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Performance Management in Irish Public and Private Sector Organisations: Moving Towards Multicultural Performance Management Practice

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ABSTRACT

The purpose of this paper is to analyse how performance management (PM) has evolved to its current presence in Ireland as a sophisticated management tool. This paper will focus on intercultural and cross-cultural PM, its communication and training in the process in Ireland. This paper will examine its practice in the Irish private and public sectors and will also analyse a study on low-skilled employment of predominately migrant labour in Dublin. This paper will make a case for the roll out of PM to all sectors of the Irish workforce, including temporary and contract workers. The genesis of this newer development of cross-cultural accommodation of expatriates in the Irish workforce lies partly in the influx of US Multi-National Companies (MNCs) into Ireland 50 years ago and the use thereafter of a hybrid form of performance appraisal- the forerunner of PM. The use of PM grew rapidly world-wide in the 1980s and research will be presented on how Ireland embraced this development, from the 1990s. While societal culture and MNCs have strong influences on the type of PM used in a country, research suggests that economic maturity is now a more important determinant of the type of PM processes used in that nation. A stratified random sample was used for the primary research and a self-administered questionnaire was distributed nationwide to almost 500 organisations, yielding a 41% (n=204) response rate. This showed the combined top three objectives of PM systems or processes across both sectors as: (i) to agree key objectives, (ii) to improve future performance, (iii) to provide feedback on current or past performance. Both public and private sector employers are in accord as to the main objective of their system-agreeing key objectives with staff. In conclusion, PM is a sensitive concept which needs to be communicated clearly by senior management and to be a key part of the training of line managers and staff. There is a high incidence of PM practice in Ireland, particularly in the public sector but currently it is practiced more effectively by the commercial or private sector. But on further examination, less than a quarter of those surveyed include their temporary and contract workers in the PM process. While no study directly relating to PM and its role in accommodating an expatriate workforce has been found, this paper will make recommendations for such a study to be conducted. While there is clear intercultural communication in Ireland, cross culturally, Irish employers appear to be less compliant, particularly those employing low skilled labour.

1 INTRODUCTION

Inter-culture refers to the interaction between people from different cultures while cross-culture is understood to refer to the comparison of how people from different cultures communicate (Trevisani, 2005). Ireland is experiencing two parallel cultural events in the workplace: firstly, the expansion of performance management (PM) from the private/commercial sector into the public equivalent and, secondly, assimilating an influx of migrant workers, most noticeably since the 1990s (Ruhs, 2009). This paper will initially examine the role culture has played in the introduction of PM in Ireland and will discuss how the PM process or system can assist in developing communication between foreign employees, line managers and employers in general.

2 LITERATURE REVIEW

Armstrong (2014) defines PM as the continuous process of improving performance by setting individual and team goals which are aligned to the strategic goals of the organisation; planning performance to achieve the goals; reviewing and assessing progress, and developing the knowledge, skills and abilities of people. Handy (1999) says culture can be defined as a set of values, norms and beliefs that are unique to a nation, society and organisation. It consists of unique traditions, habits, work organisational practices and approaches to the ordering of daily life. These values and beliefs are shaped by such things as history, tradition and indigenous people. According to Handy (1999), in Ireland there exists a low power distance culture where there is no obvious communication gap between management and staff and there is a strong trade union presence. The opposite is true in, for example, the Far East (Milliman *et al.*, 2002).

2.1 The Irish private sector

Handy (1999) suggests that traditionally the culture in the private sector has been one based on power which emanates from a central force, usually a CEO and his cohort of directors. These organisations are often viewed as tough or abrasive and, though successful, may well suffer from low morale and high turnover in the middle layers, as individuals fail or opt out of the competitive atmosphere. In this regard, he further highlights the US and its culture of individualism. In what Gunnigle *et al.* (2003) deem part of a process of internationalisation, multi-national corporations (MNCs) - particularly those from the US- believe that PM is one way in which they can realise the full abilities of a diverse workforce, through controlling and co-ordinating their overseas operations (Milliman *et al.*, 2002).

The success of PM in the USA encouraged US organisations to export their PM processes with their general operations as they expanded abroad. Milliman *et al.* (2002), in their study of PM practice by US MNCs in the Far East, said that those MNCs with a greater emphasis on quality and innovation were more likely to emphasise the developmental purpose of PM. Conversely, those with a cost-efficiency focus are more likely to have what Milliman *et al.* (2002) term, 'a documentary objective'. This objective, as influenced by American law, requires organisations to keep all documentary evidence in case of challenges in the courts against dismissals, demotions or loss of earnings as a result of an appraisal. Milliman *et al.* (2002) report that before MNCs move to a new country they carry out preliminary research in these areas, along with research into important contextual variables such as organisational size and structure, industry, unions and government regulations. These variables are what Handy (1999) terms the environmental factors that influence the culture of the organisation itself and he recommends a match between an organisation's culture and the cultural preferences of the individual be made in order to help make the goals and values of both compatible.

Varma *et al.* (2008) proposes that economic maturity is a more important determinant of PM systems than is culture. They contend that as the economic systems of countries grow and become more sophisticated PM systems become more focused on output, merit and individual performance- regardless of the country's specific cultural norms, which might run counter to these trends. For them this has long-term implications in such countries, though in the short and medium term there will still be a need to deal with collectivism, deference to seniority and issues of maintaining 'face' while, at the same time, gradually introducing more Western PM systems.

The 1960s witnessed the commencement of large scale arrival of foreign-owned MNCs into Ireland, with a large number from the US. This foreign direct investment (FDI) benefited Ireland hugely by developing sustained economic growth that helped it move, in a relatively short

period of time, from being a primarily rural, agricultural-based economy to one experiencing a rapid increase in levels of urbanisation, industrial and commercial development, living standards and education (Gunnigle *et al*,1997). According to Lavelle *et al.* (2009), the Industrial Development Authority (IDA) of Ireland identifies in excess of 970 MNCs with Irish operations, employing over 135,000 with 40% coming from the US. The legacy of these organisations, especially those from the US, has been an emphasis on good personnel management practice. This includes the important link between strategic objectives, personnel policies and related personnel activities, notably PM (Gunnigle and Flood, 1990). Gunnigle *et al.* (1997) describe this as an important legacy of MNC investment in Ireland.

2.2 The Irish public sector

Handy (1999) describes the public sector as being traditionally viewed as bureaucratic and dominated by a role culture, where rules and procedures apply in a seemingly logical and rational way. However, its aims have now changed, from mere stability and predictability in the face of competition from the private sector, to also include recognition of the importance of managing performance. Boyle (1989) asserts that what makes the difference between the Irish Civil Service- and, generally speaking, the Irish public sector at large - and its private equivalent in Ireland is the political environment within which the Irish Civil Service operates. He adds that this, to a large extent, determines the culture and working methods of the public sector.

The terms of the HR policy strategy within the Partnership 2000 Agreement (Department of the Taoiseach, 1997) national partnership agreement between the government and public and private sector representative bodies introduced PM to the public sector at large (Wallace *et al.*, 2004). Mercer (2004) recommended that the system be linked to increments, including assignments to the higher pay scales, promotions and career development. In 2007, the Irish Municipal, Public and Civil Trade (IMPACT) union agreed to linkage in respect of staff increments and promotions, via a five-point forced distribution (FD) rating scale with pre-determined quotas. However, this quota system has not been widely applied, with few employees penalised via the loss of increments or access to promotion (McMahon, 2009). In 2008, the OECD reproached the Irish public sector for not taking this Performance Management and Development System (PMDS) seriously, and for using it as 'little more than a paper exercise' (OECD, 2008, p.108) and that 'little energy has gone into guaranteeing that these processes are really successful in changing government culture' (OECD, 2008, p.107). However, it added that 'in recent years, however, the weight of the PMDS has increased significantly, with its integration with other HRM policies' (OECD, 2008, p.108). While it further reported an uneven implementation of PMDS across the Irish public service, the OECD commended its implementation, stating: 'the requirements of same are in line with the development of PM systems across OECD countries in recent years' (OECD, 2008, p.108). The report concludes that, 'while there used to be a high degree of centralisation in PMDS design, countries are now decentralising the design of their systems' (OECD, 2008, p. 108). In 2009, the Public Service Agreement (PSA)/Croke Park Agreement (2010-14) (Department of the Taoiseach, 2010) was signed in a bid to cut expenditure and boost productivity in the public service. Its agreed policy on PM included: merit-based, competitive promotion policies; significantly improved PM across all public service areas; promotion and incremental progression to be linked in all cases to performance and PM systems to be introduced in all areas of the public service where none currently existed. The Haddington Road Agreement (HRA) (Labour Relations Commission (LRC), 2013) then reaffirmed the agreed policy of increasing the introduction of PMDS across the public sector at the individual level, managing underperformers and introducing management performance measures for senior management

grades. Most recently, the Landsdowne Road Agreement (LRA, 2015) intends to modernise public service employment in line with modern HR practises with the aim of supporting an ethical workplace, by implementing up-to-date HR policies, including PM, discipline, grievance and bullying and harassment policies.

2.3 Empirical evidence of performance management practice

Gunnigle *et al.* (2011) state that empirical data on PM in Ireland is relatively scarce but there is evidence stretching back to 1966, albeit with only one survey per decade during the 1960s, 1970s and 1980s (Tomlin, 1966; Gorman *et al.*, 1975 and Shivanath, 1986). The ensuing prevalence of Irish PM practice in the following three decades is quite striking, particularly so in the public sector (McMahon and Gunnigle, 1994; McMahon, 1999 and McMahon, 2009). These three studies show an overall growth of performance appraisal (PA) (the precursor to PM)/PM usage from 58% (McMahon and Gunnigle, 1994) to 62% (McMahon, 1999) and latterly, 84% McMahon (2009). Gunnigle and McMahon (1994) found a 35% prevalence rating of PA practice within the Irish public sector. McMahon (1999) reported 39% of public sector organisations with an appraisal scheme. McMahon (2009) reported an 85% incidence of PM practice in the public sector, representing a 46% increase in 10 years (McMahon, 1999). The Irish Business and Employer's Confederation (IBEC) – the national body representing 7,500 employers drawn mainly from the private sector- revealed in 2004 that indigenous Irish industries have followed the practices of the MNCs in Ireland. They evidenced this by citing the almost 60% of Irish-owned organisations having a PM process in place, compared with 83% of MNCs. Further studies by IBEC in 2006 and 2009 record further significant growth in PM practice in the commercial sector to 75% and 84%, respectively. What the initial research showed in 2007 was a significant research gap in a comparative empirical analysis of PM practice in Ireland since 1999. What was also lacking was a full examination of how PM is conducted from the viewpoint of HR Directors and Managers. What was of particular interest was to investigate to what extent PM is now used across both sectors.

2.4 Communication and training

According to Nelson (2000), some management writers believe that 90% of a manager's job concerns the day-to-day coaching of employees. He adds that enlightened organisations recognise this and realise that to 'save' timely feedback for the annual review discussion, is a golden opportunity missed by managers to positively influence employee behaviour on a daily basis. Rausch (1985) recommends that this form of communication should be honest and constructive. Bitici *et al.* (1997) note that feedback is obtained to enable appropriate management decisions. Armstrong and Baron (2003) in turn, describe a line manager who communicates effectively and provides constructive feedback to staff as a coach or mentor, while the CIPD (2005) reports that feedback ranks seventh out of 13 as a key issue in PM in the UK. In a UK CIPD (2014) Employee Outlook survey, 2,500 people were polled from both sectors. It found that 20% of respondents overall believed that their line managers did not effectively communicate their objectives and expectations, and those of the organisation. This contributed to employee trust and confidence in their workplace leaders in general reaching a two-year low. Clearly, the provision of feedback remains a significant feature of PM and a critical factor in it is developing communication to staff. One of the key factors in providing such feedback is adequate training in this area, especially for line managers. Included in this paucity of information was the lack of analysis in relation to the training of management and staff in PM techniques. In a 1994 Irish survey, 48% of respondent organisations stated that they trained their line managers in appraisal techniques (McMahon and Gunnigle, 1994). This later

decreased to 43% (McMahon, 1999), but has since reached 59% (McMahon, 2009). The UK IPD surveys of 1997 (Armstrong and Baron, 2003) and 2004 (CIPD, 2005) reported that a large majority (just under 80%) of respondent HR managers believe that the training of line managers is essential.

2.5 Cultural accommodation of expatriates in the workforce

According to Hulmes (2015), the art of communication is the language of leadership and this can be verbal or non-verbal, the challenge being for organisations today to nurture and maintain effective intercultural communication between employees. He offers the following advice on inter-culture to managers:

- Demonstrating respect and courtesy creates a culture of openness and civility
- Remain tolerant of other people's views and beliefs
- Identify problems and try and analyse where things are going wrong- only by proper recognition of the root of the problem will you be able to solve it
- Recognise and understand cultural taboos within your workplace and try to provide alternatives
- Be knowledgeable of, and comply with, legislation covering diversity issues in the workplace
- Encourage interaction within a culturally diverse workforce and it will lead to stronger interpersonal relations and awareness of one another
- Simplify language used by avoiding using slang and colloquialisms.

Ireland's economic boom during the 1990s brought unprecedented levels of prosperity and helped transform her into a 'country of net immigration' by the early 2000s (Ruhs, 2009). Those who migrated included both workers and asylum seekers from outside of the European Union (EU). Consequently, Ireland had to develop policies in a short period of time. Three areas stand out:

1. The government created a list of safe countries of origin to slow the rise of asylum applications
2. From 2003 to 2005, Irish citizen laws were changed to eliminate an Irish-born child's automatic right to citizenship when the parents are not Irish nationals.
3. Ireland sought to meet most of its low-skilled labour needs from within the enlarged EU.

Ireland also agreed to allow citizens from the 10 countries that joined the EU ("EU-10" workers) in 2004 to work here. More recently she has instituted stricter policies that favour highly skilled immigrants from outside the EU. In the context of the most recent economic recession, Ireland is facing a new set of policy issues as immigration rates have decreased but are still high and there are also a large number of legal foreign residents. Economic issues also include unemployment rates among the entire workforce and stress on the social welfare system. Ruhs (2009) believes that in order for Ireland to benefit fully from the enlarged pool of workers with free access to the Irish labour market, it is important that migrants' skills match their labour market attainment. Barrett *et al.* (2006) have shown that Ireland's immigrants are generally a highly educated group but that not all immigrants are employed in occupations that fully reflect their higher education levels. Immigrants have also been shown to earn less on average than their Irish counterparts. EU-10 migrants tend to have the lowest occupational attainment.

Discrimination is one possible explanation for inequality in the Irish labour market. Research by O'Connell and McGinnity (2008) has shown that non-Irish nationals are three times more likely to report discrimination while looking for work than Irish nationals. Furthermore, McGinnity *et al.* (2009) report that employers are twice as likely to invite a candidate with an Irish surname to interview as an equivalent candidate with a distinctly non-Irish name. Ruhs (2009) observes that international experience suggests that such problems may worsen when competition for jobs increases. Most recently the Irish government has agreed to accept 1,800 refugees from Lybia.

In contrast to the quantitative studies quoted in Section 2.3 above, is a qualitative study by McPhee (2012) on employers and migration in low-skilled services in Dublin. It analyses the role of employers as 'institutional' factors in the creation of segmentation in the labour market. This segmentation by employers is based on the nature of demand and with the impact on the individual worker or groups based on their personal characteristics. It has been brought about through maximising profits and cutting production costs. McPhee (2012) contends that this can be further understood through a triangulation of the supply and demand of labour and state policies. She continues that employers are key players in shaping demand and exploiting supply trends. To put this research in context, Ireland's economy growth from the mid-1990s until 2007 was most noticeable in service and knowledge-based industries. There was an increase in temporary and contract service providers, primarily influenced by cost-cutting strategies within both MNCs and the Irish public sector. The national social partnership agreements from the late 1980s to 2006 only covered unionised sectors, including the public sector and indigenous industries. High-tech, non-union MNC export industries and temporary service-based sectors such as restaurants and hotels were excluded from such agreements (Hastings *et al.*, 2007). The Services, Industry and Professional and Technical Union (SIPTU) and Mandate are the only trade unions that actively engage with the Irish private sector and they and their umbrella body, the Irish Congress of Trade Unions (ICTU) admit that union membership amongst non-Irish born workers was very low. Research by Mac Einri (2006) states that there is now a new class of underpaid migrants in Ireland, leading to deterioration of wages and terms and conditions of employment. If not resolved, employers are increasingly less likely to revert to indigenous workers. While the State has a central role in the design and enforcement of immigration policies, employers also have a key role, namely in employment patterns and working conditions amongst migrants. Temporary or subcontracting service providers (TSSPs) have now prospered under increased casualisation of labour in 'western' economies. However, it is important to point out that although such TSSPs are associated with both high and low-skilled ends of the market, the research conducted by McPhee (2012) focuses on the latter, which according to Migrant Rights Centre Ireland (MRCI, 2007), has experienced massive growth during the Celtic Tiger era. Inclusive in this particular labour market are levels of race and gender discrimination and segregation (McDowell *et al.*, 2007, 2008, 2009). McPhee (2012) concludes that three main considerations inform the focus on the low-skilled segment of the service sector in Dublin: it has been the fastest growing in recent decades, that jobs in this sector are the main source of income for many groups of immigrants and that activities in the TSSPs highlight social and geographical consequences of privatised labour market intermediation. The main purpose of McPhee's (2012) research was to establish employer behaviour towards migrant in catering, cleaning and security sectors as well as to explore the relative autonomy of employer's *vis a vis* the State in the construction of a migrant division of labour. Seven themes were identified from the literature on the divisions of labour, segmentation and stereotyping of workers (Peck and Theodore, 2001; McDowell, 2008, MacKenzie and Forde, 2009), namely: geography of dislocation, casualisation, competition, ready supply of labour, hiring methods, stereotyping and benefits and pay.

2.6 Summary of literature review

It was clear to this researcher that a research gap of eight years existed in 2007 regarding a quantitative study of the practice and prevalence of PM in Ireland. Indeed, it was the researchers aim to make the study a holistic one, embracing for the first time in Ireland a comparative study of this management function across both sectors, private and public. Of particular interest in this paper is its role in communicating with staff in relation to feedback of their work performance and to do this effectively, by way of formal training for both line managers and staff in readiness for their 'performance review' meeting. Whilst no study was found in the review of the available literature regarding the role of PM and the management of migrant workers, a qualitative study has been located regarding the employment of low skilled workers in Dublin. Its findings will also be discussed with recommendations made as to how PM could improve conditions for such workers and by employers using this management tool to good effect.

3 METHODOLOGY

The quantitative research was carried out through the use of a probability stratified random sample. The self-administrated questionnaire was validated by it being modelled on that used by Armstrong and Baron (2003) in their UK survey of PM conducted in 1997. The five strata that make up the sample are as follows:

1. Dublin and the rest of the country (25 counties)
2. private and public sector organisations
3. six employee class sizes
4. 10 private sector categories as listed in the Kompass Ireland (2007) database
5. 4 categories of the public sector.

The sample was drawn from the Kompass Ireland database, and the research tool was a self-administered questionnaire distributed by post to 499 organisations across the Republic of Ireland. The response rate was 41%, or 204 responses.

The qualitative survey was conducted in Dublin between September 2010 and March 2011 by way of semi-structured interviews with eight businesses in each of the chosen categories – catering, cleaning and security services as well as representatives from SIPTU, Mandate and the ICTU. Business sizes were from 5 to 250 employee's maximum. The 24 interviews were conducted with the employers of each business.

4 FINDINGS

In the quantitative survey it was found that 73% of respondents operate formal PM processes; 66% in the private sector and 91% in the public sector equivalent. The low percentage in the private sector compared with other surveys listed in Section 2.3 could be attributed to the fact such systems or processes are now so much a part of private sector management systems that they do not feel the need to introduce new explicit systems; the MNCs' influence would have been strong here and this may be the reason for it. The findings in this study were based, largely, on a mono-culture and Irish citizen (in the public sector, as they do not tend to employ non-Irish citizens) sample in the public sector and a more international sample in the private sector (MNCs containing many more international citizens and with more internationally validated PM measures).

In terms of the category of staff and in relation to the qualitative study by McPhee (2012), 53% (n=108) stated that all of their full-time staff were included in the PM process. 40% (n=81) reported that all of their part-time staff were covered, while only 24% (n=48) indicated all of their contract staff were also covered. Just 12% (n=24) related that all 'other' categories of staff were also addressed. Under bivariate analysis, just under 90% of full-time staff in both sectors had more than half of that level operating under a PM process. Meanwhile, 78% and 77% of part-time workers in the private and public sector, respectively, were also covered. There is significant coverage of contract workers by PM in the public sector, at 81%, compared with 51% the private. Over 50% of 'Other' workers were covered in the public sector, at 61%, in comparison with 41% in the private. These figures augers well for the public sector but shows coverage of PM overall and in particular, in the private sector amongst its part, contract and 'other' workers need to addressed. It reflects employers lack of attention and focus to this segment of the workforce as highlighted by McPhee (2012).

Regarding the overall level of training in PM techniques, 70% and 66% of all senior managers and line managers respectively are trained, while just 50% and 45% respectively of skilled and manual employees respectively were similarly trained. In terms of training staff in PM techniques between the sectors, results show that the public sector outscored the private at all levels, most notably amongst manual/blue collar workers where, when looking at 50% or more trained – 77% of manual workers are trained in the public sector compared with only 21% in its commercial equivalent.

Regards communication, 'to provide feedback on performance' is one of the three most popular objectives of PM, based on the percentage of all respondents who ranked 12 objectives listed in their 'top three'. The two sectors are in accord as to their main objective, namely 'to agree key objectives'. Over 90% from both sectors offer additional training and development to those staff covered by PM, based on needs identified during their 'performance review' meeting with their line manager. 'Lack of follow up by line managers and HR' 'lack of senior managerial support' and 'failure to review/monitor the system' were the three greatest inhibitors, based also on those who ranked the 8 inhibitors listed in their 'top three'. By sector, the 'top three' inhibitors were 'lack of follow up by line managers and HR', 'subjectivity/bias in appraisal', and 'failure to review the system' in the private sector. The public sector also identifies 'lack of follow up by line managers and HR' as its greatest inhibitor tied with 'lack of senior management support', followed by 'failure to review the system' and 'too much paperwork' tying with 'lack of staff support' in third place. Significantly, 'lack of training for line managers' in PM techniques which was seen as the least inhibiting factor.

McPhee's (2012) study is based on the seven themes listed in Section 2.3 above highlight the extreme casual nature of work in the TSSPs sector and employers almost sole focus on their own day-to-day survival. These themes are organised under three dimensions: business approaches, worker selection and entitlement of workers. The business approach or focus in a highly globalised market economy is lowering costs, leading to reliance on flexible and cheaper labour. What has emerged is a contingent of low-skilled workforce with a 'no strings' attached approach. Casualisation of labour is now the norm and having an adaptable workforce is associated with the regulation of daily costs. In the midst of all this, the ICTU have commented that trust is the biggest obstacle for both the employer and the workers in smaller companies. The study has found that in the catering, cleaning and security sectors, workers are businesses' highest expenditure and they carry the burden of cost cutting for survival. Focus is on services provided to clients and not what workers bring to the business, resulting in a causal approach to qualifications and experience. This leads to the second dimension, namely worker selection where employers need access to a flexible supply of workers, often at short notice. McPhee (2012) has found that immigration 'drives' and policies have led to the

inflow of certain groups of workers at certain times. But in recent years, as stated by Ruhs (2009) above, immigration conditions for workers coming from outside the EU have become very difficult but has not affected immigrants from the EU. Employers in Dublin have indicated the importance of the existence of a large number of non-EU male students from Asia as potential employees in low-skill industry. Men are favoured for food preparation, while women are preferred in cleaning jobs in hospitals and schools. Catering also sees a larger proportion of foreign women, particularly for serving food at functions and in large on-site MNC canteens. It is noted that there is a demographic shift in the last 15 years where older workers in cleaning and catering have been replaced by younger non-Irish nationals. Compared to foreign nationals, Irish workers are portrayed as lacking flexibility about time and availability which links employers' need for a very flexible undemanding workforce. SIPTU found also that immigrant workers do not want to join trade unions because they save all their money so that they can return home. As regards entitlements of workers, McPhee (2012) has discovered that the security industry is aimed at regulation by the Private Security Authority which was set up in 2006. While not fully transparent or regulated, it is more uniform than exists in cleaning or catering. The Security Employment Regulation Order results in more uniformity in adhering to regulations. Security work also requires a qualification, a certificate at Level 4 or 5. But SIPTU report that this industry has an almost 100% Irish workforce. In catering and cleaning, statutory requirements did not include contracts and 20 of the 24 businesses surveyed offered non-contractual employment to workers with minimum wage and with no bonus system. Most employment was on a part-time basis with workers moving between employers or working 20 hours permitted as a non-EU student in Dublin. Irish workers once employed in low-skilled services have moved on to more profitable areas of factory assembly or construction, although there is a return to security with the collapse of the construction sector.

5 CONCLUSIONS AND RECOMMENDATIONS

In this paper we have seen that the roll-out of sophisticated PM systems has been important to public and private sector organisations in Ireland. We have also seen that training in PM at all level facilitates enhanced communication between management and workers and between workers, thus leading to a clearer sense of organisational mission. This area will be complexified by the fact that there has been a large amount of migrant workers who have come to Ireland after the expansion of the EU, from non-EU countries and from a cohort of expatriate managers working in Irish based MNCs. In addition to the challenge of implementing PM systems for indigenous Irish workers, there is now a need to address how these PM systems will be used with and by an increasingly multi-cultural workforce in Ireland, in particular those who are temporary and or contract staff. It is of concern to note that overall, only 24% of contract staff are covered by the PM process or system. Furthermore, it is also disquieting that according to McPhee (2012), State policies are one institutional factor underlying migrant labour trends and experiences within the Irish labour force. She adds that the low level of skills required for much of the work, and the emphasis on employer ability to structure the work has a direct impact on who is employed. Based on her analysis, it can be concluded this segmented labour market is the result of discrimination, stereotyping and cost-cutting strategies utilised by employers. PM should have a role here in employee retention where currently workers are not selected based on their ability or qualifications but based on social characteristics including gender and perceived features. Employers link processes of selection and the nature of workers available back to state policies, making reference to 'waves' as well as to SOLAS (formerly FAS), the state employment agency. Employment policy should focus on the nature of employment rather than simply on migrant workers. Under the umbrella of PM, migrant

workers' ability to negotiate benefits, rights and become upwardly mobile needs to be examined carefully, given the impact of their place in the segmented labour market. These challenges are not unique to Ireland, even though she may be experiencing them somewhat later than other countries have done so. There should be more emphasis on training needs analyses which address the needs of workers with different linguistic and cultural backgrounds and these need to shape the design and implementation of PM systems. Further, the training for such PM systems needs to incorporate inter and multi-cultural sensitivity particularly in relation to power distance and willingness to express uncertainty. Finally, there needs to be high levels of buy-in by the State and senior management in order to support greater multi-cultural activity and to allow employees the space and time to embrace its richness. This training and recognition therein is essential not just for those immigrants working in Ireland for foreign and indigenous industries and can be applied to Irish organisations who have created employment overseas.

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