hard to find a diverse workforce?”

“This is a key point of diversity in Brazil. We need to have Blacks inside our companies, but we need to influence society to offer better opportunities to the black population to get into the universities. This is totally different in Latin America because, in the United States, you have a lot of opportunities for the black people. You have specific universities

specific schools, or the existing universities target specific populations. In Brazil we don't have.”

Issues of sexual harassment are attended to when compliance is extraterritorial, that is, when the corporate policy or home country laws of the MNE are extended abroad. But judgments about what constitutes a sexual violation are altered, especially in the Brazilian social environment which encourages hugging and kissing. Natural Essences International is a USA-based MNE and Oleander relates the following story:

“For instance- sexual harassment... There is a policy. I have a policy. But nobody paid so much attention to this. And so last year I said, its time to reinforce the policy. [So now we] have a translation in Portuguese, and in Spanish. I talk to many people about this policy. They say, ‘Are you going to try to enforce the same rules we perceive in the US here? Its not gonna work!’ For instance, suppose we are in an elevator. So if a man looks at women a certain way, this can represent sexual harassment. And the thing is we like to kiss people, and how can they behave if I kiss my secretary because it is her birthday or because today I am feeling happy? What will happen to me? Can she say that is a case for sexual harassment?

“I had a case that I am still working. Two ladies came to me because the policy says that if you feel there is a case for harassment you can go and look for action. And two ladies felt sexual harassment coming from a Director. That was a difficult case to handle... there were clear signs of sexual harassment. The Director was invited to leave the company. He defended his position. He said, ‘Well I am a kind of warm person.’ ‘No,’ I said, ‘No. I accept that fact, but the way you act is not possible under the kind of environment we want to create.’

“So some people they compare this case and it is a clear message on how there is a difference between a simple kiss and voluntary action to evoke [sexual harassment].”

The legal constraints on the employer’s responsibility to maintain an environment free of sexual harassment, even if extraterritorially applied, must be interpreted differently in Brazil. The hugging and kissing rituals that are so much a part of greeting and departing demand a differing perspective.

Legal compliance issues that act as forces on workforce management include financial penalties for dismissal and constraints on variable pay schemes, especially stock options plans. Key differences between the US environment and the Brazilian include equal opportunity and diversity compliance; in Brazil these are not attended to even where extraterritorial corporate or local legal compliance is indicated. Sexual harassment issues are extraterritorial extensions of a MNE's policy and behavior is judged in context.

All of these forces affect management in that they either require a response or offer a resource that can be manipulated by managers. Below, Table 3, "Environmental forces, resources, and effects on management," summarizes the key factors.

Table 3

Environmental Forces, Resources and Effects on Management.

Force / Resource	Effects: problem; constraint; opportunity	Action: reaction; coping strategy; competency
Regionally diverse workforce	*HR practices do not transfer interstate	-do not transfer. -adapt to local context
Culture: individualistic	*hardworking *motivation opportunity	-expect long work hours. -offer personal rewards, bonuses.
Culture: conflict avoidance	*resistant to formal performance appraisal, personal evaluation	-do not implement. -"negotiate" evaluation.
Culture: paternalistic	*perceived limit on advancement by less-educated workforce *managers do not develop selves	(not indicated) (not indicated)
New mgmt talent emerging	*free from traditional perceptions of limitations	-recruit, retain, develop
Strong unionization in some sectors; labor legislation	*excess paperwork, bureaucracy *limits firm autonomy	-accommodate / negotiate / comply -exceed union demands to limit interference
Attitudes toward change	* threat, if externally driven *opportunity, if locus of control is more personal	-create secure, safe work environment -structure change in workplace so locus of control is close to personal
Autocratic MNE culture	*inhibits progressive HR initiatives	-change CEO
Increased productivity required	*RIF needed *need to retrain / restructure	-pay costs; negotiate contracts -empowerment, teamwork, cross-training initiatives
Volatile economy: influences performance measures & demands	*excuses for performance *short term thinking *resistance to planning *stimulates creativity. flexibility	-accommodate -capitalize on creativity, flexibility
Data are scarce	*difficult to plan, compare, forecast	-accommodate lack of planning -capitalize on creativity, flexibility, improvisation
Lack of investment in human capital	*no HRD in Brazilian firms *short term expectations from employees	-MNE's that have HRD competencies have advantage
Closed economy: trade barriers	*protect state- and some family-run and favored MNE's from market forces *constrain MNE's from operating	-no perception of market forces, limited HRD efforts -accommodate, infiltrate
Open economy; new economy	*requires decentralized decision making	-delegate, empower, devolve authority -capitalize on creativity, flexibility, Brazilian ability to react quickly
Family-owned firms	*mgmt talent not developed in 2 nd generation *difficulty in delegating decisions & authority	-3 rd generation attempts to gain mgmt talent, regain losses -forced to sell ownership, export, compete
State-run firms	*new competitive environment requires responding to market forces	-most cannot respond, so are privatized
Legal environment: dismissal & compensation	*RIF is costly *cannot decrease salary	-accommodate, comply -variable & at-risk pay, stock options not possible
Legal environment: EEO, diversity, sexual harassment	*policies & practices imposed extraterritorially	-ignore as much as possible

Part Two- HRM Actions: Reactions, Coping Strategies, Competencies, Transfer of

Policies and Practices, and Advice

Introduction

This section summarizes responses to the set of questions indicated by research question 4: “What actions are effective? What policies and what practices transfer successfully and which do not? What HR management advice is appropriate for operating in the Brazilian environment?” These questions grew out of the broader interview question, “Is there a distinctly Brazilian style of management and can we describe it as a model?” Some responses addressed this abstract question directly. Other responses were more concrete. (Although we tried to focus on HR management, responses tended to omit the adjectival phrase, “HR,” and speak of management issues in general.) The preceding section (Part One) has already detailed some HRM actions. These findings are continued and, in some cases, elaborated in the following sections.

Is There a Brazilian Management Model?

The answer to the question, “Is there a Brazilian management model?” is clearly summarized by Michaels:

“If there is a Brazilian model, it is very clear it is based on the American model. I would say it is under-developed here compared to the States. In Brazil we may be talking about financial, marketing, sales, but never about people management. This [awareness of HRM] is very recent.”

This response was disturbing because it could lead to the tentative conclusion that the American model for management is universal; those cultures that have not adapted to it are under-developed. Such a conclusion could be criticized as ethnocentric. However,

many respondents have invested their entire HR careers in transferring and implementing management practices conceived by foreign-owned MNE's. One interviewee replied, "I don't know. That's not what I've done all my career. My job has always been to just make it work."

A full-color company magazine graced the waiting room table at Worldwide Consumer Electronics (WCE), a US firm with strong Brazilian presence in manufacturing and sales. We asked Recruitment and Selection Manager, Nicholas Engenarino about the American HRM catch-phrases:

Q: "I was looking through this literature... and I see all the phrases, all the terminology that would be common in the American journals and trade magazines: change agent, corporate university, educating our partners and clients, culture of quality, personal development, just in time management... that is, of course, if I have translated from Portuguese correctly. (Laughter) It is very clear that WCE is operating on the American model..."

"Yes, but it is trying to change. WCE is trying to change this model. But it is too difficult for them to change the mental model, okay? Our leaders have an American way to conduct business, so I think is too difficult for them to change in short time, to change from an American model way to a worldwide way. So we are receiving now a lot of tasks in Brazil that are just aligned with United States. And sometimes we do not need that here."

Professor Phoenix, MBA director for Brazil's largest university, notes that research and curricula in academia are based on American management models:

"The area of human resource management studies in Brazil has, as its roots, management theories. These management theories are highly affected by American studies and Americans styles. American management. Much of the research comes from the Americans, most of it. Accounting, management, all of the tools. And the schools here try simply to replicate the studies that are done in American schools. We teach and study the same consultancy models, and teach the same theories."

Thumbing through a copy of the leading Brazilian academic management journal, he notes that the reference list following each article is composed primarily of US and other English language publications.

“The influence of American management is very strong in Brazil. This includes... research. The research done at universities in America has a strong influence here, as we can see by the bibliographies at the end of these articles. Actually we do not do much research in this area, some, but certainly there exists a strong influence. At least here we're not doing the same level of research [as in the USA], as much.”

Professor Phoenix explains that straightforward training programs seem to transfer easily to Brazil and that Brazilian participation is very strong in forums such as the annual congress of the American Society for Training and Development (ASTD):

“All models of training and development do not need to adapt very much. From America to Brazil is similar. And we have many people from Brazil who go to this ASTD Congress every year. The second or third largest representation every year is from Brazil at this conference. So in this area of training and development, I think it is very similar”

But he also notes that differing Brazilian and American expectations about personal relationships in the workplace require subtle, but profoundly differing approaches to people management.

“There is a big influence from the United States about managerial culture here in Brazil. But there are big differences in the labor relationships in Brazil. It is very different. (Laughter) My feeling is that Americans are very business oriented. Results. Productive. And here, we emphasize very much the process. Not only the results. Results are important, but the process, the relationship during the process, the participation, this is important to us, in our culture.”

Finally, we expressed our concern to the professor that our research showed an ethnocentric approach, asking so many questions about transferring American management practices and models. Such an approach tacitly implies that the underlying concepts are universal, and transfer can be successful with adaptation to the local

environment. He notes a difference between large MNE's operating in Brazil and small to medium sized firms:

Q: "I tried to be very careful when I came to Brazil not have the attitude that we can take the American model and judge the development of human resources or management in general of Brazil using the American model. That seemed to be arrogant at least, like the ugly American, and at the most, it would be absolutely inappropriate to use that model. But, you are free to have any opinion you want... [Can] the American model be used to evaluate the development of human resource management... in Brazil?"

"I think it is [appropriate], but you have to adapt it to our culture. If you go to big international companies, I think it is very easy to do it. But if you go to Brazilian companies or to medium-sized companies, it is more difficult."

The data indicate no clear answer to the question, "Is there a distinctly Brazilian style of management?" For HR managers charged with implementing American style HRM in Brazil, the question may be irrelevant. Responses from HR managers with a freer reign indicate a willingness, even an eagerness to embrace most elements of the American model. The academicians interviewed indicate that Brazilian research does not yet identify a specific, distinctive Brazilian management style, and that curricula and research are based on English-language literature and American management models. However, all agree that adaptations must be made, especially for practices such as performance appraisal and strategic planning.

Transfer Difficulties in Performance Appraisal

External forces and behavioral competencies.

There was overwhelming consensus that formal performance appraisals are difficult or impossible to implement in Brazil. The process is ineffective for three reasons: 1) the volatile external environment queers the concept of personal accountability, 2) competencies which employees are expected to demonstrate are not

clearly defined in behavioral terms that are understood or accepted, and 3) such a method of evaluation does not contribute to warm, personal workplace relationships. Middleberg explains,

“...the environment is more volatile than in the US. Obviously people, at the end of the year, they look for excuses for those objectives not being reached, why it is not my fault, some external factor or some thing happened... When you talk about competencies, which are the personality profile which you expect from one another, ...what you have is those models are... developed in the US and then they are just communicated to the rest of the countries. This is what happens in Brazil. Sometimes you need a more clear definition of what does the company expect in order to make people in Brazil understand it and act the right way... There may be a theoretical definition of those competences, but there is not factual examples of how to do that, or how can we show those competences. What are the factual behaviors that show that I have this competence? So, we start just not understanding very well what is the meaning of those competences. And more than that, by not accepting them as the required competences by which to operate in Brazil... Brazilians are keen to avoid personal conflict. If you have to say to somebody, ‘You are not performing a good job, you have to improve in this, and this, and this, and this is wrong, and this is not perfect...’ this is something that in Brazil, and for a Brazilian manager, it is very difficult to do. The conflict is that when you are saying something like this, you can expect from the other person a [negative] reaction. The social relations in Brazil are very important; they are very important also in the work environment.”

Not only does a formal approach to performance evaluation jeopardize social relationships, managers are not trained to develop subordinates. Again, the barrier is a reluctance to provide objective feedback. Sincera de Ohlos at International Food and Beverage speaks of the difficulty in initiating a 360 degree feedback program:

“This is a difficult thing. In other companies that try this, there are a lot of complaints from employees about management, about managerial skills to develop people. And then, when someone comes to me and says, you did not do your job well, I say, but you did not come to me for this and this... and then it becomes a circle. It is a great challenge to make people understand that you need to talk to people about this.”

Managers seem unprepared to develop subordinates; likewise subordinates are unprepared to provide feedback about their supervisors, as required by practices such as 360 degree evaluations, explains the same manager:

“We know that 360 could be very good in terms of development. But we are not ready to do that in Brazil because the subordinates will not know how to use this tool to evaluate their managers.”

Macedo Oleander at Natural Essences International clarifies for whom performance appraisal is appropriate and for whom it is not. For jobs that feature performance indicators that are easily quantifiable, such as sales, performance goals are more commonly accepted. For highly specialized or creative jobs, quantification is more difficult and formalized performance appraisal less appropriate.

“I can separate it into two types of professionals in our organization: very technical food engineers, and those working in sales and marketing. Our marketing specialists or sales people have good targets; they support very well this Performance Management Process [of performance appraisal]. Their evaluation is generally OK- the process works well. They tend to accept the process and use it as a way to develop their careers and understand business and progress. On the other side, we have the kind of top stars. Yes, the perfumers or the flavorists. Very unique... How do we classify these guys?...The HR responsibility is to quantify them [on performance and remuneration scales]... [But these technical food engineers] say, ‘I don't care. I want money. I want attention. I want projects to work on.’ So even the compensation [which is tied to performance analysis, ideally] for these guys is not easy to establish. You have to be open to apply exceptions, to be flexible, otherwise you are going to lose this guy to your competitor. So this is a special family of jobs. You cannot ‘formalize’ this job. They are special and deserve special attention.”

Formal performance appraisal is conceptually transferable, and, in the case of production workers or sales staff, metrics exist that distance performance appraisal of quantifiable tasks from evaluation of personal competencies. Discussions about less quantifiable personal development, such as competencies or coaching, may result in

dialogue that creates social conflict. Attempts to introduce metrics into evaluation systems featuring personal competencies are met with resistance because few are willing to risk evaluating another in any scheme. Even using such techniques for formative evaluation is shunned. Therefore, linking performance appraisals to summative evaluations or variable compensation is inappropriate unless 1) managers are trained to develop their own careers, 2) managers are skilled at developing subordinates, 3) objective feedback can be freed from the onus of social conflict, and 4) the effects that external environmental factors levy on productivity (such as inflation, recessions, informal economy, etc.) can be divorced from personal performance.

HR Sourcing

External sources of managerial talent and training.

Historically, two primary sources of managerial talent and training were state-run businesses and entrepreneurial activities by immigrants. Big five consultant Donson gives an historical perspective:

“After Brazil’s entrance into the Second World War, the Volta Redonda steel plant was built [with USA backing to insure Brazil’s loyalty to Allied interests] as part of that deal... that was run by the Brazilian government. What sucked up talent? It was to work for the Brazilian government, either in the military, or in commerce and finance, such as Banco do Brasil [Bank of Brazil]. Once you got into Banco do Brasil you could work your whole career for the government, or go out on your own....

“You were encouraged to go to school and you got training... You could work at the bank and work somewhere else at the same time because you could have a [long-term] leave and still retain your job. The source for homegrown management talent and development came from the government... That’s where people got their managerial training.

“A parallel source of managerial talent came from the wave of immigrants. This all happened while Brazil was transforming itself from an agricultural society to an industrial society. [It started] in the ‘40s,

accelerated in the 50s, and then a real wave of industrialization... came, especially the Germans.”

Donson continues the history lesson by pointing out that German companies found a familiar workforce concentrated in the Sao Paulo area: German immigrants who had arrived two generations earlier. Likewise, the Japanese found a labor pool in the interior where farming activities were concentrated and dominated by Japanese immigrants. A culturally familiar workforce made the foreign environment seem less foreign for these MNE's. “Everyone searches for his pool of local talent based on immigrants. That familiar enclave of people will give them the local knowledge that they don't have,” reasons Donson.

In recruiting management talent, Middleberg's recruitment approach is to look for candidates whose personalities align well with the firm's dominant culture. Respondents agreed that, in general, European firms can be differentiated from USA firms. Having had experience with both, he notes:

”Long-term and short-term; European and American, you have both of these approaches in Brazil. But ...you have some people who prefer stability, some people are risk takers... I think that for International Snackies [a USA firm] we have to look for people which are more risk takers, but they expect more return for their work in the short-term...”

Another external, and growing, source of management talent is the yearly crop of university graduates. We observed a fervor over MBA programs in Brazil. Not apparent when we left the country four years ago, we observed many billboard, radio, newspaper and magazine ads for graduate-level business administration instruction offered by small, store front educators as well as by major institutions. Brazilians seem hungry for such instruction. Interviewee Jerry Escolare had just completed an MBA and reported that he had been intensely recruited; he had engaged in over one hundred interviews before

accepting his current position with a UK MNE. Another respondent expressed a desire to enroll in an MBA program that featured HRM as a core focus. But such education, lacking practical experience, does not necessarily prepare a young graduate for a leadership position:

“A lot of people have this ambition, to be a director. Maybe they leave the university with an MBA and they have this ambition to be a very high position. But you know that these people will probably not be a success. We see these kind of young people with very little experience the very good degree- we know because we have been in HR a longtime and have a lot of experience- but they are not ready for the market.” (Contadora)

The Brazilian public university system produces an interesting external pool of management talent. Free to those who score high enough to gain admission, the university graduates represent Brazil’s best and brightest. Entrance exams are fiercely competitive, and matriculants must first announce their “major,” then sit for that specific exam. Once enrolled, they may not change course or transfer to another curriculum without starting the entrance process over. Thus a math or engineering prodigy who decides that business administration would be more to his or her liking is not likely to switch majors. Instead the student will graduate, then seek to change careers.

This results in a labor market for management recruitment that is as diverse as it is bright. Our interviewees featured HR managers with formal university education in areas as diverse as engineering, law, art, economics, and languages. Only approximately one-third (5 of 17) had formal business administration education and of those, only one had specialized in HR (one other was currently enrolled in a graduate level HR course of study).

Internal sources of managerial talent and training.

Interviewees report that some MNE's have a well-structured management development program in place (such as Euro-World Consumer Products, AutoMundial, and Worldwide Motors). At the same time, informants also report that they have seen other MNE's struggle with such programs in Brazil. In the section above on performance appraisal, three reasons are presented to explain the barriers to management development in Brazil: 1) Managers often fail to see developmental paths and accept that it is their responsibility to pursue their own development; 2) Managers are often not skilled at developing subordinates; 3) Developmental practices that feature frequent, direct feedback are often shunned because such feedback is perceived to be a source of social conflict. For the firms that do have formal management development programs, these same barriers are often cited as impediments to implementation.

For example, interviewees at International Food and Beverage, one of the most global firms contacted, highlights the impediments:

“Other management skills that we are looking to develop include... not only communication, but coaching... on a day-to-day basis. And real commitment to development, because managers should have the obligation to develop their subordinates, and they are not so committed to that. On the other hand, you have to create a culture in the associate that you are responsible for developing yourself.”

Optical Images is a distinctly Brazilian-managed firm, a progressive one that fits the emerging profile of “new economy firms.” Vice President Brucello Michaels' job was to take over a family owned camera and eye wear firm, discharge half the staff, restructure the firm, retrain the workforce, and aggressively grow the number of retail outlets. His difficulties are exacerbated by cultural attitudes about advancement and development:

“Here [at Optical Images] you have... the opportunity to get greater jobs, not something common in Brazil. To say we are growing, we want you to grow with us, you can stay here and get a better job here than if you take your chances and leave. It’s development. That is a rare opportunity in Brazil. I think it’s changing, it’s now better than it used to be, but this is something that is not usual to Brazil.

Again, one root cause is the traditional cultural orientation to hierarchical authority, explains Michaels:

“It’s mostly families here; the way business is run is very hierarchical, even when it’s not a family business. But many big businesses in Brazil are families...[In] a typical Brazilian family, the son calls the father Senhor [a very respectful form of “Sir”]. I think companies are a little bit like this... There is not a mentality here of developing other people... I think in the States it is a lot more developed than here. I’m talking about middle management. And for Brazilian businesses I don’t think they have this mentality at all.”

Michaels’ goal is to improve customer service, which he feels will give his company a competitive advantage. However, the lackluster attitude that most frontline retail employees demonstrate for customer service means that developing a new awareness of responsibility for serving customer needs and of embracing the authority to make necessary accommodations are impediments to developing employees.

“Behavior training [in customer service] is something we are trying to develop, because service in Brazil is still very very low... In the retail business it was never really good... For instance in food service... people say, ‘I had good service because all night long there was a guy standing right behind my chair putting water for you in your glass.’ But that is not service. If you leave half the food on your plate he never comes and says, ‘What can I do to make this better?’ He has no authority, and that is not how he sees his job. He puts water. Somebody else should worry about what’s on the plate. He just puts water on the table.”

The data indicate a lack of successful management and employee development programs in all but the largest MNE’s. Even where such programs exist, cultural

attitudes about empowerment, authority, advancement opportunities, and personal responsibilities for self development often hinder implementation.

Summary of Assertions and Advice

This final section reviews and summarizes the informants' assertions about the Brazilian culture and environment that affect HRM. Many of these assertions take the form of generalizations that extend beyond the sample. A disclaimer in the introduction of this chapter indicates that these are the informants' generalizations, not the researchers'. Below, Figure 9, "Assertions, tentative findings, and researchable hypotheses," lists the primary assertions. Following that is a summary of advice the interviewees proffered for American managers operating in Brazil.

Summary of assertions.

Figure 9 summarizes respondents' statements about issues relevant to HRM in Brazil. The statements fall into four broad categories: 1) *culture*, subdivided into a) personal relationships in the workplace, b) issues of authority, control, and change, and c) issues and attitudes relating to professional development; 2) *management issues in MNE's and family-owned firms*; 3) *transfer of HRM policies and practices*; and, finally, 4) *management models and research*. While some of these observations are logical, others are more subjective and should be more rigorously researched. The generalizations informants make about factors that affect HRM may serve as a resource for further study, since many imply causal or associational relationships that could be used as research hypotheses or questions.

Culture

Personal relationships in the workplace

- Culture figures as a variable affecting workforce management practice.
- The key characteristics of Brazilian culture that affect the workplace management are personal relationships and attitudes about work and personal development.
- Forming warm personal relationships with peers, subordinates, and supervisors at work is essential and the work environment is highly social. A work environment that does not offer this socialization is not likely to be a productive one.
- The professional relationship among workers is subordinate to the personal relationship.
- Objective evaluation and feedback is taboo because it threatens to chill the social climate in the workplace.
- Brazilians seek to avoid interpersonal conflict.
- Negotiation to resolve conflict is promoted, not confrontation.
- Brazilians use a high context communication style.
- Brazilians are individualistic, but, at the same time, very socially oriented.

Authority, control, and change

- Brazilians demonstrate an attitude of resignation to fate and paternal control.
- The culture is changing from one accustomed and resigned to authoritarian, hierarchical control to one in which the locus of control is more personal.
- When change is externally driven, it can be a threat; when the locus of control is more personal, change is viewed more positively.
- The attitude that someone else is in charge or that the external environment is an overwhelming force has produced a reluctance to accept personal responsibility for many performance indicators.
- The unpredictability of the external environment encourages Brazilians to be short-term thinkers, reluctant to embrace formal planning processes.
- Brazilians believe themselves to be “highly creative in finding solutions” and flexible as a response to the unstable environment.
- Data for planning are often scarce in Brazil.
- The volatile external environment queers the concept of personal accountability.

Professional development

- Many managers lack pro-active skills in professional self development.
- Managers often fail to see developmental paths and fail to accept that it is their responsibility to pursue their own development.
- The less-educated perceive limited advancement opportunities in the workplace.
- An emerging, modern cadre seem free of traditional attitudes about professional advancement.
- Investing in human resources and crafting HR development plans is not a well developed competence for most Brazilian firms.
- There is a lack of successful management and employee development programs in all but the largest MNE's in Brazil.

MNE's and Family-owned Firms

- The challenges of operating in the Brazilian economic and political environment have long been recognized and MNE's have used Brazil as boot camp for training managers.
- Maturation and experience of the MNE affect the level of local autonomy in decision-making.
- US MNE's appear to have followed an extractive, short-term approach in Brazil, while German, Dutch, and British firms generally demonstrate a long-term commitment.
- Family-owned businesses are surviving by reviving their management skills, but many are extinct or suffering from the newly opened economy.

Transfer of HRM Policy and Practice

- Equal opportunity and diversity issues are seen as American concerns and are not attended to in the Brazilian environment.
- Training programs seem to transfer easily to Brazil.
- Adaptations must be made in transferring or implementing HRM practices, especially performance appraisal and strategic planning.
- Formal performance appraisals are difficult or impossible to implement in Brazil; even using such techniques for formative evaluation is shunned.
- Competencies which employees are expected to demonstrate are not clearly defined in behavioral terms that are understood or accepted.
- Managers are not trained to develop subordinates; likewise subordinates are unprepared to provide feedback about their supervisors.
- In Brazil, for jobs that feature performance indicators that are easily quantifiable, such as sales, performance goals are more commonly accepted. For highly specialized or creative jobs, quantification is more difficult and formalized performance appraisal less appropriate.

Management Models

- If there is a Brazilian management model, it is very clear it is based on the American model.
- Brazilian research does not yet identify a specific, distinctive Brazilian management style.
- Brazilian academic curricula and research are based on English-language literature and American management models.

Figure 9. Assertions, Tentative Findings, and Researchable Hypotheses are listed.

Summary of advice.

A final interview question allowed respondents to summarize their statements, when appropriate. The question posed was, "What advice would you give an American HR manager coming to Brazil?"

“The advice that I would give to somebody coming is that Brazilians can be very creative. So sometimes you think you have a model which works perfectly here because you have all the control of all the factors that are involved, [but in Brazil there is too much change to presume you can control all the factors involved.] ...I have examples of American business failures. They thought they knew Brazil and they start here with an approach which is absolutely to stick to the American model with no changes. And they failed because...[they needed, but did not exploit, Brazilian] creativity.” (Middleberg)

Concentrate on negotiating and communicating.

“I would say he has to be very political. Very. Because you are going to have to be talking to people, to negotiate things with them... I would give this advice. You have to go there and the people they have to be on your side. So go to...[the workplace], talk to people, don't stay in the office, take the operations manager with you, discuss things with him. Be open to hear that you don't know everything.” (Michaels)

Communicate with and introduce changes through established leaders in the organization.

“I would go for certain opinion leaders, certain managers that have an impact and test these ideas and these concepts before launching them. Go and get their commitment. At least listen to their genuine opinions. [Find out] if there are barriers to implementation... prepare the ground [for implementation].” (Oleander)

Brazilians use a high context communication style, so attend to underlying messages.

“Brazilians... are not so objective in terms of ‘I wanna tell you something’ and maybe... [they will] not use the objective words to do that. So... you have to read my words in a different manner to understand what I am saying to you.” (Middleberg)

In any communication, remember the Brazilian penchant to avoid conflict.

Communicating feedback about performance is a potential source of disruption of the social fabric at work. Well-intentioned initiatives such as performance appraisal or 360

degree feedback schemes may threaten to produce social conflict and be met with resistance. “Brazilians give huge importance to the human relationships on top of the professional one.” (Middleberg)

Formal, structured systems are not well accepted. Creativity and flexibility in processes are valued.

“The American way is to get the big picture, the systematic approach. I think this is the big difference between a Brazilian and a United States manager. The United States manager tries to use science, but not the Brazilian manager. Brazilians tend to... [improvise]. This is a key difference.” (Engenarino)

Accommodate a reluctance to long-term planning. Success is not necessarily dependent on careful planning. Because of a lack of hard data, paired with a traditionally tumultuous political and economic environment, Brazilians perceive that planning is an exercise in futility, a waste of time.

“When you do not have stability, this idea of short-term planning is stronger... You can make a business plan, or a special plan for the short-term, but not a strategic plan.” (Phoenix)

Everything must be adapted to some degree. “Be flexible. Be ready to adapt your tools because you will not find the same kind of people.” (Middleberg)

It is clear that informants all agree that the American model of HRM and the practices it encourages are valuable, and, with certain exceptions, practices are transferable to the Brazilian environment. However, all also caution that the tools need to be adapted to fit the cultural, economic, and political environment. The data do not reveal exactly how such adaptations or accommodations are made. A discussion on how that may be accomplished is presented in the final chapter.

Chapter 5: Discussion

Introduction

Brazil drinks from a foreign fountain of management science. One research question that remains unanswered, and one which has great practical application, is “What practices need to be adapted and how is that adaptation best accomplished?” If a distinctly Brazilian style of management is not apparent, and if a significant amount of foreign influence is being exerted on Brazilian management theory and practice, then a great deal of adaptation must be occurring. We* predicted that many of the questions in this study might have already been asked by Brazilian professionals and academicians. This appears to be the case for the question of adaptation. This final section presents a home-grown, Brazilian model useful for importing and adapting foreign management models, followed by a scheme for evaluating the cross-border portability of management models and practices. Finally, assertions made in previous sections about cultural variables and HRM models are evaluated, and conclusions are presented.

* Thora Hanson, project assistant, was invaluable in data collection, transcription, and analysis.

Dominant Thesis of the Inquiry

The contemporary American social critic and essayist, N. Postman, paraphrases Toqueville in his book, Building a Bridge to the Eighteenth Century. Using the success of the eighteenth century USA as an example, Toqueville sought to instruct the emerging democratic republic of France. Postman's paraphrase sums up his own thesis that the best ideas from history can guide us in making well-informed decisions for a future that is characterized by change, ambiguity, and unpredictability. Applying this perspective to the subject of American-style HRM and its transference to Brazil, an appropriate re-paraphrase of Toqueville would be: "Let us not turn to the... [American model of management] in order to copy the institutions it has fashioned, but in order to better understand what suits us. Let us look there for instruction rather than models. Let us adapt the principles rather than the details." (Postman, 1999, p.17)

This matches the dominant thesis that emerges from this study: The American model of HRM offers neither a template nor prescription for success, but rather a boxful of tools that may be useful in adjusting the mechanics of Brazilian management. The elements of American models of management, the principles that give birth to specific practices, are useful when they are applied with versatility. When our Brazilian managers inform us that the American model and the practices it prescribes are very applicable and transferable to the Brazilian environment but that *everything must be adapted*, this is what they mean.

Further, the focus should not be on the tool (such as empowerment initiatives or performance analysis), but on how it may be applied, just as in the mechanic's garage, the

focus is not on the screwdriver or pliers, but on how the craftsman uses those tools for the job at hand.

To extend the metaphor of tool use, the focus should be equally on the crafting of new tools as on applying them. Existing management tools may or may not be appropriate to management challenges in Brazil. When they are not, new tools must be crafted or existing ones adapted. Failure to do so results in the hammer-nail paradox: When the only tool one has is a hammer, every problem is dealt with as if it were a nail.

Strategic Anthropophagia

Brazilian academicians, Wood and Caldas (1998), propose another metaphor: *anthropophagia*, or cannibalism, which was practiced by indigenous Brazilian tribes. Prisoners of war were eaten, and those who faced their captors bravely, with dignity, were prized, but those who cried and begged for pity were considered poor meat. Likewise, foreign management models differ in perceived value. Those that appear most robust are the ones that Brazilian consultants and executives will most eagerly “consume,” according to Wood and Caldas (1998). But, as in the case of *anthropophagia*, is this a wholesome, effective practice or one driven by superstitious belief in sympathetic magic?

There appears to be a large-scale importation of management models from developed countries to Brazil. Wood and Caldas observe a “frenetic importation by Brazilians, even when the models are inadequate for the local reality and the effects the local environment produces” (1998, p.11). There may be a tendency for Brazilian managers to embrace American HRM concepts that are perceived as being progressive, whether or not they are culturally appropriate. This tendency was discussed in the

Introduction chapter as a possible limitation. Brazilian culture is plastic and permeable, according to Wood and Caldas. Plasticity means that Brazilians value flexibility, adaptability and creativity. Permeability indicates a Brazilian tendency to freely admit and absorb foreign ideas. However, caution Wood and Caldas, this predilection to accept “foreign influence does not imply that these influences would be used in their original form” (1998, p. 12).

The conclusion reached by Wood and Caldas is that the most practical approach for absorbing foreign management practices is anthropophagic. The concepts must be cannibalized and metabolized- broken down, internalized, and restructured so that only the wholesome, essential elements become an organic part of the organization. Context determines what is wholesome and digestible.

A five step model, published in Portuguese and translated by the researcher, is displayed in Figure 10, and describes “Organizational Anthropophagia” (Wood & Caldas, 1998, p.15). The basic model is unchanged from the original, but I have added interpretive language that matches the lexicon used throughout this study. Most notably, the name is changed to “Strategic Anthropophagia” to reflect the model’s potential for broad applicability and its generic nature.

Despite widespread hunger and a voracious appetite for foreign management recipes, the problem is that the Brazilian environment does not offer the same ingredients, so the imported recipe serves up a very different dish, locally. The anthropophagic model provides an opportunity to sort and adjust elements of any management model or practice so that the result is “wholesome” and “nourishing” even if the resulting management practice is dissimilar to the original.

-
1. Identify presumptions- Deconstruct, identify, and isolate the implicit suppositions in the model or concept. Identify the institutional, cultural, and organizational presumptions (resources and environmental forces) that make the model effective in the “home” environment.
 2. Test the validity and filter the presumptions- Analyze the isolated presumptions to see which are harmonious with local contexts. Discard elements or entire models which are inconsistent with the environment or cannot be adapted.
 3. Introduce to local environments- Further analyze the interplay between local environments and the presumptions inherent in the model. Identify local contextual forces that were not present in home environment and further filter elements. Do research during this time consuming step.
 4. Reconstruct the model- Recompose the model conceptually or logically. Incorporate new elements and adaptations or discard.
 5. Test and implement model- Fine tune both the model and implementation process and initiate change. Repeat previous steps as necessary. Consider long-term implications.
-

Figure 10. Strategic Anthropophagia is described.

Perhaps the best aspect of the model is that it capitalizes on the Brazilian attributes of flexibility in responding to change, creativity in using dissimilar or limited resources, adaptability in applying ideas to new circumstances, and willingness to absorb new influences. Next, the model is recast and is tested in a theoretical application.

Testing the Portability of Management Models

The model of strategic anthropophagia is a heuristic approach that is consistent with postmodernism and elements of qualitative research. It requires deconstruction and contextual analysis. In an attempt to improve its applicability, the model is expanded and recast.

In order to determine the validity of transferring a management practice to a differing environment, it must be examined in both environmental contexts. It is given that the management practice or model is successful in the home environment, so the first

step is to identify the forces and resources that contributed to its domestic success. Some of these are the presumptions indicated by the Strategic Anthropophagia model; others worthy of consideration include the environmental forces and resources that may be specific to the home environment. The next step is to identify forces and resources in the local environment to which the model or practice is to be transferred. The degree to which elements of the model or practice are harmonious in the new environment is called “portability.” Another measure of portability is the degree to which specific elements can be adapted to fit the new environment. If a sufficient number of elements are harmonious or can be easily adapted, then the model is said to be portable, so long as the results of implementation are successful.

Figure 11, “Stephen’s Portability Test for Transfer of Management Practices.” illustrates in greater detail how to determine whether or not a specific practice or model can be successfully transferred. Based on the model of strategic anthropophagia, the Test for Portability involves the same five steps: 1) Deconstruct the model and the environment which spawned it. Decontextualize, isolate, and analyze the environmental forces and resources that make the model valid and successful in the home environment; 2) Juxtapose these elements with the local environment, retaining, adapting, and filtering-out unportable elements; 3) Recontextualize the portable and adapted elements by testing them in a local micro-environment that offers compatible forces and resources; 4) Reconstruct the model using portable, adapted, and new elements spawned by local environmental forces and available resources; 5) And finally, implement the management practice in appropriate local environments while continuing to test and monitor both the model’s validity and the implementation process.

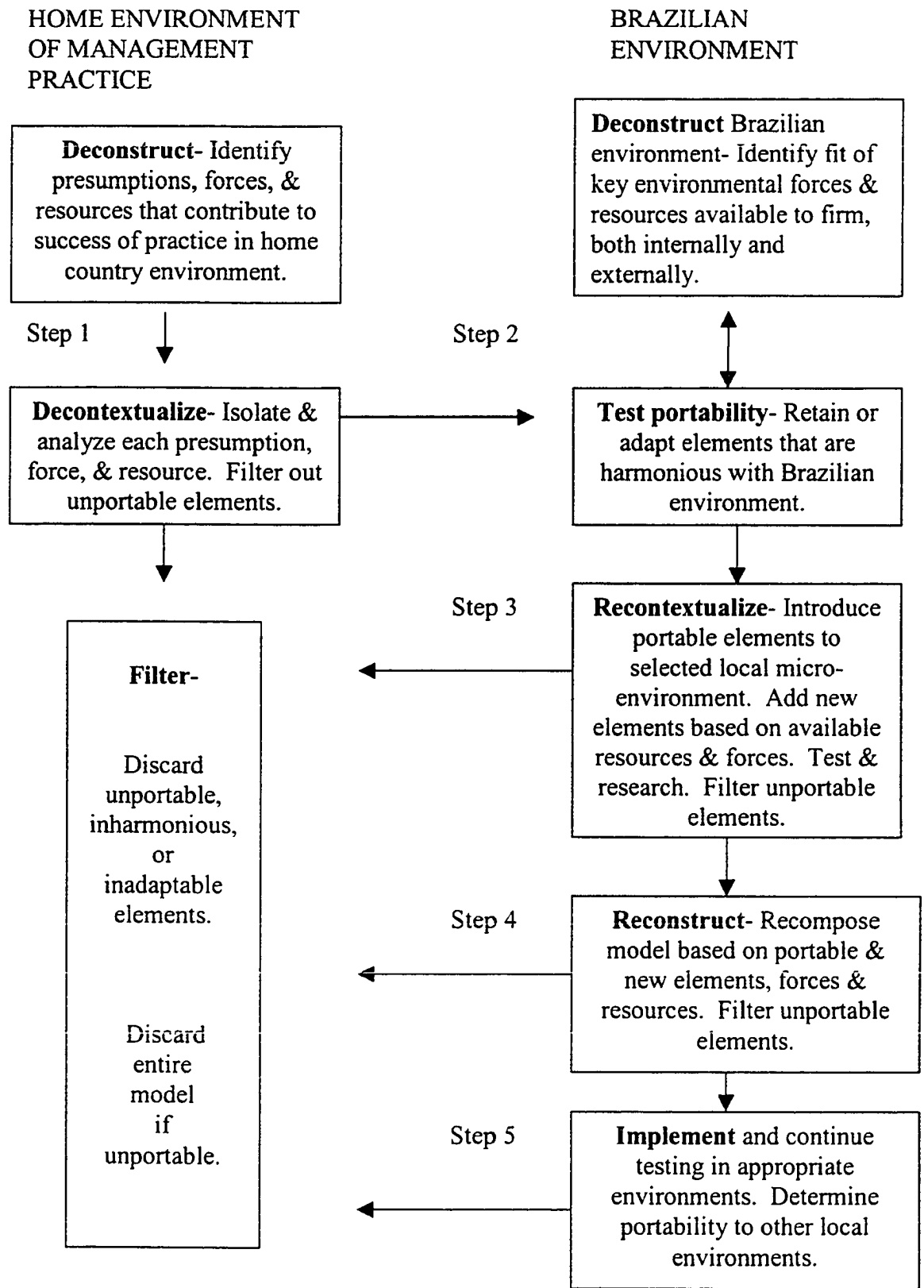


Figure 11. Stephen's Portability Test for Transfer of Management Practices is pictured in five steps.

The Test for Portability should indicate by step 2 whether or not wholesale transfer is possible or extensive adaptation is necessary. Step 3 should provide some clear evidence of the degree of portability, despite any needs for adaptation. Reconstruction, in step 4, should predict success or failure, pending the final results of step 5. Thus, the model offers successive opportunities to judge portability during the anthropophagic process.

The Test of Portability is next applied to a practice that has already been determined to transfer poorly to the Brazilian environment, formal performance appraisal.

Testing the Portability of Performance Appraisal

The test of portability (Figure 12) indicates low portability for formal performance appraisal practices to Brazil, as has already been evidenced. Extensive adaptations must be made and, even then, the practice can be applied to only specialized populations. The model supports Pfeffer's (1994) observations: "the fundamental problems in achieving competitive success through people are more social and political than they are technical" (p.206). From this, Pfeffer surmises that the essential elements for HRM implementation are 1) any appropriate model that generates useful action, 2) sufficient social support to engage the organization in a sense of unity and purpose, 3) language that is powerful in symbolizing meaningful roles and goals, and, 4) demonstrated evidence that the process works. The Strategic Anthropophagia model and the Test of Portability embody these principles.

(Below: Figure 12. Example: Test of Portability applied to an imported management scheme; performance appraisal.)

1. Deconstruct and decontextualize home country (USA) presumptions:

- Professional performance is quantifiable.
- Social relationships are separable from and generally subordinate to professional relationships.
- Employees should be accountable for their performance, and, by extension, the performance of the organization.
- Performance should be tied to compensation.
- People wish to improve performance for personal or professional reasons.
- Professional development initiatives are understood and embraced by workforce members, most of whom also believe in the principle of self-determination.
- Objective feedback is valued in order to assess performance, and is socially acceptable.
- Performance appraisal is consistent, permanent, and has long term and short term goals.

2. Juxtapose with Brazilian environment. Retain portable and adaptable elements.

- Sometimes employees should be accountable for their performance, and, by extension, the performance of the organization. But fear associated with an unstable economic and political environment make personal accountability risky, especially when tied to compensation.
- Professional performance is quantifiable for some employees in some business functions.
- People wish to improve performance for personal or professional reasons.
- Professional development initiatives are not understood and embraced by all, and fatalism and paternalism serve to diminish a sense of self-determination.
- Managers may not be skilled at developing themselves or subordinates on a day-by-day basis.
- Objective, face-to-face feedback, may be too direct a mode of communication and may be confused with aggressiveness or tactlessness.
- Social relationships are more important than professional relationships.

Portability assessment: Wholesale transfer not possible; extensive adaptation necessary; portability may be low.

3. Recontextualize and introduce to a local micro-environment:

- Identify a local population that might be receptive to formal performance appraisal (such as a sales force with clear, quantifiable goals).
- Select employees who are self-determined, and whose performance is not likely to be influenced by outside forces.
- Identify ways to implement appraisal metrics that do not abrade social relationships (such as measuring group performance or giving objective feedback via computer reports).

- Modify face-to-face feedback elements so they contribute to social cohesion rather than threaten conflict.
- Field test and research locally.

Portability assessment: Depending on results in micro-environment, such extensive adaptations may render the practice ineffective.

4. Reconstruct model using portable, adapted, and new elements:

- People desire to improve performance, but only some, not all, performance can or should be quantified. Identify and apply only where appropriate.
- Even for quantifiable indicators, performance may be sabotaged by a quixotic environment. Account for this in the appraisal model. Perhaps use only for formative evaluations.
- Feedback and appraisals should improve social relations. Modify communication process.
- Train managers with coaching skills and self development awareness as part of this model. Perhaps introduce self-administered competency training modules; monitor transfer of learned behaviors to workplace.
- Construct and adjust model for shorter-term planning and thinking horizons.

Portability assessment: Low for all but special sub-groups, unless a parallel, more appropriate model can be constructed.

5. Test and implement:

- Monitor progress and adjust model and implementation. Forecast long-term results.

Figure 12. Example: Test of Portability applied to an imported management scheme; performance appraisal.

The Test for Portability offers two new bits of information that did not surface in the Findings. First, only a few informants seemed to be clearly aware of the presumptions that made performance appraisal successful in the USA (step 1), but seemed very aware of cultural barriers to implementation in Brazil (step 2). Had more been aware of what made the practice effective in the USA, they might have sought to match it to similar environments in Brazil. In only one case did a respondent identify a population for whom performance appraisal was appropriate (step 3) and then adaptation and filtering were limited. Some recognized the need to change employee behaviors

(improve coaching and communication skills) but none mentioned changing the model to fit the environment (step 4). Rather, the more common attitude was rejection: “It won’t work here because people don’t like it.”

Portability might be improved if the process of deconstruction, adaptation, and reconstruction were more accessible. Accessibility could be improved by encouraging a cross-cultural team to make the analyses indicated in steps 1 and 2, and by giving license to local managers to make the changes indicated in steps 3 and 4.

The implication is that transfer is more likely to occur when Brazilian managers are free to analyze, adapt and change the practice, rather than attempting to force the implementation of an unportable practice. Even if the practice is discarded due to its unportability, the model offers a rationale for rejection that is somewhat more substantial than, “It won’t work here...” Finally, if it is true that Brazilians are creative, flexible, and skilled at improvising, then giving license to engage in step 3 and 4 provides a stage on which to demonstrate these qualities. If a parallel, more appropriate model emerges in (step 4), then it could benefit the local operation and also be portable enough to be exported to the home environment as an improvement.

Culture as a Variable: Definitions, Researcher Bias, and Language

Definitions

One basic assumption of this inquiry is that culture does affect management practices. The data, especially the discussion above, support this perspective. The difficulty of operationalizing such a complex concept as culture has been addressed. It is clear that social relationships and expectations about social behavior are a dominant theme in the data. However, other issues, such as economic instability and other

environmental forces, also affect management approaches. One solution is to define culture as including all such factors, but such an umbrella definition makes the concept unmanageably broad in scope. The definition proffered in the Introduction chapter seems robust: Culture is a set of interactive systems (such as social relationships, politics and economics) that are shared by a group and that affect human attitudes, expectations, and behavior. Culture is not something a group *has*, it is what they *are*. The anthropophagic model described above seems effective in assuring that foreign management practices are transformed to fit the culture, rather than expecting a specific cultural group to accommodate or adapt to the practice. The schema for testing portability helps determine whether or not differences or disharmonies exist between foreign practice and domestic culture, and to gage how much adaptation (of the management practice, not the culture) is necessary.

Before the data were collected, we made the tentative assertions that Brazilian cultural attributes of high power distance and low individualism (high collectivism) would affect management practice. This seems to hold true, since the two appear to be negatively correlated, as predicted by Hofstede (1991). A moderately high level of collectivism (a term not familiar to the participants) is congruent with importance placed on maintaining social relationships and avoiding social conflict. High power distance was indicated in the informants' assertions about paternalism, fatalism, hierarchy, and lack of self-directedness.

Researcher Bias

The degree to which cultural perceptions influenced data gathering and analysis is more difficult to assess. The voices of the participants are filtered, but they speak for

themselves. The filtering process does reflect the researcher's interpretation and, therefore, his bias. Because the narrative in the Findings section is primarily in the participants' own words, we believe that the burden of bias has been passed to the reader who must then make his/her own interpretation.

Language

Language is another important feature of culture. It was assumed that the translation of the survey is culturally sound and conceptually accurate. But it is not yet established that American concepts of HRM are "translatable" to the Brazilian cultural environment. Informants were presented with both the English and Portuguese versions of the survey and asked to suggest new terms for words and phrases for the translation. Several minor changes were made and several items were dismissed as irrelevant to the Brazilian environment (such as the equal opportunity issue). Some changes, however, were quite subtle. For instance, the word used to indicate "dismissal" has a literal translation, but is more commonly translated as "farewell" or "adieu" and forms the root word for the name of the "going-away party" that is common when someone leaves an organization. Thus, to be dismissed in the USA does not indicate a party, a cake, and, most likely, an after hours celebration with co-workers (friends). It is unclear how much these translation inequities affected the interviews, however the survey portion of the data does not figure prominently in the analysis.

Language issues do figure prominently in the interviews, however, and we believe that the ability of the informants and the researcher to converse in both English and Portuguese contributed to greater clarity than sticking to one language. The lexicons of

two languages offered a wider variety of expression than one. Often, participants would substitute a Portuguese word or phrase into an English sentence, and vice-versa.

Applicability of Foreign Models of HRM

A final important cultural consideration addresses the entire Brazilian business and work environment. We had speculated that a model of Brazilian HRM might derive from the data. This data set does not yield such a model, although it does yield a *transformational model of transfer*.

In the Literature Review chapter, the Harvard Map of HR Territory (1984) was analyzed and it was noted that: "It could be that the individualistic orientation of the USA culture results in a heightened profile of the employee." Although the USA ranks number one in the world (of 53 countries rated) on Hofstede's (1991) Individualism index (score = 91), and Brazil ranks 27/28 (score = 38), the generic nature of the Harvard Map seems appropriate for describing both environments. The lower individualism score for Brazil predicts that social relationships in the workplace may be a more important input to HR policy choices than in the USA.

Brewster and Hegeswich's (1994) Price Waterhouse/Cranfield Study Model and Brewster's (1994) Contextual European Model of HRM both show the HR function as integrated more into the environments in which it must operate, and focuses on diverse environments. As discussed in the Literature Review, these models are helpful in understanding external influences on management practice, and thus are more useful than the Harvard Map when diversity is of concern.

Finally, Frombrun, Tichy, and Devanna's (1984) Matching Model of HRM does not show the elements of the HR process in terms of input and output as does the Harvard

Map, but it does clearly show the relationship of the HR function to the forces that influence the organization as a whole. This model, too, is useful in the Brazilian environment.

Conclusions

Brazil's business environment, with its newly opened economy and rapid development, is becoming more like the USA and developed European countries. It is logical to predict that similarities will continue to accrue in the future. On the other hand, cultural differences, rooted in and sustained by the past, will continue to queer attempts to transfer HRM practices and policies on a wholesale basis. Many management models are applicable in theory, but must be modified in practice. Culture is what makes a society go, and no matter how similar Brazil's business environment appears, it is fueled by its unique culture, an environmental force (or resource, depending on one's perspective) that proves to be a robust variable in HRM transfer.

The conclusions, then, must be that the US and European HRM models are applicable to Brazil. However, Brazilian national culture plays a major role in differentiating work values, and the national or societal culture dominates the more superficial organizational culture. These are consistent with Ferrante's (1997) findings for HRM transfer to India. The paradox remains: Do the models fit because they are universal, or are the models ethnocentric and only serve well to illustrate HR management in Brazil because Brazilian HRM is imported from the same sources that spawned the models? The data do not yield a clear answer to this, except to clarify that Brazilian management practice and research is based primarily on American management models.

If it is axiomatic that 1) competitive advantage will accrue to those organizations best able to exploit environmental opportunities and reduce risks or threats to survival (Clark, 1996), and if it is also true that 2) HRM offers a source of competitive advantage less likely to be copied by competitors than most other competencies, and if Pfeffer's (1994) observations are accurate that 3) "the fundamental problems in achieving competitive success through people are more social and political than they are technical" (p.206), then HR management in Brazil can yield competitive advantage to those firms that exploit the unique Brazilian human resources in response to Brazil's unique environmental forces. Any successful HRM practice is (and should be) ethnocentric in its utilization of such unique resources in response to unique environmental forces. The solution suggested here for transferring HRM across borders is to transform every practice so that it becomes ethnocentrically adapted to the new environment.

The metaphor holds- Brazil drinks from foreign fountains of management science. Successful importation of foreign models and practices requires "cannibalism," or organic metabolization, by the local culture. We would assert that the Brazilian model of strategic anthropophagia and the test of portability presented here are methods that are congruent with the essential criteria for developing strategic HRM practices that contribute to developing competitive advantage in Brazil.

APPENDIX A

HRM Factors Identified in European Management Literature

HRM Factors Identified in European Management Literature

	EU members in general	Denmark	France	Germany	Great Britain	Netherlands	Spain	Sweden	USA
labor relations & union influence	X	X	X	X	X	X	X	X	X
decentralization of pay bargaining	emerging	dual system			X			low	
autonomy	decreased	med-high				increasing			high
communication & information	X			X		X			
culture-national & regional	X		X	X	X	regional		X	
culture-corporate				X	X			X	X
social protection-social market			X	X		X		X	
economic environment	X		X	X	X				X
labor market				X					
employee commitment		X		X	X	X		high	X
employee involvement	X			codetermination		X		codetermination	
loyalty						X			
meaningfulness of work			X		X			?	X
multiple stakeholders			X		X	X			
HRD & education			X	X		X	X		
HRM practice & Nat'l economic success	X		X	X			X		
legal-political environment	X	X	X	X	X	X	X	X	X
models-uniqueness	X		X	X				X	X
ownership issues	X		X	X		X	X	X	
performance & appraisal	X	X				X			
training & development	X	for flexibility	X			X	X		
recruitment & selection		X		X	X	X	X		X
retention & succession		X							
compensation		X		X					
unemployment compensation		X							
leadership			X	X			X		X
HR as source of competitive advantage	X			X	X	X	X		X
decentralizing HR to line mgmt	X	X		X	X	X	X		X
HR as strategic partner	X	X low			X	X	X	X	X
overall HRM	emerging	low	Med	high	high	low	low	low	high

Note. Organization size, sector and ownership deemed to be less important factors in European Union HRM literature than effects of varying national culture.

Appendix B

Analysis of HRD Definitions and Theories

Analysis of HRD Definitions and Theories

Authority	Theories	SUBJECT & focus	Key VERBs (infinitive form)	OBJECT	Predicate nomnitive modifiers
L. Nadler, 1970	Adult Learning Psychology	HRD	to be,	activities, change	organized, within specified time, behavioural, psychological
Craig, 1976	Philosophy Psychology	HRD	focus, develop	goal, human potential, lifelong learning, human performance	central, every aspect of,
Jones, 1981	Systems Theory, Economics, Philosophy, Psychology	HRD	to be, focus, expand, attain	abilities, performance, goals	systematic, work-related, organization & personal
McLagan, 1983	Training & Development Psychology	Training & development	to be, identify, assess, help, enable, develop	individuals	planned learning, key competencies, current or future jobs, performance
Chalofsky & Lincoln, 1983	Adult Learning Psychology	HRD	to be,	discipline, study	individuals & groups, organizations, change through learning
L. Nadler & Wiggs, 1986	Adult Learning Systems Theory Economics Psychology	HRD	to be,	learning system,	comprehensive, for release of organization's human potentials, vicarious learning, on-the-job experiences, organization's survival
Swanson, 1987	Economics Psychology Philosophy Systems Theory Organizational Performance	HRD	to be, include,	process, activities,	improving org. performance, capabilities of personnel, work design, aptitude, expertise, motivation
Jacobs, 1988	Organizational & Individual Performance, Unifying Systems Theory	Human Performance Technology	to be, develop, manage, achieve	human performance systems, systems, systems approach, goals	organizational & individual
R. Smith, 1988	Training & Development, Organizational Performance, Economics Systems Theory Psychology	HRD	consist (of), affect	programs & activities, instruction, productivity, development, profit	direct & indirect, individual , organization, positively

McLagan, 1989	Training & Development, Career Development, Organizational Development, Psychology System Theory Economics	HRD	to be, improve,	development, integrated use of, individual & organizational effectiveness	career, organizational, training, career al development
Watkins, 1989	Learning capacity, Training & Development, Career development, Organizational development, Psychology System Theory Economics Performance Improvement	HRD	to be, foster, include	field, study, practice, training, career development, organizational development	responsible for, long-term, work-related, learning capacity, individual, group & organizational level
Gilley & Egglund, 1989	Learning activities, Performance improvement Psychology System Theory Economics Performance Improvement	HRD	to be, arrange, improve	learning, activities, performance, personal growth,	organized, within org., job, individual, organization
L. Nadler & Z. Nadler 1989	Learning Performance Improvement Psychology	HRD	to be, bring about,	organized learning experiences, performance improvement, personal growth	provided by employees, within specified time, possibility of,
D. Smith, 1990	Performance Improvement Systems Theory Psychology Economics	HRD	to be, determine, develop, improve, attain	process, human resources, productivity, performance, training, education, development, leadership, goals	optimum methods, organization, systematic, employees, mutual organizational & personal
Chalofsky, 1992	Learning capacity Performance improvement System Theory Psychology Human Performance	HRD	to be, incrcase, develop, apply, optimize	study, practice, interventions, growth, effectiveness	learning capacity, individuals, groups, collectives, orgs.,
Marquardt & Engel, 1993	Learning climate, Performance improvement, Psychology Human Performance	HRD skills	include, develop, design, transmit, assess, provide, adapt	learning climate, training programs, information, experience, results, career counseling, change, learning materials	

Marsick & Watkins, 1994	Training & development Career development Organizational development Learning organization Human Performance Organizational Performance System Theory Economics Psychology	HRD	offer, envision, to position, act	theoretical integration, training, career development, & organizational development, learning organization	combination of, strategically throughout org.
Swanson, 1995	Training & development Organizational development Performance Improvement System Theory Economics Psychology	HRD	to be, develop, unleash, improve	process, human expertise, performance	organization development, personnel training, org. development,

Note: All citations from Weinberger (1998)

Source: Adapted from Weinberger, L.A. (1998) Commonly held theories of human resource development. Human Resource Development International, 1 (1). pp.75-93.

Appendix C
WFPMA Survey and Follow-up Questions
(English version)

WFPMA Survey and Follow-up Questions

WFPMA SURVEY OF GLOBAL HR COMPETENCIES

1 Are personnel management practitioners in the US/Canada more likely to have a degree now than ten years ago?

1 ☐ Yes

2 ☐ No

3 ☐ Do not know

2 In your opinion, how important is it in the US/CANADA that a personnel management practitioner has a university degree?

important

1 ☐ Very important

2 ☐ Quite important

3 ☐ Not

3 In your opinion, how important is it in the US/CANADA that a personnel management practitioner has followed a course of study in personnel management?

important

1 ☐ Very important

2 ☐ Quite important

3 ☐ Not

In the following questions, we distinguish between three levels of personnel management practitioner in your organisation:

1. Support/Administrative
2. Professional /Specialist
3. Senior/Strategic Management.

Based on these levels, for which of the following activities is a personnel management practitioner responsible in your organisation?

4 Recruitment, retention, promotion and termination	Support/ Administrative	Professional/ Specialist	Senior Manager/ Strategic Management	Not Applicable To Personnel
A. Administer recruitment activities	☐	☐	☐	☐
B. Interview/select new employees	☐	☐	☐	☐
C. Authorise recruitment budgets/staffing levels	☐	☐	☐	☐
D. Carry out procedures for termination of employment	☐	☐	☐	☐
E. Formulate a corporate resourcing strategy	☐	☐	☐	☐
F. Administer promotion schemes	☐	☐	☐	☐
G. Implement an induction programme for new employees	☐	☐	☐	☐

(continuing) In the following questions, we distinguish between three levels of personnel management practitioner in your organisation:

1. Support/Administrative
2. Professional /Specialist
3. Senior/Strategic Management.

Based on these levels, for which of the following activities is a personnel management practitioner responsible in your organisation?

5 Performance measurement, reward and development	Support/ Administrative	Professional / Specialist	Senior Manager/ Strategic Management	Not Applicable To Personnel
A. Administer reward and benefits	☐	☐	☐	☐
B. Determine the levels of reward and benefits	☐	☐	☐	☐
C. Develop corporate reward strategies	☐	☐	☐	☐
D. Carry out performance appraisals	☐	☐	☐	☐
E. Decide on training activities and methods	☐	☐	☐	☐
F. Implement equal opportunities programme	☐	☐	☐	☐
G. Deliver training to individuals	☐	☐	☐	☐
H. Develop employee training strategies	☐	☐	☐	☐
I. Administer a job evaluation scheme	☐	☐	☐	☐

6 Employee communication and the working environment	Support/ Administrative	Professional / Specialist	Senior Manager/ Strategic Management	Not Applicable To Personnel
A. Develop an internal communications policy	☐	☐	☐	☐
B. Support the welfare of individual employees	☐	☐	☐	☐
C. Monitor health and safety implementation	☐	☐	☐	☐
D. Negotiate with staff representatives	☐	☐	☐	☐
E. Handle grievance and disciplinary	☐	☐	☐	☐
F. Develop an employee relations strategy	☐	☐	☐	☐
G. Evaluate the personnel management function	☐	☐	☐	☐
H. Develop personnel management information systems	☐	☐	☐	☐
I. Manage culture change programmes	☐	☐	☐	☐
J. Provide advice to other functions on employment law	☐	☐	☐	☐

7 How long have you been working in personnel management in total?

1 _____ years

2 ☐ not applicable

8 Do you have a higher education degree?

1 ☐ Yes

2 ☐ No

3 ☐ not applicable

9 If Yes, in what discipline did you study (tick ONE main one only)

A. Business studies... ☐

B. Economics... ☐

C. Social or behavioural sciences ☐

D. Humanities/Arts/Languages ☐

E. Law... ☐

F. Engineering... ☐

G. Natural sciences... ☐

H. Other: please specify... _____

10 Please add any additional comments you care to make (include extra sheets if necessary)

All information provided is confidential. No names of people or organisations will be published. Only the researcher and his academic advisors will have access to this data. Thank you for your kind assistance.

Follow-up Questions for use with the Brazilian HR Survey

Examples of open questions to elicit responses that elucidate answers to the survey items and to uncover additional, relevant issues:

(for questions 1-3)

- Can you please tell me more about university degree programs that have anything to do with HR?
- What other kinds of training or certification programs are available?
- How has that changed?
- How has that influenced the HR profession?

(for items 4-6)

- Can you please tell me more about... (recruitment, retention, promotion, termination, performance measurement, reward, development, communication, the work environment)?
- Why do you answer that as you do?
- Is that the way you think it should be?
- Is that common in most organizations in Brazil?
- In what ways is this different from other companies like yours?

(for item #10)

- What other questions would you suggest I ask in order to paint a picture of how HR operates in Brazil?

Appendix D

WFPMA Survey and Follow-up Questions (Portuguese version)

Questionário da Gerência de Recursos Humanos Brasileiro

1 São os profissionais da gerência de recursos humanos no Brasil mais prováveis ter um curso superior agora, em comparação a dez anos atrás?

1 ☐ Sim 2 ☐ Não 3 ☐ Não sei

2 Em sua opinião, qual é a importância de um diploma universitário para um profissional da gerência de recursos humanos no Brasil?

1 ☐ muito importante 2 ☐ um tanto importante 3 ☐ não importante

3 Em sua opinião, qual é a importância no Brasil de um profissional da gerência de pessoal ter um curso de formação em recursos humanos?

1 ☐ muito importante 2 ☐ um tanto importante 3 ☐ não importante

Nas seguintes perguntas, nós distinguimos entre três níveis do funcionario da gerência de recursos humanos em sua organização:

- 1 Apoio / Administrativo
- 2 Profissional / Especialista
- 3 Gerente "Sênior" / Gerência Estratégica

Baseado nestes níveis, por quais das seguintes atividades é um profissional de recursos humanos responsável em sua organização?

	Apoio / Administrativa	Profissional/ Especialista	Gerente "Sênior" / Gerência Estratégica	Nao aplicável ao Pessoal
4 Recrutamento, permanencia, promoção e terminação				
A. Administrar atividades do recrutamento	☐	☐	☐	☐
B. Entrevistar / seleção de novos empregados	☐	☐	☐	☐
C. Autorizar recrutamento- orçamentos e níveis do empregos	☐	☐	☐	☐
D. Realizar procedimentos para a demissão do emprego	☐	☐	☐	☐
E. Formular uma estratégia da corporação para contratar pessoas	☐	☐	☐	☐
F. Administrar esquemas de promoção	☐	☐	☐	☐
G. Realizar um programa da introdução para novos empregados	☐	☐	☐	☐
	Apoio / Administrativa	Profissional / Especialista	Gerente "Sênior" / Gerência Estratégica	Nao aplicável ao Pessoal

(continuada) Nós distinguimos entre três níveis do funcionamento da gerência de recursos humanos em sua organização:

- 1 Apoio / Administrativo
- 2 Profissional / Especialista
- 3 Gerente "Sênior" / Gerência Estratégica

Baseado nestes níveis, por quais das seguintes atividades é um profissional de recursos humanos responsável em sua organização?

	Apoio / Administrativa	Profissional / Especialista	Gerente "Sênior" / Gerência Estratégica	Não aplicável ao Pessoal
5 Avaliação, remuneração e desenvolvimento				
A. Administrar o esquema da recompensa e dos benefícios	☐	☐	☐	☐
B. Determinar os níveis da recompensa e dos benefícios	☐	☐	☐	☐
C. Desenvolver estratégias da corporação de recompensa	☐	☐	☐	☐
D. Realizar avaliação de desempenho	☐	☐	☐	☐
E. Decidir sobre atividades e métodos de treinamento	☐	☐	☐	☐
F. Implementar programas de oportunidades iguais	☐	☐	☐	☐
G. Realizar o treinamento dos indivíduos	☐	☐	☐	☐
H. Desenvolver estratégias do treinamento do empregado	☐	☐	☐	☐
I. Administrar um esquema da avaliação do trabalho	☐	☐	☐	☐
6 A comunicação interna e o ambiente de funcionamento				
A. Desenvolver uma política interna das comunicações	☐	☐	☐	☐
B. Suportar o bem-estar de empregados individuais	☐	☐	☐	☐
C. Monitorar a execução da saúde e de segurança	☐	☐	☐	☐
D. Negociar com os representantes de funcionários	☐	☐	☐	☐
E. Manejar queixas e casos que requerem a disciplina	☐	☐	☐	☐
F. Desenvolver uma estratégia das relações do empregado	☐	☐	☐	☐
G. Avaliar a função de gerência de recursos humanos	☐	☐	☐	☐
H. Desenvolver sistemas de informação da gerência do pessoal	☐	☐	☐	☐
I. Controlar programas da mudança da cultura	☐	☐	☐	☐
J. Fornecer o conselho a outras funções na lei do emprego	☐	☐	☐	☐
	Apoio / Administrativa	Profissional / Especialista	Gerente "Sênior" / Gerência Estratégica	Não aplicável ao Pessoal

7 Quanto tempo tenha o seu trabalho de gerência de recursos humanos no total?

1 ____ anos

2 ____ Não aplicável

8 Você tem um grau da faculdade?

1 ____ Sim

2 ____ Não

3 ____ Não aplicável

9. Se SIM, em que disciplina você estudou (marque principal- um somente)

A. Administração do negócio ☐

B. Economia ☐

C. Ciências sociais ou comportamento ☐

D. Humanidades / Artes / Línguas ☐

E. Lei ☐

F. Engenharia ☐

G. Ciências naturais ☐

H. Outro: por favor especifique _____

10. Adicione por favor os comentários adicionais de que você pensa é importante.

Toda a informação fornecida é confidencial. Nenhum nome dos povos ou das organizações será publicado.
Somente o investigador e seus conselheiros acadêmico terão o acesso a estes dados. Agradeça-o
para seu auxílio amável.

Follow-up Questions for use with the Brazilian HR Survey

Exemplos das perguntas abertas para eliciar as respostas que elucidate respostas aos artigos do
Questionário e para descobrir edições adicionais, relevantes:

(para perguntas 1-3)

- pode você por favor dizer-me mais sobre os programas do grau de universidade relevante a Gerência do Recursos Humanos Brasileiro
- que outros tipos do treinamento ou da certificação programa está disponível?
- Em que maneiras têm esta mudada?
- Em que maneiras têm influencia a profissão da Gerência do Recursos Humanos Brasileiro?

(para artigos 4-6)

- pode você por favor dizer-me mais sobre... (recruitment, retenção, promotion, terminação, medida de desempenho, recompensa, desenvolvimento, comunicação, o ambiente do trabalho)?
- por que você responde nesta maneira?
- é que a maneira que você pensa que deve ser?
- é comum em a maioria de organizações em Brasil?
- em que maneiras são esta diferente de outras companhias como seus?

(para o artigo #10)

- que outras perguntas me ajudariam compreender Gerência do Recursos Humanos do Brasil?

Appendix E
Codes and Relationships

Codes and Relationships

A List of Selected Codes Identified in an Analysis of European Literature and List of Named Code Relationships:

- autonomy restricted- “external or internal constraints that limit degree of management freedom in planning or action”
- communication and information issues- “how communication is achieved in an organization; info as power; knowledge exchange and management”
- cultural environment-national/regional- “effects on HR practice due to national and regional culture and behavior”
- economic environment – “effects of the external regional or national economy”
- employee involvement- “whether legislated or used as means of improving performance”
- Global model- “use this code to identify models that attempt to be international in theory or practice; does not really exist (?)”
- high public sector employment
- HR as strategic partner- “HRM involvement that proactively develops organizational strategy, not just making “strategic” plans that fit what is already planned”
- HR practices of MNEs- “how MNEs adapt/transfer HRM to local environments”
- HRD and education- “HRD; educational resources; nature of HR available in labor market”
- HRM practice and national economic success- “the idea that improved HRM practices will improve people, people will improve businesses, and the businesses will improve the economy”
- labor relations and union influence- “employee issues that affect management, operations or planning, whether legislated, customary, or unique to the organization”
- legal-political environment- “legislated constraints/initiatives that affect the business environment, such as national HR policies, tax incentives, labor representation, decision-making, social services, etc.”
- models-inclusive of external constraints – “For HR models, the need for including factors generally external to and not controlled by the organization, but which directly influence its HR”
- models-similarities/generalizations- “NOT global models; use to identify specific similarities among HRM models or generalizations that can be made about the nature of HR theory/practice”
- models-uniquenesses- “use this code for identifying direct differences in models or environments”
- organization type effects HR- “effects on HR of organizational philosophy, size and structure, the growth pattern of an organisation, industry structure and markets served”
- ownership issues- “ownership concepts differ; ownership does not always imply sole right to make decisions; family owned, bank owned, state owned- all imply differing decision making criteria and processes”

- performance- “SKA, work organization, job design; all the technical demands that influence work/workplace performance”
- profit motive strategy- “short term or long term; amount of impetus to show a profit”
- US model- “Actually, modelS; any reference to theory/practice developed by or used in US”

A list of the kinds of semantic relationships that have emerged from the literature review and synthesis follows (codes are in lower case; *RELATIONSHIPS* are in upper case italics):

- autonomy unrestricted *IS A CONCEPT RELATING TO* USA model
- communication and information issues *IS PART OF* autonomy restricted
- cultural environment-national/regional *IS AN INFLUENCE ON* EU model
- employee involvement *IS A PHENOMENON OF* EU model
- HR as strategic partner *IS A STRATEGY FOR* HRM practice and national economic success
- HR practices of MNEs *IS A CONTEXT FOR* Global model
HRM practice and national economic success *IS A PROPERTY OF* HRD and education
- models-inclusive of external constraints *IS A* EU model

Appendix F

Consent Forms (English & Portuguese versions)

COLORADO STATE UNIVERSITY

INFORMED CONSENT TO PARTICIPATE IN A RESEARCH PROJECT

NAME OF PRINCIPAL INVESTIGATOR: Dr. Gene Gloeckner
NAME OF CO-INVESTIGATOR & CONTACT NAME AND PHONE NUMBER FOR
QUESTIONS/PROBLEMS: **David Stephen**; tel: 970.667.0660 (USA)

PURPOSE OF THE RESEARCH:

We hope to answer two basic questions:

1. What human resource (HR) management practices are common in Brazil?
2. What North American-style HR practices transfer most easily to the Brazilian culture and what do not?

BENEFITS:

If we can answer the two questions above, it may

- contribute to the growth, prosperity and development of Brazil;
- improve the success of international business ventures in Brazil.

PROCEDURES/METHODS TO BE USED:

We are interviewing Brazilian business management professionals in Brazil to determine what successes and what problems have been encountered in transferring Human Resource Management concepts and practices from North America to Brazil. Interviews will be tape recorded and participants asked to respond to a survey.

RISKS INHERENT IN THE PROCEDURES: There are no known risks. It is not possible to identify all potential risks in research procedures, but the researcher(s) have taken reasonable safeguards to minimize any known and potential, but unknown, risks.

CONFIDENTIALITY:

As a participant, only the researcher will know your identity, and he promises not to reveal your name or the name of your company to anyone else. Tapes and transcripts of interviews will be kept in locked storage for five years. When this research is published, names will not be used: generic descriptions will be substituted, such as "the HR director at an electronics firm in Brazil," or pseudonyms for firms and names will be used. The information may be used by the researcher for other related inquiries.

LIABILITY: The Colorado Governmental Immunity Act determines and may limit Colorado State University's legal responsibility if an injury happens because of this study. Claims against the University must be filed within 180 days of the injury.

Questions about subjects' rights may be directed to Celia S. Walker at (970) 491-1563.

PARTICIPATION:

Your participation is voluntary. If you decide to participate, you may withdraw your consent and stop participating at any time.

Your signature acknowledges that you have read this letter and willingly sign this consent form. Your signature also acknowledges that you have received, on the date signed, a copy of this document containing 1 page.

Participant name (printed)

Participant signature

Witness to signature (project staff)

Date

Date

UNIVERSIDADE DO ESTADO DO COLORADO, EUA
CONSENTIMENTO EM PARTICIPAR EM UM PROJETO DE PESQUISA

Título do Projeto: Transferência de práticas da Gerência de Recursos Humanos no Brasil

Nome do Investigador Principal: Dr. Gene Gloeckner

Nome do Co-Investigador e número de telefone para perguntas / problemas:

Prof. David Stephen; tel: 970.667.0660 (EUA)

FINALIDADE DA PESQUISA: Esperamos responder a duas perguntas básicas:

1. As quais práticas da gerência de recursos humanos são comuns no Brasil?
2. As quais práticas da gerência de recursos humanos tipo norte-americano podem ser adaptados mais facilmente na cultura brasileira e quais práticas não adaptam facilmente? Para as firmas norte-americanas, quais praticas devem fazer e as quais devem evitar no Brasil?

BENEFÍCIOS: Se podemos responder às perguntas acima, poderemos:

- melhorar a compreensão entre as duas culturas, promovendo a amizade nos negócios;
- contribuir para o crescimento, à prosperidade, e ao desenvolvimento do Brasil;
- assegurar o sucesso nos negócios internacionais no Brasil.

PROCEDIMENTOS / MÉTODOS A SEREM USADOS: Estaremos entrevistando os profissionais da gerência de recursos humanos no Brasil para determinar as praticas apropriadas da gerência na cultura Brasileiro. Também, desejamos observar companhias estrangeiras operando no Brasil, e determinaremos os sucessos e dificuldades encontrados na transferência das práticas da gerência de recursos humanos.

RISCOS INERENTES DOS PROCEDIMENTOS: Não há nenhum risco conhecido. Não é possível identificar todos os riscos potenciais nos procedimentos da pesquisa, mas o pesquisador examinou e fez precauções para minimizar todo os riscos.

CONFIDENCIALIDADE: **Somente o Professor David Stephen saberá as identidades dos participantes, e não revelará seu nome ou o nome de sua companhia** em qualquer hipótese. Quando a pesquisa será publicada, serão usados codnomes - como "Sr. João" ou "Sra. Maria Teresa" - e sua companhia será chamado genericamente - como "uma firma eletrônica no Brasil" ou "uma empresa da consultoria".

RESPONSABILIDADE: O Gobierno do Estado do Colorado determina e pode limitar a responsabilidade legal da Universidade do Estado do Colorado se algum dano pessoal acontecer em razão deste estudo. As reivindicações devem chegar à universidade e devem ser arquivadas dentro de 180 dias do incidente. Questões sobre os direitos neste assunto podem ser dirigidas a Celia S. Walker em (970) 491-1563 (EUA).

PARTICIPAÇÃO: **Sua participação é voluntária.** Em caso você decida participar, seu consentimento poderia ser alterado a qualquer momento e você tem o direito de pedir seu cancelamento.

Sua assinatura atesta que você leu este documento e concorda com os termos deste formulário de consentimento. Sua assinatura reconhece também que você recebeu, na data assinada, uma cópia deste original, contendo 1 página.

Nome do participante (letra de forma)

Assinatura do participante

Testemunha da assinatura (funcionário do projeto)

Data

Data

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