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ABSTRACT

This document contains three papers on human resource development (HRD) in Latin America. "Looking at the Literature on Workplace Democracy in Latin America: Factors in Favor and Against It" (Max U. Montesino) discusses selected issues related to workplace democracy in Latin America and identifies salient issues for further research, including the following: the magnitude of work democracy experiments in the region; the scope of workplace democracy; the process of learning self-direction in the context of Latin America's managerial culture; and the implications of the lack of evolution of Latin American managerial culture. "Toward a New HRD Organizational Model" (Jules K. Beck) argues that increased economic growth in Asian and European markets will one day place the Americas at a competitive disadvantage unless an new international model emerges that can better harness labor to strengthen the hemispheric economic engine. "Differences in Priority for Competencies Trained between U.S. and Mexican Trainers" (Larry M. Dooley; Kenneth E. Paprock, In-Sun Shim, Elsa Gonzalez Y Gonzalez) examines the differences in competencies for training programs between Mexican and U.S. companies and discusses the implications of these differences for implementation of the North American Free Trade Agreement. All three papers include substantial bibliographies. (MN)

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Looking at the Literature on Workplace Democracy in Latin America: Factors in Favor and Against it

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This paper discusses some of the issues related to workplace democracy in Latin America, a clearly neglected area in the field of human resource development. It is the brief summary of a non-exhaustive review of the literature on workplace democracy in the region. The author identifies six of the most salient issues for further research in the area of workplace democracy in Latin America. An ample bibliography on the topic is available upon request.

Keywords: Workplace Democracy, Organizational Decentralization, Latin America

Introduction

Even a brief look at the literature would suggest that the subject of workplace democracy seems to be a neglected area in the study of Latin America. Much has been investigated and published about the transition from authoritarian rule to political democracy in the region, but except for a few studies scattered in several countries, little is usually published about the ways in which that transition, if any, manifests itself in the context of work organizations. The purpose of this paper is to explore this neglected phenomenon in the region through a brief review of the literature.

In the preface of her book on work democratization in Cuba, Linda Fuller (1992) states "I...wonder if people had ever challenged the pervasive absence of democracy at work...I began to question how social thinkers had resolved the striking contradiction between the widespread and passionate support for the idea and practice of democracy in the political realm and the authoritarian and hierarchical arrangements at work, and found that they had not..." This paper is aimed at calling the attention of scholars and practitioners in human resource development to this phenomenon that has been called "workplace democracy," in the context of the Latin American culture at large.

The way one defines "workplace democracy" profoundly influences the manner in which one perceives the phenomenon. Political scientists help to clarify the concept of democracy in the political realm, which in turn helps organizational-behavior scientists to clarify the concept of democracy in the workplace. According to Clegg (1983, p.3), "democracy is often regarded as the process whereby the concentration of political power is dispersed and the quantity of participation in political life is increased." In the context of work organizations, democracy can be defined in similar terms as above. Clegg contends that "employee participation schemes [in decision making] are widely regarded as the means whereby a more equal distribution of power in organizations may be achieved. Such a process would represent a democratization of work" (1983, p.3).

With this non-exhaustive literature review, the author wanted to explore the understanding of the concept of workplace democracy among those who write about the phenomenon in Latin America, as well as the factors that help/hinder workplace democracy experiments in the region. The author accessed several databases at his disposal, such as ERIC, Infotrack, Academic Search Elite, and others. The most relevant source used was the Handbook of Latin American Studies Online (Library of Congress). The oldest item referred to in this paper was published in 1963. The newest ones in 2000. What follows is a brief summary of the findings from the literature review. The author had to follow the eight-page limitation imposed by AHRD. The original document consisted of a body of 30 pages and a reference list of 79 items. The reference list at the end of this paper only covers up to the letter "o" due to space limitations. The rest of it is available upon request.

Looking at the Literature: The Scope of Workplace Democracy

The field of workplace democracy encompasses a wide variety of employee's participation schemes, with the purpose of spreading organizational influence/authority, actual control, and power of different sources among different levels of the management hierarchy and rank-and-file employees. The field, as stated by Heller (1984, p. xxxv) "stretches from interests and influence of employees at various levels." This wide spectrum of participation schemes makes the participative management and employee involvement, to industrial democracy and self-management...the term is meant to describe a variety of interpersonal and/or structural arrangements which link organizational decision-making to the phenomenon more difficult to understand and complicates its study. Workplace democracy experiments transcend political systems, are rooted on different organizational theories, produce a wide variety of organizational outcomes, and face a myriad of implementation obstacles from country to country..

Different degrees of workplace democratization experiments have been documented all over the world. A comprehensive list of schemes escapes the space limits of this review. Their denominations, scope, depth of involvement, and organizational context varies widely from place to place. A non-exhaustive list of those most studied and published include: project teams, problem solving groups, cross-functional task forces (Cotton, 1993; Katzenbach & Smith, 1993), advisory-consultative committees, co-determination, collective bargaining, work councils, collectives, (Bayat, 1991; Crouch, 1983; Fuller, 1992), representative participation (Cotton, 1993; Poole, 1986), producer's and consumers' cooperatives (ENDA, 1987; McClintock, 1981; Moscoso, 1987; Schneider, 1986; Scurrah & Podesta, 1986), government decentralization projects (Caravedo, 1986; Ickis, De Jesus, & Maru, 1986; Liboreiro, 1986), quality of working life experiments (Cotton, 1993), quality circles (Cotton, 1993; Gaitan, Davila, & Zarruk, 1985; Weis, 1994). Other work democracy experiments include gain-sharing schemes (Cotton, 1993; Orsburn, Moran, Musselwhite, Zenger, 1990; Schuster, 1983), self-directed work teams (Beekum, 1989; Cummings, 1978; Fisher, 1993; Manz & Sims, 1993; Miller, 1975; Orsburn, Moran, Musselwhite, Zenger, 1990; Wellins, Byham, & Wilson, 1991), worker self-management (Barrera, 1981; Garson, 1977; Sacks, 1983), employee ownership (Cotton, 1993; Scurrah & Podesta, 1986), total quality management (Dean & Evans, 1994; Deming, 1986; Moguel, 1993; Trejos, 1995; Weis, 1994), self-managed indigenous communities (Bedoya, 1987; Putterman, 1984), and multiple forms of neighborhood grass-roots organizations that engage in mutual help for work (ENDA, 1987). The literature cited above includes experiments with workplace democracy in all continents, regardless of the political system in place in each country.

The organizational theories behind the push for workplace democracy vary according to the type of scheme implemented, the degree of employee involvement, and the purpose sought with the participation scheme. The theoretical foundation for the implementation of worker-managed participation schemes can be traced back to the old quest for increasing workers' control in the work place (Scurrah & Podesta, 1986); while other forms of participation that do not require redistribution of ownership owe their theoretical basis to several contemporary management theories, such as sociotechnical systems (Beekum, 1989; Cummings, 1978; Miller, 1975), leadership substitute theory (Kerr & Jermier, 1978), social learning and cognition (Bandura, 1986; Manz & Sims, 1993; Sims & Lorenzi, 1992), and followership theories (Kelley, 1992; Weiss, 1996).

The implementation of a wide range of employee participation schemes at work has been associated with important organizational outcomes all over the world. Some of the outcomes with which they have been associated include: increased employee productivity (Cotton, 1993; Gaitan, Davila, & Zarruk, 1985; Miller, 1975; Wall, Kemp, Jackson, & Clegg, 1986; Weiss, 1994), governmental efficiency (Ickis, De Jesus, Maru, 1986), employee commitment (Barrera, 1981; Tarrab & D'Aragon, 1986), production efficiency (Caravedo, 1986; Sacks, 1983), job satisfaction (Cotton, 1993; Tarrab & D'Aragon, 1986; Wall, Kemp, Jackson, & Clegg, 1986), and a difficult-to-measure sense of organizational synergy (Adizes, 1971; Cotton, 1993; Katzenbach & Smith, 1993; Robbins & Finley, 1995; Schaupp, 1978; Scholtes, 1988). All these outcomes are of a positive nature for both the organization and the employees involved.

Obviously, workplace democracy has also been associated with operational problems, failures, and numerous obstacles which are inherent to each participation scheme (see Adizes, 1971; Barrera, 1981; Bedoya, 1987; Cotton, 1993; De Castro, 1988; ENDA, 1987; Gaitan et al., 1985; Katzenbach & Smith, 1993; Kras, 1994; Liboreiro, 1986; McClintock, Podesta, and Scurrah, 1984; Moscoso, 1987; Ortega, 1985; Putterman, 1984; Robbins & Finley, 1995; Schaupp, 1978; Scholtes, 1988; Scurrah & Podesta, 1986; Weis, 1994; and others). In Latin America, participation schemes face serious implementation difficulties derived from the nature of the region's capitalist development (in most cases), state control over the production means (in others), and the lack of a self-management culture in general. For example, De Castro (1988) stresses that several participation schemes have failed in Brazil because of the tutelage model of labor relations, employer control strategies in the workplace, and resistance from unions. Lack of experience with quality circles have posed difficulties to the implementation of that approach in Colombia (Gaitan, Davila, & Zarruk, 1985; Weis, 1994). The "traditional managerial culture" in Mexico, according to Kras (1994), makes the transition to "modern" management (as she sees it) more difficult.

By the same token, self-management experiments in Latin America face several other types of operational difficulties (Bedoya, 1987; ENDA, 1987; Iturraspe, 1986; Liboreiro, 1986; McClintock, Podesta, and Scurrah, 1984; Ortega, 1985; Scurrah & Podesta, 1986). As stated by Moscoso (1987) in his account of the struggle of a workers' cooperative in Ecuador, the road to self-management is a difficult path. Moscoso explains in plain "latino" Spanish how "autogestión" [self-management] in Ecuador encounters obstacles of a psychological, economical, political, technological and bureaucratic nature, that could well be the case of most countries in Latin America.

Factors in Favor and Against Workplace Democracy in Latin America

In the context of the Latin American managerial culture, there are certain factors that favor workplace democracy, and others that hinder it. Among those that enhance it are the collectivistic nature of the culture, extended family arrangements, the sense of solidarity present in the culture, some aspects of technology transfer from more developed countries, and the advent of democratic developments in the political context. Among the ones that hamper participation are the high concentration of power in organizations of different nature in the region and an overall weak self-management culture within work organizations.

The dimension individualism-collectivism has been used to compare different clusters of countries in work-related variables (Hofstede, 1980; Hofstede, 1983). The cluster of Latin American countries studied by Jackofsky et al. (1988), Ronan & Shenkar (1985), and Ronen & Kranut (1997), scored high in collectivism and low in individualism. In collectivistic societies, people see their organizations as family, the organizations defend their employees interests, organizational practices are based on loyalty, sense of duty, and group participation. This collectivistic tendency in the Latin American culture in general, as it extends to the work place, helps the prospects for workplace democracy. The extent to which this cultural asset has been used by work leaders to enhance workplace democracy is not clear.

The drive for political democracy that is sweeping away old authoritarian regimes in Latin America is also a factor in favor of workplace democracy. The transition from authoritarian rule to political democracy in the region has been amply documented in the political science literature (see Malloy & Seligson, 1987; O'Donnel, Schmitter & Whitehead, 1986; among many others). It has taken place during the last 30 years and has produced strengthening of the civic society, electoral reforms, and provided for more accountability in public administration.

Although the forces that prompt changes in the political arena may or may not be the same that foster changes in work organizations, changes in the political arena do influence democracy in work organizations. The similarities between political and managerial cultures pointed out before give hope to the belief that as more progress is made in the democratization of politics in the region, more experimentation with workplace democracy can be expected.

As mentioned before, one of the most relevant stumbling blocks to workplace democracy is the high concentration of power in work organizations. This tendency has been suggested in several studies that have included Latin American countries (Fuller, 1992; Hofstede, 1983; Jackofsky et al., 1988;Otalora-Bay, 1986; Ronan & Shenkar, 1985). Hofstede's study (1980) identified as "power distant" several countries in the region. Hofstede defines power distance as the preferred degree of power inequality between two individuals. In countries with high power distance scores, power holders are entitled to privileges, and the social norm is for clear and strong superior-subordinate relationships. In countries with low power distance scores, the norm is for more equality and sharing of power. Weiss (1996, p.191) says that "high power distance societies and members believe the boss is right because he or she is the boss...less powerful members of society accept the unequal distribution of resources and power in society." According toHofstede (1980), power distance norms are related to the reactions of individuals to the hierarchical power structure and to authority in organizations. The author believes that this is the single most important hindrance to workplace democracy in Latin America.

To be more precise regarding the effects of a weak self-management culture at work in Latin America, let's take a look at the different types of work organizations that are typically found in the region. For the sake of manageability, the work-organization taxonomy developed by Jorgensen, Hafsi, & Kiggundu (1986) will be used for this analysis. Regardless of size and sectors where they operate, Jorgensen et al.(1986) identified four (4) basic types of work organizations in developing countries: (a) government and state-owned enterprises, (b) the entrepreneurial family-owned firm, (c) the industrial cluster, and (d) the multinational subsidiary. The author will add a fifth type: the non-governmental organization-NGO. The NGOs are a type of organizational creature that has spread all over the developing world as governments have failed to provide basic services to the population. Like multinational corporations, NGOs sometimes bridge the transfer of technology and managerial know-how between developed and less developed countries.

Throughout history, "government institutions and state-owned enterprises," have shown a highly hierarchal structure due to, in part, their heritage from the military and the church. According to Jorgensen et al. (1986, p.429), they most of the time "emphasize political survival rather than effectiveness and efficiency." This emphasis sometimes gets in the way of promoting workplace democracy. In many cases, organizational practices such as patronage and nepotism cause them to lose interest in measures of performance, productivity and other effectiveness indicators that usually accompany the implementation of work democracy schemes. Some progress toward greater decentralization and accountability is observed in the public sector in Latin America lately. This trend has accompanied the transition to democracy taking place in the political realm in the region. The work of some global organizations (such as the technical institutions of the United Nations), regional organizations (such as Organization of American States), and technical-support networks (such as the Latin American Center for Development Administration-CLAD) has helped to encourage this drive toward more decentralization of governments.

"Private businesses" are the most common types of work organizations in Latin America both formal and informal. Again, for the sake of manageability, we will refer to formal business organizations in this paper. Informal businesses tend to show very similar characteristics regarding power orientation in Latin America; but their study in terms of organizational behavior is very limited. Jorgensen et al. (1986) classify formal business organizations in two types: (a) entrepreneurial family-owned, and (b) industrial cluster. These two types of business organizations show different dynamics regarding their proclivity to engage in work democracy schemes. Both types face very unique sets of challenges for decentralizing decision making, due to their origin, size, and structure. The other unique challenge alludes to their varying degrees of access to technology and managerial talent.

In the case of the "entrepreneurial family-owned organization," the entrepreneur is the owner and manager, playing different roles in the community. This type of organization diversifies risk by engaging in several businesses at once, linked by family ties. For that reason, Jorgensen et al. (1986) called it "the octopus." This type of work organization is usually characterized by a lack of management talent. Their cadre of middle managers and front-line supervisors emerges primarily through nepotic practices and is usually developed from within the organization with very little exposure to formal schooling and contemporary management education and technology. Kras (1994) studied this type of organization in Mexico and concluded that the changes in management philosophy and practice have to be drastic, in order for the owners to embrace self-leadership and engage in decentralization, participation, and self-management schemes.

In the "industrial cluster," the control shifts from family funding to professional managers. In Weberian terms, this is where the control of bureaucrats and technocrats takes hold, as documented by Weis (1994) in her study of industrial organizations in Colombia. This type of business organization is typically well equipped in terms of managerial talent. Staffed at the upper and middle management levels by college graduates and other professionals with graduate studies either in their own countries or abroad, they resemble very much their counterparts in developed countries. Following the footsteps of the total-quality-customer-focus approaches in the United States, Europe, and Japan, they pay close attention to the notion of "customer empowerment." The extent to which this interest in customer empowerment is translated into "employee empowerment" is not totally clear. Their size, competitiveness, and interest in efficiency make them the most likely candidate for experimenting with work democracy schemes.

Jorgensen et al. (1986) referred to the "multinational subsidiary" as "the truncated organization" because many of the logistical functions are performed at the parent firm, while the operating core is located in the host country. Studying multinational corporations in the United States, Germany, and Japan, Negandhi (1984) found that global rationalization practices were creating higher levels of centralization in decision-making. According to Brooke (1983), powerful commercial pressures to centralization make the multinational firm an unlikely candidate for industrial democracy. On the other hand, the growing trend for multinational firms to ascribe themselves to what Beamish, Morrison, & Rosenzweig (1997) called "geocentrism" in integrating people from different regions and countries, favors their engagement in participatory schemes. The other force prompting multinational subsidiaries to experiment with organizational decentralization is their symbolically-assigned role as vehicle for technology transfer from the developed to the developing world. Technology transfer includes management technology. Since most of the decentralization schemes that workplace democracy encompasses have been, if not developed from ground zero, then at least perfected in the developed world, multinational subsidiaries are in a very good position to promote it.

"Non-governmental organizations" (NGOs) are very similar to government institutions in their programming and the nature of the services they provide to communities in developing countries. But they are radically different both in terms of their size and structure, and in terms of their willingness to not only decentralize themselves operatively, but also to involve their own client population in their internal decision-making process. They tend to be interested in measures of performance effectiveness to be accountable to donors in the developed world; and, therefore, show some willingness to experiment with participation schemes. Of course, their small size and their ties to donors in the developed world facilitate experimentation with workplace democracy.

Summary of Recommendations For Future Research

The preliminary review of the literature on workplace democracy in Latin America left the author with more questions than answers. The following paragraphs address some of the issues that the author thinks deserve further exploration in the immediate future. Some of them reflect the need for future research with potential practical applications to the world of work. Others are further questions for exploration of a theoretical nature.

1. There is a need for studying the magnitude of work democracy experiments in the region. For example, what is the relationship between political participation in general and employee participation at work? Does political democracy influence workplace democracy and/or vice-versa? How to explain the fact that organizations (and management practices) seem to remain authoritarian in nature, while societies are undergoing transformations in the direction of political democracy? Since the ultimate aspiration of political democracy is total participation of the members of the society for redistribution of power (that is, the existence of a politically participant citizenry), to what extent does that "participant citizenry" express itself in work organizations in Latin America?

2. Researchers in Latin America would benefit from studying workplace democracy regardless of ideological preferences, to capture the full spectrum of possible outcomes of the phenomenon. In his foreword to Volume II of the International Yearbook of Organizational Democracy, Heller (In Wilper and Sorge, 1984, p.xxxv) stated that the term "organizational democracy is not intended to imply an analogy with the concept of parliamentary or political democracy. This means that forms of organizational democracy can exist in places that do not have political democracy, as defined in most Western countries. At the same time, it is compatible with individual ownership of the means of production." This assertion might help to explain the existence of work democracy schemes in different political systems such as those described by Fuller (1992) in Cuba, the formidable advancement of self-directed work teams in major corporations in the United States (Beekum, 1989; Cummings, 1978; Fisher, 1993; Manz & Sims, 1993; Miller, 1975; Orsburn, Moran, Musselwhite, Zenger, 1990; Wellins, Byham, & Wilson, 1991), and some other countries in the middle of the political spectrum around the world (Bayat, 1991).

3. As stated at the beginning of this paper, the way one defines "workplace democracy" will determine what is studied, and what is left out of inquiry. If workplace democracy is defined narrowly within the confines of a particular political world view, the theoretical perspectives and methodological tools provided by that paradigm may well filter the information available that does not fit it. The author believes that the study of workplace democracy in Latin America suffers from this paradigm disease; that is, most of the published literature is confined to investigations of employee participation schemes that involve redistribution of ownership (see Barrera, 1981; Bayat, 1991; Espinosa & Zimbalist, 1978; Fuller, 1992; Iturraspe, 1985; McClintock, 1981; McClintock, Podesta & Scurrah, 1984; Moscoso, 1987; Scurrah & Podesta, 1986; Schneider, 1986; Stephens, 1980). This strong emphasis on studying mostly self-management experiences that imply redistribution of ownership neglects the vast array of experiences that might have been implemented in several places without redistribution of ownership, which go understudied or at least under published, to the best of the author's knowledge. This bias misleads people to believe that only when employees own the business or control the production means is there self-management. Because of this bias, one does not know of other participation schemes that might have been successful, such as the cases that Gaitan et al. (1985) and Weis (1994) documented in Colombia's quality circles and Osland, De Franco, and Osland (1999) refer to elsewhere in the region. Furthermore, in some cases the term "autogestion" [self-management] has been misconstrued to reach the connotation of a bad word ["mala palabra"], as Scurrah & Podesta (1986, p.17) reported in the case of Nicaragua. In regards to this issue it is pertinent to wonder whether the lack of publications about other participation schemes in Latin America (that do not imply redistribution of ownership) is a reflection of the lack of broader-scope studies, or a reflection of the non-existence of these other participation schemes in the region.

4. Given the features of the Latin American managerial culture (not discussed here for lack of space), the process of "learning self-direction" deserves to be studied carefully. As Gaitan et al. (1985) gleaned from the Colombian experiments with quality circles, learning to work in participative schemes does not follow a "predetermined path" (p.45); because the specific tools to apply will vary according to the situation. Regarding this learning process it is pertinent to address several questions: What factors (social, cultural, psychological, etc.) affect people's participation at work in Latin America? What does it take to learn self-management at the level of individuals, organizations, and countries? What are the self-direction hindrances, and ways of addressing them? Practitioners of organizational behavior in Latin America need basic research in these areas to be able to contribute to the democratization of the workplace.

5. Another issue deserving further study is whether regional differences within the same country have any impact on the way people accept and get involved in participatory ventures. For example, as the author collected data for the evaluation of a management development program in an NGO in Ecuador during the summer of 1997, he noticed that managers interviewed in the coastal region (Manabi) were successfully engaged in self-directed management teams,

while managers in La Sierra region (Bolivar) were facing serious difficulties in implementing the team management scheme. Similarly, a self-directed management team was operating smoothly in Santa Cruz (Bolivia) while the same scheme faced several implementation difficulties in Tarija, within the same country. By the same token, while in El Salvador and Honduras the same NGO has implemented self-directed work teams, it has not implemented them in the Dominican Republic. Kras (1994) observed the same trend in her study of Mexican management, as she noticed that the industrial north tends to be more prone to modernizing management practices than the southern part of the country. The question here is: are there cultural characteristics that explain regional differences in the proclivity of people to engage in self-management ventures?

6. Finally, given the push toward greater diversity in U.S. work organizations, it is pertinent to wonder what are the implications of the evolution or lack of evolution of the Latin American managerial culture to favor or limit workplace democracy?

The author hopes that further research will shed light on these and other issues related to decentralization of power and people's participation schemes in work organizations.

How This Research Contributes to New Knowledge in HRD

The ways in which a nation's political culture impacts workplace behavior is another phenomenon scarcely studied around the world and, in particular, in Latin America (Montesino, 2000a). This is one of the most relevant contributions of this literature review to the HRD field. According to Almond and Verba (1963, p.14), "the political culture of a nation is the particular distribution of patterns of orientation toward political objects among the members of the nation." The term managerial culture is used here in the same sense; that is, the set of work practices by managers and employees (two very special kinds of leaders and followers) that are a reflection of philosophical orientations, values, and beliefs about work behavior and the role of the self in the context of the work organization.

Particular preferences for power holding in the region have a tremendous impact on the management development initiatives undertaken. Latin America is not a homogeneous region regarding cultural characteristics and behaviors. But, according to some (Hofstede, 1983; Jackofsky, Slocum, & McQuaid, 1988; Ronan & Shenkar, 1985; Veliz, 1980), among the many commonalities, "power holding" stands out as one the organizational behaviors in which most people from the different regions of Latin America tend to act alike. Several scholars even tend to suggest that the region's political and managerial cultures over-emphasize ways of power holding that get in the way of democratic development (Avila, 1980; Harrison, 1985; Veliz, 1980; Wiarda, 1974). Some researchers (Booth & Seligson, 1984; Farris & Butterfield, 1972; Montesino, 1998; Montesino, 2000a: Montesino, 2000b) seem to be skeptical about this alleged inherent authoritarianism. Others (Todaro, 1974; Tulchin, 1983) challenge that conclusion on methodological grounds. Regardless of what corner of the debate you support, the implications of power orientations at work for HRD are vast.

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Toward a New HRD Organization Model

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Increased economic growth in Asian and European markets, fueled by European incorporation of former state-controlled economies and by development of Asian financial infrastructures, will one day place the Americas at a competitive disadvantage unless a new international organization model emerges that can better harness labor to strengthen the hemispheric economic engine. HRD can lead emergence of such a model while furthering development of an independent workforce, attending to greater needs for self-directed training.

Keywords: Organization Structure, Organization Model, NAFTA Structure

HRD practitioners who are committed to developing and unleashing human potential through both organization development (OD) and through personnel training and development (T & D) might consider uniting the two modalities in a new organizational structure to be the best response to long-term hemispheric political and economic needs. It is argued here that furthering the long-term capability of the Americas to compete on an equal basis with the future European Union and Pacific Rim communities will require a new organization model that can facilitate development of and harness an emerging independent workforce (Beck, 2000).

This call for HRD to develop a new model begins with its most immediate relevance for the Western Hemisphere, but also looks to the future where such a structure will strengthen labor capability wherever OD leads economic and social development. To open the debate, the following review first explores how NAFTA might become a pan-hemispheric economic engine, and then examines how current organization modeling can contribute to development of a new organization structure.

Why the Americas Need a New Organization model

Agreements between the US, Canada, and Mexico in 1993 formed the North American Free Trade Alliance (NAFTA) in recognition of commerce among the countries and the common desire to stimulate development and economic growth across shared borders. The borders remain closed, however, to the general movement of labor that might accelerate economic development. An objective of the newly elected administration in Mexico is to pressure the US and Canada so that borders are opened much like they are to citizens of the European Union (EU) (Fox, par. 13).

Against a background of individual country laws, customs, and political practices, transnational corporations have established branches, joint ventures, and ownership positions, sometimes interacting with cultures having profoundly different business behaviors. Advances in communication and transportation have widened the portals of international trade, encouraging small and medium-sized businesses to join larger compatriots in the international business sphere.

Recent challenges in Asian financial centers demonstrate the interdependence of economic forces in that marketplace. Equally evident was the *relative* independence of the US economy from those same financial forces. As the Asian financial community addresses fundamental issues, area development should eventually resume prior growth, restoring Pacific Rim status as a communal economic force, more solidly grounded than before. A similar force will emerge in a unified Europe that includes countries once dominated by state-controlled economies. The EU expansion eastward gained momentum during December, 2000 EU meetings where new membership conditions for a dozen European nations were agreed upon. Swedish Prime Minister Pearson declared, "this is a big day for Europe . . . we are ready for enlargement" (Star Tribune, December 11). An expanded EU capitalist machine will rival the Pacific force as well as that of the Americas for trade supremacy. The Americas might need the unifying force of an enlarged NAFTA to compete on equal terms with the other two communities.

The Americas lack the common currency and history of political diversity that characterize the new

European capitalism. As Europe effectively resolves its current issues, it will continue to make inroads into markets previously dominated by US interests, including the Mercosur counties led by Argentina, Paraguay, and Uruguay. Some fundamental issues in cross-border agreements have been painfully addressed through the first NAFTA agreements, and judicial oversight agreements continue to examine common labor concerns. The greatest barriers to realizing the economic potential of hemispheric development are political and systemic, where national interests continue to thwart benefits of cooperation. Isolated political agreements might overcome some political barriers, but solutions to systemic barriers will require a closer examination of the ways companies do business across hemispheric borders. Some organization model components are better suited to extend current regional cooperative ventures. Identifying and combining some of those components might lead to a hybrid model capable of reconciling marked differences in country economies as well as labor markets subject to different cultural norms and educational systems. Organization systems that can respond to project needs throughout the Americas by accessing expertise wherever it resides will help meet production needs, while hemispheric politics should respond to the same realities that are overcoming Eastern European political intransigence.

Method

This inquiry eschews the common research design where a problem is identified and a problem-solving analysis and solutions presented. Instead, it is designed to create a dialogue based upon principles of *appreciative inquiry (AI)* that rely on generative rather than adaptive learning philosophy (Barrett, par. 5). Zemke (1999) considers AI as an "alternative to problem-oriented models . . . a new approach to OD that focuses on what works rather than what doesn't" (par. 1-2). AI was proposed by Cooperrider at Case Western Reserve; it is described as an innovative process for organization change that moves from "deficits to positive possibilities" (Schau, 1998, par. 1).

Where adaptive learning focuses on incremental improvement to existing services, products, and markets, generative learning looks to "continuous experimentation, systemic rather than fragmented thinking, and a willingness to think outside the accepted limitations of a problem" (Barrett, par. 6). Lawton (1993) makes a further distinction, between "convergent thinking" and "divergent thinking." Convergent thinking refers to "incremental modifications" made for improvement. Divergent thinking, on the other hand, refers to the ultimate outcomes of our industry (p. 80). The inquiry question treated here defines movement "toward a new HRD organization model" as an opportunistic outcome rather than the closing of a productivity gap so as to conform to requirements.

The inquiry proceeds with a review of the literature about organization models, with the purpose of identifying model elements that might contribute to worker mobility and effectiveness throughout the hemisphere. Employment should be supported by legal, political, and social institutions that empower rather than constrain, whether knowledge work or manual labor. It is hoped that the inquiry's discussions will generate further scholarly dialogue around the question. The literature selected for review includes articles that examine popular organization models, first, and then analyses of political, legal, and social conditions that affect NAFTA and international trade.

Assumptions

This inquiry assumes that certain political and economic conditions will prevail, and that some training issues will take on added significance. First, a hemispheric alliance will continue to evolve, providing a coherent market competitor in answer to European and Asian alliances. For example, Mercosur members have shown a willingness to join NAFTA if given the opportunity.

A hybrid organization model will improve upon current organizations in hemispheric commerce that have not furthered the interests of workers who are only now learning how to compete in a new information age. Consistency in training and portability of benefits are critical issues for the hemispheric future, and their provision may also represent an ethical underpinning of the HRD profession. As computer access to hemispheric markets matches opportunities with workers, their access vehicle for employment will depend on cross-cultural credentialing as well as on the structural means workers have of joining an international work force.

Training for a hemispheric workforce increasingly made up of contingent employees will raise new issues for HRD, since traditional corporate in-house training programs have been subject to the same downsizing and reengineering forces that have surfaced as a wide-spread corporate activity. The fluid global marketplace of the foreseeable future will most likely see an increasing reliance on economies of scale that direct more of the financial costs of training and education on to workers. This assumption might be revised where organizations recognize and initiate training programs to satisfy critical international commercial needs. Cross-frontier credentialing might require greater standardization in competency-based training and education system models, patterned after standards developed in emergent international HRD programs and philosophies. The new organization model must coordinate training and credentialing tasks, perhaps through a NAFTA-style division charged with overseeing hemispheric standards in these areas. A similar group might emerge to define and supervise cross-border benefits and other labor standards. Such groups may combine public and private sponsorship at the same time they offer workers entry to Pan-American job assignments.

Current Organization Models

To help conceptualize a new system to further hemispheric capabilities, this section looks at some organization models that characterize international commerce as well as examining political relationships and legal considerations that would impact a new organization model.

Organization Structure

The following organization models are most likely to contribute to a new structure that maximizes international labor access to work and effectiveness: the matrix, heterarchy, diamond, broker, and MNC subsidiary.

Matrix. The matrix has been a popular model since the 1960s, although it has been attacked in recent years. Bartlett and Ghoshal (1990) argue, however, that the matrix concept remains a valid way to meet organization needs, since the strategic reality for most companies is that "both their business and their environment really were more complex" (p.139). The matrix organization combines elements of both functional and project team organizations, imposing a lateral program management on the traditional hierarchical structure. The advantages of the matrix organization were listed by Cummings and Worley (1993), and included making specialized, functional knowledge available to all projects while providing great flexibility in harnessing human resources. The matrix structure also allows adaptation to environmental changes by altering emphasis according to project or function. The principal drawback to the matrix concept is in its multiple reporting line, a violation of the "unity of command" principle. Most other drawbacks of the model are disadvantages of a political rather than structural nature. Larson and Gobeli (1987) see the matrix concept as a continuum between the traditional functional hierarchy and the project team concept. The matrix organization might be especially suited for the new hemispheric workforce. The vertical "silos" that define the functional side of the matrix organization can also include a "silo" that represents the contingent workforce available to meet individual project needs. The project-centered nature of the matrix structure allows organizations to recruit people with skills needed for specific international projects. While about one-sixth of the domestic US workforce is currently employed in contingent labor, much of which is highly skilled in scarce technical disciplines, corporations are increasingly tapping an international workforce to meet interdependent trade and manufacturing needs.

Heterarchy. Solvell and Zander (1995) propose another organization structure when they examine the dynamic multinational enterprise (MNE). They compare the relationship of the home base corporation to its subsidiaries and define a *heterarchical* MNE, differing from the limited home-base model where the typical MNE has its core functions and its core manufacturing. The heterarchical model has many centers of different kinds to better deal with the increasingly complex international marketplace. Solvell and Zander believe that advantages in the heterarchical MNE include both low-cost or skilled labor provided in the host country as well as access to advanced research institutions. They compare models proposed over the years, such as the geocentric firm, the multifocal firm, the diversified multinational corporation, the transnational firm, the horizontal firm, and the heterarchical MNE, and find a common theme among them where the MNE builds more complex organizational structures and management processes that can combine global integration with location differentiation. The heterarchical model has different kinds of centers: traditional headquarters functions are geographically dispersed where any subsidiary can generate new knowledge. Each center assumes its own leading role in the creation of new technologies. Hence, a business segment may have a different home base than headquarters, and changes may occur anyplace among different units. A foundational concept of the heterarchical model is that *information about the whole is stored in each part of the organization.* By joining location with particular demand characteristics and allowing functional activities to be carried out anywhere in the world, the heterarchical model "accentuates the trade-off between the geographical demand and functional dimensions that would represent shifts in the traditional matrix structure." (1995). Solvell and Zander raise important questions for HRD, including a central issue of how a heterarchical firm can build a corporate culture strong enough to overshadow the complexity of national cultures. Core activities, including decision-making, R & D, and core manufacturing operations, are mostly performed at the home base, while subsidiaries carry out peripheral activities in sales, service, and local adaptations. The MNE would "selectively tap" subsidiary resources where technological innovations or advances were developed abroad. A multi-home based organization has emerged, where the MNE taps into specialized labor pools that could also include a contingent workforce, advanced customers, and close competition with leading rivals.

Diamond. Solvell and Zander also look at a "diamond" organization model; this model, however, already corresponds to a polycentric concept of organizations based on regions or nations rather than on a global environment. They review a "Hollywood Paradox," a localization process said to emerge where a geographic area develops an overwhelming advantage in skills or expertise that becomes a cluster of core functions far beyond that of the competition. Neither concept appears to contribute much to the organizational need identified here.

MNC Subsidiary. Birkinshaw (1995) proposes three types of international organization subsidiaries from the literature: *world mandate*, *specialized contributor*, and *local implementer*. Birkinshaw compared structural characteristics of each against the principles that define hierarchical and heterarchical multinational models. He held that "the relevant facets of the corporate strategy and the external environment are largely built in to the subsidiary's structural context." He defines the three subsidiaries as follows:

Local Implementer: limited geography, single country, with constrained products.

Specialized Contributor: expertise in activities closely coordinated with activities of other subsidiaries; highly interdependent with the other subsidiaries.

World Mandate: develops and implements strategy with HQ, but has worldwide or regional charge of product line or entire business; has unconstrained product scope; activities are integrated worldwide but managed from the subsidiary rather than home office.

Birkinshaw claims that the hierarchical model cannot reflect the complexity of the MNC with peripheral operations that eventually develop their own resources and expertise, and thereby reduce their dependency on the parent company. A subsidiary released from tight control combines the MNC theoretical structures of transnational and horizontal organization into a heterarchy that is distinguished from the hierarchy by dispersing resources, management, and decision-making throughout the organization. High autonomy among peripheral units might facilitate the harnessing of independent or contingent labor to meet project requirements unique to a local context.

Broker. The broker organization serves as a necessary intermediary for contingent labor. The networking associated with that enterprise is more difficult to maintain, however, and likely represents a developmental phase for emerging members of the independent workforce rather than a final direct association with global employment.

Organization Structure Summary

In a hierarchy, divisions are organized around specific products or markets. The heterarchy model further develops expertise in divisions or subsidiaries so other entities of the MNC may draw on its specialized capabilities. Such expertise might include the contingent labor resource much as a "peripheral silo" might attach to the traditional matrix model. HRD could facilitate development of a hybrid organization model that combines elements of the heterarchy, the matrix organization, subsidiary concepts, and broker mechanism. A heterarchical organization might be the best mechanism to service corporate home and overseas branches. The matrix model matches functional task authority against a project orientation, with the advantages and shortcomings of both elements. The broker organization has been well-suited to recruiting expertise where projects define employment needs for specific tasks within given timelines. Should a new model combine attributes of the structures reviewed above, it must also address issues of standardized training and portability of benefits in an individual country context, where a combination of economics, education, and labor determine project or corporate success.

Political Relationships

The political ramifications of trade agreements have consequences for economic health, regional stability, and development of social institutions. The following illustrations demonstrate the variations in political responses to commerce, employment, and cross-border wrangling that have accompanied the emergence of NAFTA.

Labor union influence led the US to negotiate side agreements to NAFTA to protect US jobs they believed to be in jeopardy. Barrett (1997) noted that "most of the jobs lost [in the textile industry] since the NAFTA pact took effect . . . have been the victims of technology, not NAFTA, according to the American Textile Manufacturers

Institute report on employment levels in the industry" (p. 4). She added that since trade barriers among NAFTA members were lowered, fiber consumption in US mills has increased every year to its highest levels in industry history. Meyers (1998) noted that critics of the pact contended that hundreds of thousands of jobs have been lost due to a surge in Mexican imports. However, he cites University of Minnesota economist Tim Kehoe who said that such claims ignore recent figures that show "Mexico has a balance-of-trade deficit with the US." Ostroff (1997) looked at broader hemispheric politics, and opportunistic neighbors to the south who would prefer to work with NAFTA, but who will not wait indefinitely for the US to extend an invitation. Chile wants to join NAFTA, but has been prevented from doing so due to "US protectionism and labor opposition." As a result of NAFTA, apparel and textile imports from South America have declined, but have risen from Canada. Ostroff believes that the US needs to enlarge NAFTA for those industries to grow internationally. In the meantime, Peru, Chile, and Bolivia are being drawn "toward an economic alliance with the Mercosur countries" to create a nearly pan-continental free-trade zone." Ostroff cites Julia Hughes, from the US Association of Importers of Textiles and Apparel, who sees a "shift of apparel assembly from regions where this business was growing steadily before NAFTA's creation" (1997). Meanwhile, the U.S. has no quotas on Peruvian cotton used for shirting, while Asian suppliers are limited by quotas. If NAFTA does not expand, Ostroff claims that domestic makers will confront South American tariffs of 20 to 25 percent. He fears that a US slow to expand NAFTA will move South American nations to develop their own free-trade agreements, freezing out the US. According to current timetables, Panama will soon join the Andean Community; by 2004 Mexico, Venezuela and Colombia will establish their own free-trade zone; and by 2003 Colombia and Venezuela will join with the Central American Common Market to form a larger free-trade zone. And, there are efforts to create a South American Free Trade Area. Finally, Ostroff contends that Mercosur and Andean representatives have been conspiring to eliminate barriers to the trade of their products in 10 to 14 years, but excluding US goods.

Gibson (1997) analyzes remnants of the Mexican PRI party and Argentinean Peronism to determine how they adapted their populist models to the reality of the new global marketplace. Both regimes modified historical alliances of metropolitan sophisticates and regional traditionalists to incorporate technocratic economics that represent the non-political forces of the free market. Both Mexico and Argentina now embrace a "neoliberalism" that relies on conservative business forces in the metro areas, replacing former exclusive ties with labor unions and the poor with selected groups of successful businesses *and their workers,* appealing to the growing middle classes and elites who had opposed the Peronists and PRI up through the late 1980s. The 2000 elections in Mexico have confirmed Gibson's analysis, as Vicente Fox's party assumed control. Labor rules are changing in both Argentina and Mexico; they no longer guarantee employment and wage levels, reducing labor costs and "neutralizing labor obstacles to marketization." In both countries, new laws now restrict the right to strike, decentralize collective bargaining, limit wage hikes, and make hiring and firing in the private sector more flexible. State-owned enterprises have been sold, eliminating thousands of jobs.

Legal Considerations

International legal practices as well as governmental laws have presented some difficult barriers to expanding the NAFTA concept. The following illustrations point out potentially difficult negotiations to be encountered later on.

Mukherjee (1997) examined recent court rulings and found that a California judge's ruling might have far reaching impact over subsidiaries or agents of US companies abroad. The ruling stated that foreign entities could sue US companies if they could prove gross negligence of conduct, such as human rights violations. Greg Wallace, partner with New York's Kaye Scholer Fierman law firm, asked, "are we seeing the beginning of a human rights standard for companies doing business abroad? This is not about having enough bathrooms or paying minimum wage, this is much more severe, and it revolves around slave trading." The case cited by Mukherjee was in Myanmar, and could represent an expansion of the Alien Tort Claims Act.

Global companies often place their stocks on the exchanges of countries where securities and accounting systems may differ in inventory valuation, principles of revenue recognition, depreciation, good will, consolidation of subsidiaries, currency translation, disclosure requirements, and voluntary loss reserves. For example, Venezuela uses a 20-digit general ledger, rather than the 12-digit practice common throughout the hemisphere.

Pincus and Belohlav point out that every country or geographic region has legislation regulating terms and conditions of employment. A significant human resource responsibility of a multinational is compliance with local employment regulations. An employee hired by a US company and stationed overseas has no legal right under US laws to the same benefits as the company's domestic employees, except where the company violates the antidiscrimination provisions of the Civil Rights Act of 1964. Companies are required to obey local regulations governing benefits to employees employed within a country. In Mexico, the Federal Labor Board and various state boards have been granted jurisdiction over businesses holding federal charters or operating within federal or state zones. Mexican minimum benefits include six paid vacation days, a 25% vacation pay premium, seven paid federal holidays, and fifteen days' salary as a Christmas bonus. Mexican employees are tenured after one year's work, after which they may be dismissed only for specified causes set forth by the Mexican labor law. When a strike is declared, all employees, including management, must strike and must be compensated. Bachman (1997) reviewed Mexican customs regarding child labor. "Under NAFTA, a country that exploits child labor could face millions of dollars in fines; Mexico is the only developing country in NAFTA which has a labor side agreement that makes failure to enforce child labor laws a punishable offense." In the meantime, some Florida farmers worry about competing against Mexican growers who do not face strictly enforced regulations on labor or on the environment. Bachman adds that "most modern Mexican factories are believed to screen out underage workers." Mexico can also avoid fines by showing an attempt to end an offense.

Pincus and Belohlav (1996) take a more global look at business activities, in general. Business abroad requires "an understanding of multinational business laws that include joint ventures; signing contracts with international distributors and agents; establishing branches in host countries; and opening subsidiaries." Some issues companies may face include the following:

- *Direct payment* requires irrevocable letters of credit, otherwise checks may not be honored.
- *Agents* enter into inappropriate contracts, although they remove certain sales risks.
- *Joint ventures* that do not require complete investment, but managerial control may be lost.
- *Branches* maintain central authority and control, but the company may have extra liability.
- *Subsidiaries* remove parent company from liability, but possibly repatriate profits or expropriate property.
- *Licensing* that limits parent firm investment, but removes control over product or service.
- *Acquisitions* that reduce startup costs and maintain goodwill, but most countries restrict foreign investment.

Venezuela restricts foreign ownership to 20% of capital stock in TV and radio broadcasting, in the Spanish language press, and in professional, consulting, and advisory services. Some countries allow additional forms of doing business: in Latin America, a business may operate as a limited liability company or as a company with variable capital, presenting factors that render traditional defenses, such as exercise of due care, unavailable to the manufacturer, often quite different from stricter product liability regulations in the US.

Employment Recruiting and Training Implications for HRD

Talbott (1996) looks at building a global workforce. Applicants who have both international experience and foreign language proficiency are in demand. He suggests that recruitment should concentrate on behavioral traits needed to succeed internationally as well as the technical expertise required for the job. He notes that "most often expatriates are selected from within the corporation" because they already understand the corporate culture. Talbott cites statistics from the American Institute for Foreign Study, where "only 5% of college graduates are proficient in a foreign language, and less than half of business students take a course that's internationally focused" (1996).

The International Journal of Physical Distribution & Logistics Management (1996) suggests that HR professionals looking to do business in Mexico should examine issues beyond the significantly lower labor costs in the country, such as wage and compensation packages, trade unions, training, labor legislation, and cultural differences. The Mexican Federal Labor Law states that employees are entitled to improve their standard of living and productivity through training. Training is mandatory and aims to update or improve employee knowledge, skills and aptitude; to prepare an employee for a new position; to improve safety and prevent accidents; and to improve productivity. Employers and unions must agree on training programs that are then approved and registered by labor authorities.

Montagno (1996) measures the future competitiveness of US firms in their capacity and willingness to provide extensive international training. He suggests that cross-cultural training participants be exposed to experiences in the context of the US cultural environment, where "everyday behavior has cultural clues embedded," and learning to recognize them is critical for cross-cultural understanding.

What of the role of adult education in the future NAFTA vehicle? Jarvis notes that adult education has become more visible throughout the world (1991). Thomas (1991) adds that the "relationship between economic development and adult learning has become relentlessly apparent . . . [with a] continuing need to maintain close functional and intellectual contact between adult education, economics, and politics . . ." (p. 305). Cunningham (1991) argues for including "peace education, sustainable development, and transnational exploitation" in the adult education discourse (p. 375). Is HRD thus challenged to facilitate adult education through the new organization?

The contingent employee might rely on individual skills to personally sell services to client organizations. Adult educators might be able to globally address national development needs by educating adults in skill areas external to particular organizations. Whatever the subject matter, knowledge and skills that make a worker more salable in a self-directed marketplace will further both individual and organization goals (Beck, 2000).

As employees freely contract with organizations, the extent of their commitment will be measured by how well the organization welcomes them and values their services. OD practitioners might help organizations learn how to attract contingent employees and seamlessly incorporate them into the corporate culture and structure.

Dishler would undoubtedly observe in this model that "the commercialization of adult education has arrived" (1991, p. 395). Another might argue that the model replaces the mandatory nature of human resource training with a voluntary model where internet access will create a new tool in workers' hands, linking their specific skill sets and knowledge to opportunities beyond the constraints of national borders.

The new organization model must embrace a philosophy of continuing education as a global contributor to economic development through largely self-directed learning. Organizations can benefit if they also provide structured on-the-job training that a worker can translate into improved skills for a broader marketplace. In this vision, the guiding humanistic values intrinsic to adult education have a natural fit in an HRD large-system model where individual contributions are recognized and highly valued by organizations. Other critical questions remain to be answered: what happens to commitment in the workplace where workers will be gone after a project has ended, and what hemispheric job centers will service this new transient population? And, Can a NAFTA mechanism be created to develop portable insurance and benefit systems that cross national boundaries where multinational companies are not already providing such benefits? A functional element in the new model might be adapted to manage portable packages with a yet to be determined hemispheric benefit banking system.

Findings

This inquiry has identified elements from a number of international organization models that might contribute to a new structure that could facilitate and empower labor availability throughout the Americas. The final goal would extend such a model globally, furthering the development of an emerging, independent workforce. The major contributions of that inquiry so far include the following:

The matrix provides a project team orientation, where resources are identified cross-functionally in an organization. If the organizing principle added another "silo" to its traditional, functional lines, to include a peripheral workforce, only a contingent worker entry point into that outer silo would be lacking.

The heterarchy provides a localized context, structurally accounting for the cultural, political, and social requirements of the host country. The availability of a global resource to the subsidiary further heightens its ability to draw upon resources far beyond its geographic limits. The entry point for independent labor is less clear, although each subsidiary would present a different legal, political, and social context for work.

The broker organization can provide an intermediate step for a more sophisticated, developing workforce.

It was suggested earlier that a parent body might already exist in NAFTA, a division of which could develop and oversee hemispheric standards for credentials, portability of benefits, and other employment mechanism issues. It was not so clear, however, where the self-directed learning that is foundational to an independent workforce might evolve. It was suggested during the discussion about recruitment and training that HRD in its international practice might provide the leadership among corporate and governmental bodies to place the role of continuing education as an important adjunct to any system adopted to further international commerce.

Finally, the legal, social, and cultural differences in the Americas argue for an HRD effort that addresses the politics of organization development, leading the development of resources that heightens the economic vitality and independence of hemispheric neighbors, rather than furthering a foundation that has been considered exploitative of US and Canadian interests.

Conclusion

The new EU currency, the Euro, is meant to symbolize a new era of European cooperation and prosperity. Its volatility against the US dollar, however, illustrates the barriers that yet remain as national structures give way to a communal economic system. HRD can help the US move beyond similar nationalist challenges in the Western hemisphere to long-term economic viability by developing a new organization model better suited to the realities of an increasingly fluid labor market for global commerce. That commerce grows in complexity when the movement of labor is factored into global economics. Economic development is hindered by policies and practices that restrict labor movement according to national boundaries rather than interdependent economic regions. A mechanism that would support the development and circulation of labor to meet regional needs will further the economic health of the Americas in the near future and globally in coming decades, empowering human resources beyond our custom.

Further investigation is needed to determine the adaptability of a new organization model to the EU and to the Pacific Rim, where workers' rights remains an important issue for the international HRD practitioner. This inquiry looks to a future role for international HRD where a growing corporate focus on outsourced and contingent employment can at the same time empower an independent workforce.

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Differences in Priority for Competencies Trained between U.S. and Mexican Trainers

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One of the greatest challenges in the modern world is the knowledge, skills and abilities of the labor market. As a result, the educator and trainer must recognize the importance of having highly trained and qualified personnel. An important commitment of the signing of the free trade agreement (NAFTA) was the collaboration specifically in the educational and professional training fields. This paper examines the differences in competencies for training programs between Mexico and Unites States companies.

Keywords: Training & Development, International Training, Training Competencies

Numerous researchers and professional organizations such as the American Society for Training and Development (ASTD) and the National Society for Performance and Improvement (NSPI) have investigated the roles and competencies required in carrying out human resource development (HRD) functions. In 1989, during the Human Resource Development Practice Model investigation, the competency concept was redefined, culminating in 35 competencies. These competencies have become the basis for human resource training and currently are being used as a training model domestically as well as internationally.

There are cultural and societal background differences between the United States and other international countries including different importance of training competencies. Texas A&M University has conducted training programs in Mexico for several years. Although all thirty-five competencies are being trained for, the Mexican culture places different priority on the competencies as far as rank of importance is concerned. Therefore, the purpose of this paper was to discover the difference in priority for competencies trained between U.S. and Mexican companies.

Training &Development in Different Cultures

The United Kingdom, France, Canada, and the United States have been researching an educational model to determine the change in priority of training competencies over the last 20 years (Paprock, 2000). Considerable progress has been made in identifying the competencies important to training and development; ASTD has led this effort in developing the roles and competencies for HRD practitioners.

A competency is defined as an area of knowledge, skills, attitudes, or intellectual strategies that are critical for producing key outputs (McLagan, 1989). Competencies can be the key components in strategic, operational, interpersonal, and technical tasks and decisions (McLagan, 1996). It is necessary to understand the context in which the competencies are needed. The identified competencies have been instrumental to the development of instructional materials for various types of needs in training programs. ASTD published a national study identifying 35 key competencies that professionals in Human Resource Development possess (McLagan, 1989). These competency models can be decision tools for training requirements.

As McLagan (1996) recalled, she and ASTD offered menus of outputs and competencies in 1989 so HRD practitioners could construct their own work profiles. They provided tools for using the models in such activities as career planning, assessment, organization design, and selection. However, these assumptions have been changed based on the time and situation. Whereas the assumptions focuses on changes in technology, economic pressures, and increased need for business and industry to operate in the international environment in 1983, the 1989 study highlighted such workplace challenges as accelerated rates of change, a concern for quality and customer service, and globalization. They also indicated the organization's requirement at that time.

Global businesses today need employees who can manage themselves, teams that can do their own human resource work, and human resource management and development practices that are just in time rather than when-the-course-is-given. Therefore, McLagan suggested the delegation of the responsibilities of day-to-day people management and development to line managers, self-managing teams, and employees themselves. If time and situation have changed the assumptions, what can be the influence by the culture?

It is not difficult to understand that effective work behavior is shaped by societal cultures. Cultures operate from conceptual models by creating belief systems to filter expectations for appropriate and inappropriate behavior (Hansen & Brooks, 1994). When individuals become socialized and enculturated in a specific society, they have learned a complex set of explicit as well as implicit rules. These are concerned with how they should act among their peers who share the same culture by virtue of being raised under the same rules (Lonner & Malpass, 1994). Meaning making is reflected in rules that guide decision making, values, perceptions, expectations, situational evaluation, communication styles, and so forth. These conceptual systems influence how they interpret and understand organizational realities. The cultural frames also affect the business organization. Like other subcultures, corporation's cultures are shaped through similar organizational experiences, training, and professional associations. In other words, societal values, organizational affiliation, and occupational alliances shape employees' beliefs and values. HRD is an occupational subculture (Hansen & Brooks, 1994).

The work by the American Society for Training and Development might have the biases of America's own socio-culture beliefs because those data were collected only in the United States. When Valkeavaara (1998) examined human resource development roles and competencies in five European countries, although they considered the training and development highly in terms of training volume and financial investment, the importance of the competency training is different to the each country. The comparison indicates the diversity of the roles of European HRD practitioners based on its cultural variation.

Hofstede (1984) examined the culture in multinational corporations through the survey that measured ecological dimensions. He explored the differences in thinking and social action between 40 different nations using the four dimensions of cultural differences, which are power distance, uncertainty avoidance, individualism, and masculinity. His findings tell us there are differences in work related values between cultures based on the dimensions. Although the U.S. and Mexico border each other, their cultural differences are huge. This research finds there is a different distinct corporate identity or company subculture between these two countries.

Mexico and the U.S., according to his study, have quite different index scores. For example, while Mexico has 81 in the power distance index score, which indicates how the environment of organization is related to the authority and power, the U.S. has 40. Mexican employees have 82 in the uncertainty avoidance index, which shows how people are dealing with anxiety and stress in the organization, the U.S. employees have 46. In the individualism index, the U.S. has 91, Mexico has 30. In the masculinity index score, they have similar index scores.

Hansen and Brooks (1994) examined empirical studies reported between 1982 and 1992 that compares two or more countries and world regions focused on a business context. They analyzed the concept of HRD, training and development, career development, and organization development through studies basically conducted by the ASTD and additionally acknowledged the systemic and allied nature by reporting cross-national studies from management and organizational behavior. They concluded that HRD roles are interpreted differently in different cultures, HRD varies in the degree to which it is supported in different cultures, and techniques for transferring managerial and HRD technology are subject to country-specific differences. Their review of cross-cultural studies in business contexts provides the basis for development of training programs in Mexico.

There are few research studies devoted to human resource development cultural differences in Mexico. Since NAFTA, American and Canadian managers need to understand the key human resource challenges in Mexico and how these are to be successfully managed. One specific research study conducted in-depth interviews with top executives from Canada and Mexico from the business point of view (O'Grady, 1995). This study found difficulties in employing and managing Mexican employees from a Canadian perspective. He suggested eight key human resource management challenges for Canadian managers who are doing business in Mexico, and indicated several tips for Canadian companies in Mexico. He concluded that Canadian executives should recognize cultural differences prior to entry and account for these differences in their strategic decisions to mange the Mexican operation.

These findings also challenge us that not only managing human resources but also developing human resources reflects underlying assumptions and values of one's own culture. Human resource development programs need to be modified to succeed in Mexico.

National Network

In 1991, the Department of Educational Human Resource Development at Texas A&M University, in association with ASTD and NSPI, established a certification for trainers. The certification was based on nine studies dating to 1974. The first was from the U.S. Army TRADOC study in 1974. Other studies identifying competencies for trainers during that period were Civil Service Commission (1975-76), National Institute of Education (1975), Canadian Training Methods study (1976), Pinto & Walker's Study for the ASTD (1978), Competency Analysis for Trainers by the Ontario Society for Training and Development (1982), McLagan and McCullogh's Models for Excellence (1983), and McLagan's Models for HRD Practice (1989), which served to fulfill the following purpose:

- Summarized 11 roles of HRD professionals
- Identified and defined 53 HRD competencies.

These competencies have been updated by ASTD Models for Learning Technologies by George M. Piskurich and Ethan S. Sanders, published in 1998. Environmental factors such as the globalization of business and the accelerated rate of changes in technology identified by Ken Paprock, one of the authors, have been included to maintain currency of the program. A summary of all these studies are included in the next table:

Table 1. Summary of T&D studies in U.S. and Canada

Research/Study	Date	Author	Number of Competencies
Professional Development manual	1976	ASTD	14
U.S. Army TRADOC	1974	Army Infantry School	9
DD&E Report	1975	National Institute of Education	6
Civil Service Commission	1975-76	Bureau of Training of the US Civil Service Commission	6
Canadian Training Methods	1976	Ontario Society for Training and Development	11
Professional Development Manual (updated)	1976	ASTD	5
A study of Professional Training and Development Roles and Competencies	1978	ASTD	14
Competencies Analysis for Trainers	1982	Ontario Society for Training and Development	12
Models for HRD. Practice	1989	ASTD	35
Models for Learning Technologies	1998	ASTD	19

Leading to U.S. Certification

Using 35 key competencies from the ASTD study as a guide, Texas A&M University and local chapters of ASTD and NSPI designed a hands-on experienced-based program for Training and Development practitioners, who were already experienced and for those who were new to the field.

The Training and Development Certification Program consists of four 21-hour weekend sessions once a month for four months, plus follow-up activities to be completed between sessions. Competencies are structured into a program agenda around four general competencies of the HRD function according to McLagan: Business Competencies, Interpersonal Competencies, Intellectual Competencies, and Technical Competencies. At the end of the program, graduates receive a Certified Training Professional (CTP) certificate through Texas A&M University.

International Certification

Texas A&M University has been successful in training trainers in other countries. Currently another group of 50 is being certified. The goal is to collaborate with those countries that have a need for new trainers and/or trainers who need to upgrade their skills.

The plan for trainer certification is usually negotiated with the host country taking into consideration their economic situation and their human resource needs. The following is a brief description of steps in the certification when working internationally. All of these steps relate to the need assessment of the country's plan for modernization and the list of the priority competency needs from the pre-assessment self-inventory.

1. The first group(s) is trained by trainers through Texas A&M University.

2. The original sessions are conducted in English, but audio /visual materials in the language of the host country are also used.
3. From the first group of trained participants, some are identified who will participate in the second group as instructors.
4. The second group(s) is trained by trainers, with Texas A&M University trainers in the majority.
5. In the second session, an effort made to have most of the material in the language of that country.
6. By the third group, the majority of the trainers should be from the host country.

International Certification, the Case of Mexico.

In the case of this study, currently almost 100 trainers have been certified in Mexico through Texas A&M University, the second edition of this program in Mexico has already concluded. The Training and Development Certification program (T&DC) consists of four 15-hour weekend sessions once a month for four months, plus follow-up activities to be completed between sessions. Competencies are structured into a program agenda around four general competencies of the HRD function according to McLagan: Business Competencies, Interpersonal Competencies, Intellectual Competencies, and Technical Competencies. The T&DC program in Mexico was planned taking into consideration their economic situation and their human resource needs.

Research Questions

1. What are the rankings of competencies desired by trainers in the US?
2. What are the rankings of competencies desired by trainers in Mexico?
3. What is the difference in rankings between competencies desired by trainers in U.S. and those perceived by trainers in Mexico?
4. What is the impact of these differences on training of human resource professionals in different cultures?

Methodology

Social researchers now study a problem with several different types of research methodologies. According to Brewer and Hunter (1989), this diversity of methods implies rich opportunities for cross-validating, findings, and theories. Inside this methodological diversity, multi-method research is one such approach. The method for the first stage of the present study gathered information on previous studies completed in the U.S. and Canada. This specific approach is known as "meta-analysis", and ..."it is nothing more than the attitude of data analysis applied to quantitative summaries of individual studies"(Galss, McGaw, and Smith, 1981, p. 21). The results of the meta-analysis stage determined the ranking of competencies for the U.S. and Canada. This list was then compared to the data gathered in the second stage which was completed prior to the training in Mexico.

Prior to each international certification program, each participant completed a pre-assessment survey. The instrument was administered to approximately 100 participants, 50 from the 1999 program, and another 50 from the 2000 program. The participants are trainers from most all states in Mexico. The instrument was translated into Spanish for these participants. In 1999 there were 37 responses out of 45 participants. The rate of return for this group was 82%. The second grouping of trainees began in August 2000. The rate of response for this group of 49

Table 2: Ranking Results for Fall 1999 and Fall 2000 Pre-self-assessment

Rank	Competence	Mean	Stand. Dev.
1	Distance Learning*	3.36	1.30
2	Electronic Systems Skill	3.20	1.30
3	Career Development Theories and Techniques Understanding	2.96	1.12
4	Organization Development Theories and Techniques Understanding	2.80	1.13
5	Business and Industry Understanding*	2.80	1.74
6	Model Building Skill	2.78	1.07
7	Cost-Benefit Analysis Skill	2.77	0.99
8	Training and Development Theories and Techniques Understanding	2.67	1.26
9	Need Assessment*	2.61	1.10
10	Records Management Skill	2.59	0.93

was 44, or 89%. The rate of response overall is 86%. There were seven additional participants from the University co-sponsoring the training who were not paid participants and therefore they did not complete the instrument.

The following section shows a summary of the findings of the first two groups, one from 1999 and one from 2000. These groups participated in the training and pre-assessment inventory. However, due to changes in the environment, the authors decided that some areas (with an asterisk) must be emphasized or added to the basic 35 competencies in order to reflect advances in technology and business practices during 2000 program. The top ten competencies reported in 1999 and 2000 are listed in table 2.

A comparison of the competency ranking from the two groupings of Mexican participants is shown in Table 3. A general profile of those attending the training includes persons who work in training or human resources in a variety of businesses, such as automobile manufacturing, banking, government; both state and federal, and academic institutions. The greatest percentage was from business organizations. In both 1999 and 2000 the number of participants in any group was limited to 25. Two groups each year were trained during the same time periods. All groups had participants who had from zero training experience to some who had as much as twenty years.

Table 3: Comparison of Results Ranking Between 1999 and 2000

Rank	Fall 1999 (N=45; n=37)			Fall 2000 (N=49, n=44)		
	Competence	Mean	Stand. Dev.	Competence	Mean	Stand. Dev.
1	Electronic Systems Skill	3.14	1.40	Distance Learning*	3.36	1.30
2	Career Development Theories and Techniques Understanding	2.83	1.00	Electronic Systems Skill	3.25	1.22
3	Records Management Skill	2.59	0.93	Organization Development Theories and Techniques Understanding	3.07	1.17
4	Computer Competence	2.59	1.26	Career Development Theories and Techniques Understanding	3.07	1.21
5	Cost-Benefit Analysis Skill	2.54	1.07	Training and Development Theories and Techniques Understanding	3.07	1.35
6	Research Skill	2.54	1.12	Model Building Skill	3.02	1.11
7	Model Building Skill	2.49	0.96	Cost-Benefit Analysis Skill	2.96	0.89
8	Organization Development Theories and Techniques Understanding	2.49	1.02	Business and Industry Understanding*	2.80	1.47
9	Adult Learning and Understanding	2.46	0.87	Relationship Building Skill	2.68	1.36
10	Project Management Skill	2.43	0.90	Competency Identification Skill	2.64	1.01

The next table displays the frequency distribution of the identified competencies among the experts during studies carried out in the U.S. and Mexico. For comparison purposes, 8 competency studies for training and development are included. The percentages show the degree of their agreement with the identified competencies (Paprock, Williams, & Covington, 1996).

Table 4. Competency Identification Showing Percentage of Experts

1	Program Design and Development	100 %
2	Need Analysis and Diagnosis	88%
3	Determine Appropriate Training	75%
4	Individual Development Planing and Counseling	75%
5	Training Research	75%
6	Develop Material Resources	63%
7	Manage Internal Resources	63%
8	Manage External Resources	63%
9	Conduct Classroom Training (instructional techniques)	50%
10	Job/Performance Related Training	50%
11	Group and Organization Development	50%
12	Manage the Training and Development Function	50%
13	Competencies	50%
14	Communication	50%
15	Evaluation	50%
16	Professional Self Development	38%
17	Manage Working Relationship with Managers	13%

The instrument development was primarily a list of competencies from the McLagan study and used by Hansen and Brooks. However, in order to remain current with the environmental changes occurring, the 2000 inventory included those additional competencies that were identified for the Mexican context by the authors. Shown are the top ten choices with an asterisk. Also the following were discarded or accommodated for the 2000 instrument: performance observation skills, business understanding, computer competence, industry understanding, organizational understanding, intellectual versatility, and data reduction. This is consistent with the more current study by Piskurich and Sanders (1998) in which they were projecting increases and decreases in importance of competencies related to changes on technology, economics, politics, and social systems. For a more complete list of competencies see Table 5.

Table 5: Ranking Result for 1999 and Fall 2000 Pre-self-assessment

Rank	Competence	Mean	Stand. Dev.
1	Distance Learning*	3.36	1.30
2	Electronic Systems Skill	3.20	1.30
3	Career Development Theories and Techniques Understanding	2.96	1.12
4	Organization Development Theories and Techniques Understanding	2.80	1.13
5	Business and Industry Understanding*	2.80	1.74
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9	Need Assessment*	2.61	1.10
10	Records Management Skill	2.59	0.93
11	Computer Competence	2.59	1.26
12	Research Skill	2.54	1.12
13	Organization Understanding	2.47	1.05
14	Industry Understanding	2.43	1.67
15	Competency Identification Skill	2.42	0.95
16	Relationship Building Skill	2.41	1.20
17	Facilities Skill	2.39	1.13
18	Project Management Skill	2.36	1.02
19	Vision Skill	2.35	0.88
20	Adult Learning and Understanding	2.35	1.00
21	Questioning Skill	2.33	1.07
22	Coaching Skill	2.32	1.05
23	Information Search Skill	2.30	1.05
24	Subject Matter Understanding	2.29	1.00
25	Organization Behavior Understanding	2.27	0.96
26	Group Process Skill	2.27	1.03
27	Cultural Diversity*	2.27	1.21
28	Negotiation Skill	2.26	1.02
29	Objectives Preparation Skill	2.24	0.94
30	Performance Observation Skill	2.22	0.98
31	Feedback Skill	2.21	0.96
32	Writing Skill	2.20	0.99
33	Intellectual Versatility	2.14	0.79
34	Delegation Skill	2.13	1.02
35	Observing Skill	2.12	1.03
36	Data Reduction Skill	2.11	0.91
37	Presentation Skill	2.07	0.91
38	Business- Understanding	2.03	0.83
39	Self-knowledge	1.90	0.88

Conclusions and Recommendations

The results in this study in comparing the training needs of Unites States trainers with Mexican trainers show some very interesting trends. The first research question asked US trainers to prioritize the training competencies they perceived to be the most important. The second research question asked the same question of the Mexican trainers.

Although there is some differences in the priority order, both the Mexican trainers and the US trainers listed essentially the same top ten competencies from the total list of 39. The standard deviation on all these competencies in the top ten list ranged from .87 to 1.4. The higher standard deviation could be attributed to the wording of the statements since training for additional competencies was included. As an example, distance education could have been confused with the competency of computer competence and electronic systems skill.

The third questions addressed the differences in the ranking from the US trainers and the Mexican trainers. The concerns and needs according to the priority rankings for the Mexican trainers demonstrates concerns in technology development as the newer technologies are being introduced. Another concern that is consistent in the top ten is a focus on organizational understanding. As new foreign industries enter Mexico they bring with them different structures and systems from their previous culture. This also relates to the need for applying methods for cost benefits. In the past, cost of training was not a skill high on their job descriptions.

Question four concerned the impact that these differences will have on training of human resource professionals in different cultures. In all, these data demonstrate that it cannot be assumed that countries at various stages of development have different priorities in the competencies needed for training and development; more studies need to be completed in developing nations. The authors believe that developed countries possibly can relate close to the list that has been generated and accepted in various organizations. We also cannot be assured that they will accept this list of competencies as corresponding to their cultural and economic development. Therefore, there needs to be a constant adaptation of materials to fit the culture and a constant adjustment to the level of participants that attend training sessions for training trainers. It was discovered that those with experience tended to attend the earlier group's sessions; novice trainers began to attend as the experienced trainers completed the training and discussed their experiences. The basic mission of the program is to increase the number of trainers trained from these countries.

Contribution to New Knowledge in HRD

Human resource development has a growing presence in countries in Europe, Asia, Australia, South Africa and soon, India. However our neighbors in both Canada and Mexico do not have the same presence. An important commitment of the signing of the free trade agreement (NAFTA) between Canada, Mexico and the United States, was the permanent collaboration between the three countries specifically in the educational and professional training fields. Mexico has the challenge then to join the competitive labor market, aiming to respond to the demand for international labor and high-qualified products. If we are to make in-roads to HRD as a field of study and practice, it is imperative that we address Mexico.

Texas is one of the major states that is attempting to address the issue with Mexico. The main reason for this is due to the demographic projections of the impact Mexico and the border region will have on our population in the next thirty years. The Texas population is merely an example of the impact Mexican-Americans will have in the future.

The Texas population, is expected to experience substantial growth in the coming decades, and one which will likely become increasingly diverse and mature. Due primarily to the proximity to the border region, the Anglo population in Texas is projected to only increase by 20.4 percent from 1990 to 2030, the Black population however would increase by 62 percent and the Mexican-American population by 257.6 percent. The total state population would become less than one-half Anglo by 2008 and, by 2030, the proportion of the population that is Anglo would be 36.7 percent while the Mexican-American population would account for 45.9 percent and the Black population 9.5 percent. Of the total net change in the population of Texas from 1990 to 2030, 87.5 percent is projected to be due to growth in the minority population of the State (Murdock, et al, 1996).

President-elect Bush has indicated that he will continue his concern for the border region and Mexico in particular as President. It is imperative that we conduct more and more research in HRD in Mexico if we are to compete in the global economy. Mexico is an area where the Academy of Human Resource Development could and should have a major impact. There are no professional organizations or much literature specific to Mexico in existence at this point. Since Mexico is generally looking to their neighbors to the north for support, it is imperative that the Academy steps up to provide this partnership.

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