**Module 3 - Case**

Globalization

**ASSIGNMENT OVERVIEW**

**Global Compensation Issues**

The growing world economy has led to many more employees working internationally. As such, organizations with employees working throughout the world face some unique compensation dilemmas.

Variation in laws, living costs, tax policies, and other factors all must be considered in establishing the compensation for local employees and managers, as well as managers and professionals brought in from other countries.

One significant global issue in compensation design is how to compensate the employees from different countries. Local wage scales vary significantly between countries. For example, in some less-developed countries, pay levels for degreed professionals may range from $10,000 - $30,000 a year, whereas in Europe and the US, individuals with the same qualifications are paid $45,000 - $80,000 a year.

These large compensation differences have led to significant “international outsourcing” of jobs to lower-wage countries. For example, the movement of call-centers to India is an example.

**CASE ASSIGNMENT**

Drawing on the material in the background readings and doing additional research, please prepare a 5-page paper (not including the cover and reference pages) in which you:

* Write a persuasive essay in which you discuss the practice of international outsourcing (a.k.a. off-shoring) and discuss the ethical implications that are associated with international outsourcing.
* As the Vice President of HR, would you consider international outsourcing for your organization? Justify your response.
* Pick a country in South America and conduct a PEST Analysis to show why you would or would not outsource to that country. A PEST Analysis is a tool used for environmental scanning in which you evaluate a country from a Political, Economic, Social, and Technological perspective.

**ASSIGNMENT EXPECTATIONS**

***Your paper will be evaluated on the following points:***

* Precision - Does the paper address the question(s) or task(s)?
* Clarity - Is the writing clear and the concepts articulated properly? Are paraphrasing and synthesis of concepts the primary means of response to the questions, or are excessive use of quotations how thoughts are conveyed? Are headings included in all papers greater than 2 pages?
* Breadth - Is the full breadth of the subject addressed?
* Depth - Does the paper address the topic in sufficient depth?
* Grammar, spelling and vocabulary - Is the paper written well - is the grammar, spelling, and vocabulary suitable to graduate level work?
* Referencing (citations and references) - Does the paper use citations and quotation marks when appropriate?
* Critical thinking - Is the subject thought about critically, i.e., accurately, logically, relevantly, and precisely?