

International HRM Case Study, Part 2

Background:

Fit 4 Life is a fitness chain throughout the United States. They recently decided to open four new gyms in Florence, Italy, with the objective of growing the organization globally and establishing an international presence.

The premise of Fit 4 Life's strategy is that clients use gyms as a social event. They promote clubs, small groups, and large events throughout the month to encourage clients to come together socially as well as to work out. Each club has a general manager and 3-5 fitness instructors who provide support for the clients and the events.

The organization has decided to use this expansion as a pilot project and if all goes well, they will consider spreading out across Europe and South America. This is a strategic endeavor, so it is important that the organization finds an effective formula to operate successfully in the global arena.

The organization has hired you to provide consultation on how they should proceed.

Part 2 Instructions

This assignment allows you to demonstrate mastery of course outcomes 2 and 4:

- Distinguish national and global culture and the impact they have on the globalized workforce to contribute to human resource practices across countries and cultures
- Analyze and assess global human resource policies, practices, and functions to meet an organization's goals and objectives while maintaining the values and traditions of the local culture

The management team has now hired 4 managers, who are PCNs (parent country nationals). Now they need to figure out how to develop a compensation plan that is aligned with the company's compensation but also takes into consideration the host country's financial situation. You are asked to:

1. Put together a compensation plan along with a balance sheet (attached). Assume that the base salary of a manager in the U.S. is \$5,500 a month. You may need to do some additional research to find out what taxes are in Florence, what is a typical housing allowance, and cost of living. Your balance sheet should reflect monthly amounts.
2. List the top three benefits that should be offered to the expatriate. Explain why you chose these as the most important. Make sure the cost is included in your balance sheet.

Use at least three course resources