

STRATEGIC HR MANAGEMENT
INSTRUCTOR'S MANUAL



Human Resource Management Practices in Mexico

By Pramila Rao, Ph.D.

PROJECT TEAM

Author:	Pramila Rao, Ph.D.
SHRM project contributor:	Bill Schaefer, SPHR, CEBS
External contributor:	Sharon H. Leonard
Copy editing:	Katya Scanlan, copy editor
Design:	Blair Wright, senior design specialist

© 2011 Society for Human Resource Management. Pramila Rao, Ph.D.

Note to HR faculty and instructors: SHRM cases and modules are intended for use in HR classrooms at universities. Teaching notes are included with each. *While our current intent is to make the materials available without charge, we reserve the right to impose charges should we deem it necessary to support the program.* However, currently, these resources are available free of charge to all. Please duplicate only the number of copies needed, one for each student in the class.

For more information, please contact:
SHRM Academic Initiatives
1800 Duke Street, Alexandria, VA 22314, USA
Phone: (800) 283-7476 Fax: (703) 535-6432
Web: www.shrm.org/education/hreducation

Human Resource Management Practices in Mexico

OVERVIEW

This learning module is designed for an undergraduate or graduate global human resource management (HRM) class focusing on understanding HRM practices from different countries.

The learning module is divided into five units to be taught over five 50-minute classes. Instructors are free to use their own teaching styles and lecture formats and adapt the learning module to their own styles.

The units consist of the following:

Unit 1: Background information and federal laws

- Presentation from students: Slide 14.
- Quiz 1: Slide 15.

Unit 2: HR practices in Mexico

- HR practices in Mexico.
- Article discussion and submission of a two-page response (Slide 24, please see the teaching notes).

Unit 3: Culture and HR practices

- National Cultural Profile: Definitions of cultural dimensions and scores from the GLOBE study.
- Implications of national culture for HRM.

Unit 4: Share and learn: Bio-data exercise (connecting national cultural dimensions)

- Socrates seminar (emphasizing HRM practices and national cultures).

Unit 5: Quiz 2 and immigration patterns

Learning Module Outline

UNIT 1

- Slides 5-15: Provide students information about the historical and business background of Mexico.
- Frequently pause and ask students what they think about several bullet points. For example:
 - » Slide 9: Mexico is a large exporter—what do you think it exports?
 - » Slide 9: Why is Mexico a better IT outsourcing choice compared with India and China?
- Slide 15: Administer Quiz 1.
- Assign students the research project on best practices for the next class. For this project, the students should form groups of 2-3 students based on the class size. The assignment involves:
 - » Preparing a 10-minute presentation about their research for the next class. Encourage students to ask questions during the each group's presentation to give them a good grounding of the local HR practices of these best companies.
 - » For increased class participation, the instructor can ask how these HR practices are different in their company (for a working audience).

UNIT 2

- Begin this unit with the student presentations of best practices. Provide 10 minutes per group presentation if possible, based on class size.
- Slides 16-24: Present these slides and frequently pause and ask students about their understanding of various HR practices. Ask if there is a difference in their organizations/culture.

UNIT 3

- Begin the unit with discussing the answers to the article provided in Unit 2. Generate discussion by asking students to play the devil's advocate (taking an opposing viewpoint).
- Spend time making sure students have thoroughly understood national cultural dimensions. For example: What is your understanding of assertiveness? From the

definition provided, how do you think this will manifest in HRM practices? Do any of these dimensions affect HR practices at your workplace?

UNIT 4

- Slide 33: Ask students to examine the bio-data and identify items they consider personally invasive.
- Generate discussion by asking probing questions. For instance:
 - » Why is weight and age important in the Mexican employment culture?
 - » What do applicants' photos have to do with their job performance?
 - » Do you think U.S. multinational organization erred in following local recruitment patterns?
- Slide 35: Provide the articles and handouts cited on the slide (see Appendix 3) and ask the students to generate questions based on a Socratic dialogue.
- Provide 30 minutes for reading and 20 minutes for questions and dialogue.
- This will be an entirely in-class activity and will significantly increase the students' understanding of national cultural dimensions.
- Assign students to study for the quiz they will take during next class. The quiz is based on content from slides 17-32.

UNIT 5

- Slide 36: Administer Quiz 2 and allow about 15-20 minutes. Discuss answers with students and answer any questions.
- Address immigration patterns and discuss the article that identifies specific HR consequences of Mexican immigration.

References

- Arias-Galicia, F., (2005). Human resource management in Mexico. In A. Davila & M. Elvira, M. (Eds.), *Managing human resources in Latin America*. London and New York: Routledge.
- Cantú de la Torre, I., & Cantú Licón, L. (2009). Focus on Mexico. *Training*, 46(2), 20.
- Chhokar, J., Brodbeck, F., & House, R (Eds.). (2007). House, R. (Eds.). (2007) *Culture and leadership across the world. The GLOBE book of in-depth studies of 25 societies*. Mahway, NJ: Lawrence Erlbaum Associates.
- Davila, A., & Elvira, M. (Eds.). (2005). Culture and human resources management. In *Managing human resources in Latin America*. London: Routledge.
- Davila, A., & Elvira, M. (2007). Psychological contracts and performance management in Mexico. *International Journal of Manpower*, 28(5), 384-402.
- Dowlatsahi, S. (2001). Managing a labor strike at a Maquiladora Industry: A case study. *International Journal of Operations & Production Management*, 21(5/6), 728-749.
- Daspro, E. (2009). An analysis of U.S. multinationals' recruitment practices in Mexico. *Journal of Business Ethics*, 87, 221-232.
- Fairris, D., & Levine, E. (2004). Declining union density in Mexico, 1984-2000. *Monthly Labor Review*, 127(9), 10-17.
- Friedman, T. (2005). The Virgin of Guadalupe. In *The world is flat: A brief history of the twenty-first century*. New York: Farrar, Straus and Giroux.
- Gannon, M. (2004). The Mexican fiesta. In *Understanding global cultures*. London: Sage Publications.
- Greer, C., & Stephens, G. (2007). The state of the unions in Mexico. *Journal of Labor Research*, 28(1), 69-92.
- Haber, S. (2006, May 3). Mexican wave. *Wall Street Journal (Eastern Edition)*, A14.
- Heneman III, J., & Judge, T. (2007). *Staffing organizations (6th ed.)*. New York: McGraw-Hill-Irwin.
- International: Benefits around the world. (2006). *Employee Benefits*, S.8-12.
- International: Catching the Mexican wave. (2006). *Employee Benefits*, 30.
- Mexico: Country Fact Sheet. (2009). *EIU ViewsWire*.

MexicoIT honored with “Outsourcing Marketing Excellence” award in the U.S. IT Market. (2008). *Business & Finance Week*, 248.

Moss, D. (2007). A lesson in learning. *HR Magazine*, 52(11), 50-53.

Olivas-Lujan, M., Ramirez, J., & Zapata-Cantu, L. (2007). E-HRM in Mexico: Adapting innovativeness for global competitiveness. *International Journal of Manpower*, 28(5), 418-434.

Peak, M. (1993). Maquiladoras: Where quality is a way of life. *Management Review*, 82(3), 19-23.

Puente-Tostado, D., & Gonzalez-Uribe, A. (2004). Employment termination in Mexico: A trap for the unwary? *Employee Relations Law Journal*, 30(3), 65-73.

Segrest, S., Romero, E., & Domke-Damonte, D. (2003). Exploring the role of machismo in gender discrimination: A comparison of Mexico and the U.S. *Equal Opportunities International*, 22(1), 13-31.

Teagarden, M., Butler, M., & Glinow, V. (1992). Mexico’s Maquiladoras Industry: Where strategic human resource management makes a difference. *Organizational Dynamics*, 20(3), 34-48.

Top 10 strategies: Training. (2001, October). *Business Mexico: Special Edition*, 50-51.

Villareal, A., & Yu, W.-H. (2007). Economic globalization and women’s employment: The case of manufacturing in Mexico. *American Sociological Review*, 72, 365-389.

Zabludovsky, G. (2001). Women managers and diversity programs in Mexico. *The Journal of Management Development*, 20(4), 354-371.

POWERPOINT PRESENTATION REFERENCES

Slide 6

Barbezat, S. (2009). The Mexican flag: History and meaning of the Mexican flag. *About Mexico*. Retrieved July 1, 2009, from http://gomexico.about.com/od/historyculture/qt/mexican_flag.htm.

U.S. Department of State. (2009). Background note: Mexico. Retrieved July 1, 2009, from www.state.gov/r/pa/ci/bgn/35749.htm.

Slide 7

Bumblehood. (2009). Main industries in Mexico. Retrieved July 1, 2009, from www.bumblehood.com/article/gmHHTsfRQSu6gyV_JRSPLQ.

Slide 8

Galicia, A. (2009). Don Miguel Hidalgo. Father of Mexico’s independence. *Inside Mexico*. Retrieved June 25, 2009, from www.inside-mexico.com/laentrevista2.htm.

Pazos, L. (2009). Mexico—history timeline overview: Resource page. Mexconnect. Retrieved June 25, 2009, from www.mexconnect.com/en/articles/3148-history-time-line-overview-resource-page.

The California Native International Adventures. (2009). The father of Mexico. Retrieved July 1, 2009, from www.calnative.com/stories/n_hidalg.htm.

Angus Reid Global Monitor. (2009). PRI leads, but rivals gain in Mexico. Retrieved July 1, 2009, from www.angus-reid.com/polls/view/pri_leads_but_rivals_gain_in_Mexico.

Slide 9

Economy Watch. (2009). Mexico trade, Mexico imports, Mexico exports. Retrieved July 1, 2009, from www.economywatch.com/world_economy/mexico/export-import.html.

De Anda, H. (2009). A short history of the Maquiladora Industry. Retrieved July 1, 2009, from www.mdtlaw.com/admin/uploads/1187626404_AShortHistory.pdf.

Amadeo, K. (2009). History of NAFTA. *About.com*. Retrieved July 1, 2009, from http://useconomy.about.com/od/tradepolicy/p/NAFTA_History.htm.

Penner & Associates. (2009). Labor relations in Mexico. Retrieved July 1, 2009, from www.mexicolaw.com/LawInfo11.htm.

Slide 10

National Law Center for Inter-American Free Trade. (2009). Minimum employment standards in Mexico. Retrieved July 1, 2009, from www.natlaw.com/pubs/torrient.htm.

Diaz, F. (2009). Mexican federal labor law. *Laboris*. Retrieved July 1, 2009, from <http://laboris.uqam.ca/babillard/mexlaborlaw.htm>.

MexicanLaws.Com. (2009). Daily minimum wages 2009 (in Pesos). Retrieved July 1, 2009, from www.mexicanlaws.com/STPS/MINWAGES2009.htm.

Slide 11

United States Department of Labor. (2009). Bureau of Labor Statistics: Union members summary. Retrieved August 12, 2009, from <http://stats.bls.gov/news.release/union2.nr0.htm>.

U.S. Department of Labor. (2009). Minimum wage. Retrieved August 12, 2009, from www.dol.gov/dol/topic/wages/minimumwage.htm.

Slide 12

World Travel Guide. (2009). Public holidays Mexico. Retrieved July 1, 2009, from www.worldtravelguide.net/country/170/public_holidays/North-America/Mexico.html.

Slide 18

Internet World Stats. (2009). Usage and population statistics. Retrieved Aug 12, 2009, from www.internetworldstats.com/list2.htm#k-p .

Slide 37

Batalova, J. (2008). Mexican immigrants in the United States. *Migration Policy Institute*. Retrieved Aug 12, 2009, from www.migrationinformation.org/USFocus/display.cfm?ID=767.

Appendix 1: Mexican Bio-Data and Description of Categories

SHARE AND LEARN CLASS EXERCISE 1 (30 MINUTES)

Mexican organizations generally seek abundant personal information from applicants' bio-data (referred to as *solicitud de empleo*). The bio-data usually fall into the following categories:

1. **Personal data** (*datos personales*) includes specific personal information such as maternal and paternal names, place of birth, age, people with whom an applicant lives and people who are dependent upon him or her.
2. **Documentation** (*documentacion*) seeks personal information about documents related to such things as a unique personal identification number, military service, passport number, driver's license class number, social health number and documents that that permit work activities within the country.
3. **Health status and personal habits** (*estado de salud y habitos personales*) identifies information on current health status, chronic health problems, favorite hobbies and preferred club memberships.
4. **Family data** (*datos familiares*) seeks information on parents, spouse and children.
5. **Educational history** (*escloridad*) solicits information about an applicant's degrees or certifications, including the age of the applicant at the time of completion of each degree or certification.
6. **General knowledge** (*conocimientos generals*) seeks information about foreign language skills, computer skills and any specific office expertise.
7. **Detailed work history** (*empleo actual y anteriores*) identifies previous positions with bosses' names and contact information, and previous salaries.
8. **Personal references** (*referencias personales*) asks for personal references confirming the bio-data information submitted.
9. **General data** (*datos generales*) elaborates any geographical work preferences, personal connections in the organization, union memberships and travel preferences.
10. **Economic information** (*datos economicos*) seeks personal property information (such as rent or own), automobile information, loans, spouse's salary.

Instructor: please have students comment on the items of the Mexican bio-data.

<h2 style="text-align: center;">Solicitud de Empleo</h2> <p>Puesto que solicita</p> <p style="text-align: center;">Sea tan amable de llenar esta solicitud en forma manuscrita NOTA: Toda información aquí proporcionada será tratada confidencialmente</p>	Fecha	
	Sueldo Mensual deseado	
	Sueldo Mensual Aprobado	
	Fecha de Contratación	

Datos Personales				
Apellido Paterno	Apellido Materno	Nombre(s)	Edad Años	
Domicilio	Colonia	Código Postal	Teléfono	Sexo <input type="checkbox"/> Masculino <input type="checkbox"/> Femenino
Ciudad, Estado	Lugar de Nacimiento	Fecha de Nacimiento		Nacionalidad
Vive con <input type="checkbox"/> Sus padres <input type="checkbox"/> Su familia <input type="checkbox"/> Parientes <input type="checkbox"/> Solo			Estatura	Peso
Personas que dependen de usted <input type="checkbox"/> Hijos <input type="checkbox"/> Cónyuge <input type="checkbox"/> Padres <input type="checkbox"/> Otros			Estado Civil <input type="checkbox"/> Soltero <input type="checkbox"/> Casado <input type="checkbox"/> Otro	

Documentación			
Clave Única de Registro de Población		AFORE	
Reg. Fed. De Contribuyentes	Numero de Seguridad Social	Cartilla de Servicio Militar No.	Pasaporte No.
Tiene licencia de manejo <input type="checkbox"/> No <input type="checkbox"/> Si	Clase y Número de Licencia	Siendo extranjero que documentos le permiten trabajar en el país	

Estado de Salud y Hábitos Personales		
¿Como considera su estado de salud actual? <input type="checkbox"/> Bueno <input type="checkbox"/> Regular <input type="checkbox"/> Malo	¿Padece alguna enfermedad crónica? <input type="checkbox"/> No <input type="checkbox"/> Si (Explique)	
¿Práctica Ud. Algún Deporte?	¿Permanece a algún Club Social o Deportivo?	¿Cuál es su pasatiempo favorito?
¿Cuál es su meta en la vida?		

Datos Familiares				
Nombre	Vive	Fin	Domicilio	Ocupación
Padre				
Madre				
Esposa (o)				
Nombre y edades de los hijos				

Escolaridad					
Nombre	Dirección	De	A	Años	Título Recibido
Primaria					
Secundaria o Prevocacional					
Preparatoria o Vocacional					
Profesional					
Comercial u Otras					
Estudios que esta efectuando en la actualidad:					
Escuela	Horario	Curso o Carrera		Grado	

Conocimientos Generales	
Que idiomas habla (Nivel 50%, 75%, 100%)	Funciones de oficina que domina
Maquina de Oficina o taller que sepa manejar	Software que conoce
Otros trabajos o funciones que domina	

Empleo Actual y Anteriores				
Concepto	Actual o ultimo	Anterior	Anterior	Anterior
	de a	de a	de a	de a
Tiempo que presto sus servicios				
Nombre de la Compañía				
Dirección				
Teléfono				
Puesto desempeñado				
Sueldos Mensual:	Inicial Final			
Motivo de separación				
Nombre de su jefe directo				
Puesto de de jefe directo				
Podemos solicitar informes de usted	Comentarios de sus jefes:			
<input type="checkbox"/> Si				
<input type="checkbox"/> No (Razones)				

Referencias Personales (Favor de no incluir a jefes anteriores)				
Nombre	Domicilio	Teléfono	Ocupación	Tiempo de conocerlo

Datos Generales		Datos Económicos	
¿Como supo de este empleo? <input type="checkbox"/> Anuncio <input type="checkbox"/> Otro medio (anótelo)	¿Tiene usted otros ingresos? <input type="checkbox"/> No <input type="checkbox"/> Si (describalos)	Importe mensual	\$
¿Tiene parientes trabajando en esta Empresa? <input type="checkbox"/> No <input type="checkbox"/> Si (nómbrelos)	¿Su cónyuge trabaja? <input type="checkbox"/> No <input type="checkbox"/> Si (¿dónde?)	Percepción mensual	\$
¿Ha estado afianzado? <input type="checkbox"/> No <input type="checkbox"/> Si (nombre de la Cía.)	¿Vive en casa propia? <input type="checkbox"/> No <input type="checkbox"/> Si	Valor aproximado	\$
¿Ha estado afiliado a algún sindicato? <input type="checkbox"/> No <input type="checkbox"/> Si ¿a Cuál?	¿Paga renta? <input type="checkbox"/> No <input type="checkbox"/> Si	Renta mensual	\$
¿Tiene seguro de vida? <input type="checkbox"/> No <input type="checkbox"/> Si (nombre de la Cía.)	¿Tiene automóvil propio? Marca	Modelo	
¿Puede viajar? <input type="checkbox"/> Si <input type="checkbox"/> No (razones)	¿Tiene deudas? <input type="checkbox"/> No <input type="checkbox"/> Si (¿con quién?)	Importe	\$
¿Esta dispuesto a cambia de lugar de residencia? <input type="checkbox"/> Si <input type="checkbox"/> No (razones)	¿Cuanto abona mensualmente?		\$
Fecha en que podría presentarse a trabajar	¿A cuánto ascienden sus gastos mensuales?		\$

Comentarios del Entrevistador y Firma	Hago constar que mis respuestas son verdaderas
	Firma del solicitante

Appendix 2: Quizzes

QUIZ 1

Unit 1: Background, History and Federal Acts (Slides 6-12)

1. The President of Mexico is elected once every _____ years.
 - A. Four.
 - B. Five.
 - C. Three.
 - D. Six.
2. The colors of the Mexican flag symbolically represent:
 - A. Agriculture, slavery, strength.
 - B. Hope, peace, strength.
 - C. Freedom, purity, intelligence.
 - D. None of the above.
3. The main religion in Mexico is:
 - A. Protestant.
 - B. Roman Catholic.
 - C. Aztecs and Mayan faith.
 - D. None of the above.
4. Mexicans believe in public displays of their religious faith.
 - A. True.
 - B. False.
5. The Mexicans were ruled by the Spanish for almost _____ years.
 - A. 100.
 - B. 150.
 - C. 300.
 - D. 500.

6. The political party that ruled Mexico for almost seven decades after its independence was:
- A. PRI.
 - B. PAN.
 - C. Both of the above.
 - D. None of the above.
7. The establishment of *maquiladoras*, considered an important step in the Mexican internationalization process, refers to:
- A. Mexican trade laws.
 - B. Mexican manufacturing plants.
 - C. U.S.-owned manufacturing plants.
 - D. Farmer's fees.
8. *Maquiladoras* provide the Mexican economy with:
- A. Foreign exchange and local employment.
 - B. Foreign goods and international exposure.
 - C. Domestic goods and domestic employment.
 - D. None of the above.
9. The term "*aguinaldo*" refers to:
- A. Social security.
 - B. Income taxes.
 - C. Christmas bonus.
 - D. Profit-sharing.
10. Minimum wages in Mexico are dictated by:
- A. Economic levels.
 - B. State laws.
 - C. Geographic areas.
 - D. All of the above.

11. All companies in Mexico must provide employees a mandatory distribution of _____ of the gross profits.

- A. 5 percent.
- B. 25 percent.
- C. 15 percent.
- D. 10 percent.

12. The INFONAVIT refers to _____ and is _____ of employee's salary.

- A. Training programs, 10 percent.
- B. Housing fund, 5 percent.
- C. Social security, 5 percent.
- D. Retirement savings, 8 percent.

13. If you were the HR director of a multinational organization in Mexico, would you provide December 12, Day of Our Lady Guadalupe, as an optional holiday?

- A. Yes.
- B. No.
- C. Undecided.

14. There are _____ mandated federal holidays in Mexico.

- A. 10.
- B. 15.
- C. 12.
- D. 7.

QUIZ 1

Unit 1: Background, History and Federal Acts (Slides 6-12)

Correct Answers

1. D

2. B

3. B

4. A

5. C

6. A

7. B

8. A

9. C

10. C

11. D

12. B

13. A

14. D

QUIZ 2

Unit 2: Culture and HR Practices (Slides 17-32)

1. Power distance is:
 - A. Anxiety about the unknown.
 - B. How superiors and subordinates interact.
 - C. How organizations support employees.
 - D. None of the above.
2. Uncertainty avoidance is:
 - A. Concern about promotions.
 - B. Bureaucracy and strict rules.
 - C. Anxiety about being fired.
 - D. All the above.
3. High masculinity scores are displayed by:
 - A. A strong leader in the organization.
 - B. Exaggerated display of titles.
 - C. Nurturing work environment.
 - D. Strong bond between employees.
4. In-group collectivism is reflected by:
 - A. Strong bonds to the organization.
 - B. Strong bonds to the organization, family and friends.
 - C. Strong feelings of self-achievement.
 - D. None of the above.
5. Mexican bio-data seek elaborate personal information because of this national dimension:
 - A. Power distance.
 - B. In-group collectivism.
 - C. Uncertainty avoidance.
 - D. Masculinity.

6. Training was mandated by federal law because:
- A. Organizations did not provide adequate training.
 - B. Universities did not prepare students very well.
 - C. Training improves organizational efficiency.
 - D. All of the above.
7. Objective performance appraisals are challenging in Mexico due to:
- A. Collectivism and masculinity.
 - B. Power distance and collectivism.
 - C. Uncertainty avoidance and collectivism.
 - D. None of the above.
8. The feedback interview in the appraisal process is:
- A. Considered a social exchange process.
 - B. Mandated by the federal law.
 - C. Provided with a group of employees.
 - D. None of the above.
9. Mexican employees receive _____ weeks of vacation after one year of work:
- A. 10.
 - B. 12.
 - C. 15.
 - D. 6.
10. There is an emphasis on family-friendly practices because of this cultural dimension:
- A. Power distance.
 - B. Uncertainty avoidance.
 - C. In-group collectivism.
 - D. Masculinity.

11. The retirement age in Mexico is:

- A. 60 years of age.
- B. 65 years of age.
- C. 58 years of age.
- D. All of the above.

12. Paid maternity leave for Mexican women is usually:

- A. 6 weeks.
- B. 10 weeks.
- C. 4 weeks.
- D. 12 weeks.

QUIZ 2

Unit 2: Culture and HR Practices (Slides 17-32)

Correct Answers

1. B
2. B
3. B
4. B
5. C
6. B
7. B
8. A
9. D
10. C
11. D
12. D

Appendix 3: Socrates Seminar

Understanding Mexican Culture (Slide 35)

Students ask questions and engage in a stimulating dialogue with their peers. The instructor merely facilitates the discussion. The Socrates method uses dialogue as a learning tool to explore different individual opinions. As you read the article, ask “why,” “what for” and “so what” questions.

This type of discussion involves three steps:

- As you read the article, write down your questions in the space below.
- After everyone has finished reading, ask your peers the questions you identified.
- Listen to your peers’ questions so you can provide an answer based on your understanding of the article.

TEACHING NOTE

A Socrates dialogue reinforces the notion of students being autonomous learners. Therefore, students pose questions to their peers based on the article. For instance, why are fiestas so important in the Mexican culture? Students will provide different perspectives on the question, augmenting learning on the subject matter. The instructor merely observes and follows the dialogue among the students without any contribution per se. The instructor can then summarize the article and students’ discussion after the seminar.

SHRM members can download this case study and many others free of charge at www.shrm.org/education/hredemption/pages/cases.aspx.
If you are not a SHRM member and would like to become one, please visit www.shrm.org/join.



SOCIETY FOR HUMAN
RESOURCE MANAGEMENT

1800 Duke Street
Alexandria, VA 22314-3499