

**HUMAN RESOURCE MANAGEMENT IN SMEs IN PAPUA NEW  
GUINEA: TRADITIONAL Vs TECHNOLOGICAL**

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## **HUMAN RESOURCE MANAGEMENT IN SMEs IN PAPUA NEW GUINEA: TRADITIONAL Vs TECHNOLOGICAL**

### **1. ABOUT PAPUA NEW GUINEA**

**The Country:** Papua New Guinea (PNG) lies south of the Equator and approximately 150 kilometres north of Australia occupying an area of 463,000 square Kilometres. The country with a population of about 4.5 million people comprises the eastern half of the world's largest island with several hundred islands in the Bismark and Solomon seas. Vast tracts of the country are wild and underdeveloped. Extremely rugged mountains, thick jungles and seas, have for centuries restricted contact among different tribes, inhibiting the growth of a common language and contact with the rest of the world. The geographical features of Papua New Guinea partly account for the large number of diverse groups who speak more than 850 languages and dialects. These features contributed to the unequal distribution of amenities including, education, training and industrial development.

#### **Social indicators**

Compared with other South Pacific and Asian countries in the same income group, PNG ranks last in terms of most major social indicators. In 1995 life expectancy at birth was 57 years, the lowest among South Pacific countries and much lower than in Asian countries with comparable income levels. The infant mortality rate is nearly twice the average in comparable countries. The level of adult literacy in PNG is significantly below the levels in most other South Pacific countries. Enrolment and attendance rates are poor and there are high attrition rates at primary schools. A significant gender imbalance exists at all levels of the education system. It reflects the general lack of participation of women in social and economic development in PNG.

#### **The Economy:**

Papua New Guinea prides itself of a potentially very rich country with ample resources in mining, gas, marine, agriculture and forestry. Its marketed Gross Domestic Product (GDP) was an estimated K6.5 billion, equivalent to about US\$ 500 per person.. Following negative growth in 1989, the rate of growth has increased from 3 percent in 1990 to 9.4 percent in 1991 to 11.8 percent in 1992 to 14.4 percent in 1993. These high rates of growth were due to the construction and operations of few large projects in the mining and oil sector. However, real GDP rose by only 3 percent in 1994, fell by 1 percent in 1995 and was virtually unchanged in 1996

#### **Basic features of PNG and its society**

- PNG is a very mountainous country coupled with the fact that its outer island provinces and surrounding atolls are separated by large expansion of sea.
- Eighty percent of its population are subsistence farmers and live in rural areas and only 20 percent live in urban and semiurban areas.



- There continues to be a heavy urban drift resulting in a lot of unskilled and worse, unemployed people living in the towns.
- One can observe a clear and obvious build up in the economic concentration in the urban areas. Industries establish themselves in the urban areas and thus increase the magnetic pull (urban migration) on the rural people.
- Rural economic activities are basically concerned with cash cropping and subsistence farming.
- The larger economic activities in the rural areas are the mining enclaves such as OK Tedi, Porgera, Misima and Ligor Gold and Copper Mines, which remain as the major export revenue earners for the country.
- The government remains as the major educator and employer in the country. Higher education is almost fully subsidised with only 2 percent of those who enter schools benefit. Still only about 67 percent of the school age children enter into school system.

### **Political status**

As an independent country, PNG is fairly young having obtained its political independence on 16 September 1975. Since attaining independence, PNG embarked on a very ambitious but noble political task of administration and decentralisation. In embarking this process, PNG was thinking about its development with emphasis on self-reliance, equitable distribution of wealth, political participation and therefore, the adoption of institutions and policies to further these aims.

The decentralised system of government was formally introduced in 1976 to among other goals, bring the administration closer to the people. Nineteen provincial departments each under a Provincial Government were created outside the National Capital District which remain the seat of National Government. The Provincial governments have control over their own administration and budget. Under the provincial government reform introduced in 1996 the Regional Parliament Member of each province will be the governor with a provincial assembly consisting of Members of Parliament from the province and the Presidents of the Local Level Governments as members of the Provincial Assembly assisting him. Nationally PNG has adopted the Westminster Parliamentary System of Government with National Parliament having 109 elected members from all provinces. The Prime Minister is the executive Head of State and is elected by majority members. Queen of England is still the Head of State with a Governor General as her representative in Papua New Guinea.

## **2. HUMAN RESOURCE DEVELOPMENT IN PNG GOVERNMENT POLICY**

The National Government maintains the responsibility for general human resource development in the country. This includes all forms of general education and skills training conducted in primary, secondary, vocational and tertiary levels. The function of education and training fall within the Ministry of Education, Ministry of Youth and Employment and Public



Service respectively. Under the Ministry of Education, Department of Education is responsible for the general and vocational education while the Office of Higher Education is responsible for the tertiary education. The National Training Council and the Apprenticeship Board within the Department of Employment and Youth are responsible for training while the Department of Personnel Management is responsible for the training in the Public Service specifically..

As stipulated in the Constitution and the Public Service Act, the Public Services Commission has specific legal responsibilities in recognising that training and human resource development are a necessary and inseparable functions of each department/ organisation? management. As such the Commission adopts the crucial role of planning and promoting the development, improvement, coordination and evaluation of all training and human resource development activities for both private and public sector.

It is recognised that timely and accurate assessments of training needs are an essential and integral part developing and maintaining a capable and qualified workforce. As much as possible training needs are linked up with the human resource planning to ensure that short and long term staffing needs are met.

Papua New Guinea? human resource policies reflect the growing population, extensive resource base, the infrastructural needs and the range of services provided. PNG like many other developing countries in the region is disadvantaged by the critical shortage of trained and skilled human resource which has adverse effects on development programmes. It has been recognised that the adoption of an appropriate human resource planning framework would greatly assist in the assessment of likely required skilled labour over a defined period of time, analysis of the employment possibilities in the formal sector of the PNG economy and the policy implications on education, training and localisation.

Analysis of the work force in the formal sector indicated that almost two thirds of the citizens with jobs in the formal sector are less than thirty years of age while non-national workers average between thirty and forty years of age. This clearly indicates the relatively recent history of education expansion in Papua New Guinea. In relation to educational attainment it has been estimated that about 59 percent of all citizens employed has no more than primary schooling. About 70 percent of the employed non-nationals occupy more professional, technical, administrative and managerial occupations. Despite the relatively short history of education development it is encouraging to note that base levels of the public service and of the private sector are now localised.

### **Training facilities**

At present Papua New Guinea aims to adequately meet the general training needs within the country and where possible prefers to utilise training opportunities and facilities in the region. However, for post graduate training and certain technical and other specialised needs, training is acquired overseas. Efforts are continually being made to upgrade the standards of training to ensure that the programs are responsive to the national needs. More emphasis is also being placed on utilising foreign-aid for in-country training which is proving more appropriate, effective and economical. The establishment of National Training Council (NTC) to coordinate both public service and private sector training is a welcome step in the right



direction. AusAID assists the country in setting up a National Apprenticeship and Trade Testing Board (NATTB) which will increase the quality of technical personnel coming out of technical colleges.

The development of technical education in Papua New Guinea is a recent history. There are four state technical colleges, several vocational centers and six universities supplying human resource for the SMEs. The problem of irrelevant curricula, unqualified instructors and out of date equipment in the institutions results in the production of graduates who are not attracted by the industrial sector. They prefer foreign workers.

### **Training and Development**

Training and development of human resources is important to improve the productivity and international competitiveness of any enterprise. Most of PNG SMEs spend nothing for this purpose while most of the industrialised countries spend about 2 percent of their GDP on training. Industries are pinching people who have learned skills elsewhere than give them those skills themselves. One survey indicated that there is no skill shortage in many fields. But only half of the work force with skill qualification work in the jobs for which they are trained.

PNG schools and colleges are also criticised for producing graduates with irrelevant training to the needs of the SMEs. Controversy rages over classroom hours against practical training, under qualified and inexperienced instructors, outdated equipment and facilities and irrelevant curricula.. There is also criticism about quality of graduate output from state institutions which resulted in large number of private training institutions both local and overseas being established. Control and monitoring of such educational institutions are worries for the state authorities.

When Asian countries are moving so fast in providing relevant training to meet global competition, PNG is lacking in this regard and may not be able compete meaningfully in the global competition. Realising the lack of training provision by industries the government has enacted a legislation forcing all the companies pay 2 percent of the pay roll as training levy. But instead of the government using this levy for training purposes the money is paid into general government account and is used for purposes other than training.

Papua new guinea gives low priority to matters of labour. Everywhere in the world and in all forms of development, labour is always a priority, a key and most important factor of production, without which no development can take place. This is also true for PNG and for PNG to give lowest priority to matters of labour continues to be the single hindrance in creating jobs for people. Labour is the engine room for development because it skilfully converts capital, land and entrepreneurship into the kind of infrastructure and wealth that the nation boasts for today.

The Department of Employment and Youth? (DEY) mission statement charges it with the responsibility of creating and sustaining a harmonious industrial relations climate between employers and employees on both the private and public sectors; with the responsibility of promoting job opportunities for citizens; and with the responsibility of setting and enforcing acceptable employment terms, conditions and standards.



DEY achieves HRD through training. Its various training programs facilitate the training and imparting of skills to enable citizens to secure jobs in the labour market. It has a number of continuing and new programs for the training and development especially for school leavers and unemployed. The human resource programs that the department delivers are the apprenticeship training scheme, the trade testing and certification scheme and training and localisation programs. The private sector supplement the DEY training programs by conducting training programs using local resources or from abroad. One example is Daltron Electronics in association with Australian Institute of Management conducting training programs. Two such programs relevant to HRM are: 'Taking control with time management' and the 'New supervisor' focussing of team leadership and increase the ability to achieve overall objectives.

### **3. HUMAN RESOURCE MANAGEMENT (HRM)**

Human resource management? simple definition is managing people within the employer-employee relationship. It involves the productive utilisation of people in achieving the organisation? objective and the satisfaction of individual employee needs. HRM is a major contributor to the success of the enterprise. Likewise ineffective HRM can be a major barrier to employee satisfaction and organisation success. Thus HRM is thus either a part of the problem or part of the solution in gaining the productive contribution of people.

#### **Human Resource Planning (HRP)**

Human resource planning is the process by which an organisation attempts to ensure that it has the right number of qualified people in the right jobs at the right time. It does this by comparing the present supply of people with organisation? projected demand for human resources. Simply HRP is used to achieve:

- . more effective and efficient use of human resources
- . more satisfied and better developed employees
- . more effective equal opportunity planning.

#### **Diagnostic Approach to HRM**

Many factors affect HRM. These may be from organisation? external environment or its internal environment. Whatever may be the case, the impact of a particular influence must be identified and considered by the HR manager. HRM is influenced by factors such as changes in technology, laws, social values and economic conditions which exist outside the organisation in addition to factors which exist inside the organisation such as the organisation? objective, strategy, culture and structure. All of these can have a significant influence on the organisation? HRM objectives, strategies and action plans. An integral part of strategic HRM involves the human resource manager in analysing the environmental influences to identify those factors which inhibit the organisation and those which help the organisation achieve its objectives. An ideal situation in this circumstances is to identify and access the external and internal influences against the organisation? purpose, objectives and strategy and plan the



HRM objectives and HRM strategies. The HRM activities will follow then. Finally the HRM outcomes can be compared with HRM objectives that were designed.

### **Influences:**

Effective HRM depends on the identification of external and internal influences that affect the HRM. Internal influences are influences such as organisation mission or purpose, objectives and strategies, culture and structure involving factors which are found within the organisation. Some of the major external influences existing outside the organisation include: political, legal, environmental, technological, cultural, demographic, social, business, economic and industrial relations. Political attitudes towards business and unions and such issues as management rights, strikes, secondary boycotts and enterprise bargaining can influence HRM. Laws and regulations regarding such matters as hours of work, holidays, equal employment, affirmative action, sexual harassment, workers compensation, health and safety, fringe benefits have clear impact on HRM.

The level of technological advancement and rate of technological change affect job design, recruitment, selection etc. The boom in portable PCs have changed the nature of some jobs. Computer networks are eroding traditional workplace hierarchies. The historical background, ideologies, values, norms and language all influence employees' views on the role of HRM. The nature of human resources available to the organisation in terms of numbers, geographical distribution, age, sex, literacy, skills and education levels have obvious impact on HRM. Changing values and attitudes toward such issues as work, minorities, unions, management, social mobility, status, rewards, smoking, job security have impact on every aspect of HRM. Changing values and attitudes typically create new challenges for the HR manager. These influences will be discussed in detail later in the context of HRM in Papua New Guinea.

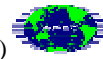
### **HRM activities:**

HRM involves the acquisition, development, reward and motivation, maintenance and departure of an organisation? human resources. Certain key HRM activities must be undertaken to satisfy these aims. Each of these activities is interrelated and together represent the core of HRM. These activities are job analysis, human resource planning, employee recruitment and selection, employee appraisal, training and development, employee motivation, compensation, benefits, industrial relations and health and safety.

### **Human Resource Information Systems (HRIS)**

Computer technology is revolutionising the entire world. SMEs are of the opinion that computer software is a modern technology that can be used only by big enterprises. HRIS, if used correctly can provide a powerful competitive edge. Many organisation use the information system only to record employee information. It must be used an integral approach to acquiring, storing, analysing and controlling the flow of HR information throughout the organisation. It provides the necessary data for planning activities such as forecasting, succession planning and career planning and development. The major benefit of HRIS is the accurate and timely access to diverse data for the HR manager and the top management. HR





manager must be thus computer literate. Even in many developed countries majority of senior executives are computer illiterate since computer literacy is a low corporate priority.

### **Changing work force:**

With greater movement of people from one part of the country to other and from one country to other we are faced with greater mix of racial and cultural differences. This presents a significant challenge for HR managers. The proliferation of cultural backgrounds at work brings to the surface many varieties of values, work ethics, and norms of behaviour that are ethnically and culturally based. Attempts to work together with employees of different background are likely to be hampered by communication issues, insensitivity and ignorance of each other? motivation. The best approach will be to look for ways to integrate and not assimilate the mix of people from diverse cultures into the workplace.

The present climate of economic turbulence, savage competition and pressure for increased productivity has identified the need for HR managers to adopt a strategic approach, be part of the top management team, be involved in corporate planning, develop business know-how, become bottom-line oriented and develop a vision of what HRM is all about. The central challenge now facing HR managers is performance improvement in the shift from an industrial to an information society. Organisations must now manage their employees quite differently if they are to compete successfully in a world where human resources have become the competitive edge.

## **4. SMALL AND MEDIUM ENTERPRISES(SMEs)**

What are the small and medium enterprises and why should we talk about human resource planning in SMEs? Small business makes up the majority of companies, basically in any country including developed countries. They contribute to employment, export and GDP. If we take Europe for example there are more than 15 million small businesses contributing to almost 60 percent to total employment. They contribute almost 50 percent to GDP and 40 percent to exports. In many countries the majority of businesses are small and not medium and that is why we should help small businesses more than anything else. This fact is not realised in many countries especially developing countries like Papua New Guinea and thus tend to ignore the development of SMEs which are vital to the national development.

Across the world , SMEs face two constraints: financial services and competitiveness. Financial services that are needed by SMEs are such as checking accounts, letter of credits, overdrafts etc. Most of the SMEs do not need loans. They will be happy with the overdraft account for their working capital and also need a safe place to store money and get access when they need.

Competitiveness include **capability, market functioning, government policies and physical infrastructure**. The studies show that companies that invest in the human resources have the bigger chance to survive and compete. Due to government education policy many small businesses face problems of finding skilled labour. Sometime the government policies on businesses will also affect small businesses.

### **Challenges for SMEs**





The major challenge for SMEs is to be able to stand up to competitive pressures and effectively participate in both home and international markets. SMEs also need to be able to exploit new markets opportunities arising from globalisation and trade liberalisation. The SMEs should be supported for the development, growth, diversification and internationalisation. Three major dimensions must be developed to achieve this. First is to develop the entrepreneur. His/her technical, managerial and human relation skills; the interest to grow, exposure to growth stimuli, and basic foreign language skills must be developed. The second is the development of the enterprise itself. The enterprise? productive capacity and technical capability; the level of modernisation; its proximity to suppliers and markets, its stage of development and growth must be given attention. The third issue that must be addressed is the product and services of the enterprises. The overall quality of the product or services, design standards, suitability to foreign markets and compatibility must be looked into.

## **5. HRM IN SMES IN PNG CONTEXT INDUSTRIAL DEVELOPMENT IN PNG-SMEs**

PNG became an independent country only in 1975. Rugged and terrain landscape, diverse culture and languages, lack of contact with outside world and the colonisation until 1975 restricted industrial growth. Infrastructural development such as road links, bridges, water supply and power are still rare and movement by road to many parts of the country is very difficult even now. PNG has ample raw materials such as coffee, tea, rubber, timber, cocoa which are not being processed within the country due to lack of initiatives and relevant government policies on downstream processing. Raw materials were being exported overseas for processing. Few industries that were established are mostly service industries and are owned and operated by foreigners. PNG does not have manufacturing industries as most of the products are still imported. Some manufacturing industries that were established could not survive due to problems in importing raw materials and identifying market for the products. The establishment of SMEs in PNG is seen only in urban areas due to the absence of infrastructure development in rural areas. This has also forced urban migration increasing law and order and social problems in towns.

Only mining companies, timber companies and agricultural plantations operate in rural areas some in very remote locations. Most of the above companies are still foreign owned.

International and Australian companies such as Shell, British Petroleum, Mobil, Commonwealth development Corporation, ANZ, Westpac, BHP, Hornibrooks are operating in Papua New Guinea.. In developing HRM policy a key question that must be raised is for what type of organisation we develop HRM policy?. A PNG Company, an Australian Company operating overseas or a multinational company with foreign workers operating in Papua New Guinea? This will decide what type of management practices that can be imposed on the company. It will also permit the organisation to identify those core values which are critical to its success and which makes it unique. Lack of understanding of the above procedure will result in applying improper management policies in the organisation.

In order to promote effective HRM, ILO in its 1994-95 general program for the region defined three priorities as below:



- promoting the advance of democracy-through the rule of law, tripartism, sound industrial relations practice and the elimination of discrimination;
- the fight against poverty - by developing responsive training systems, employment creation schemes and social institutions, and ensuring that restructuring policies take account of social needs; and
- protecting working people- by creating safe and human working conditions, reforming and extending social security and meeting the needs of the most vulnerable groups: child workers, women workers, migrants and those in the informal sector.

Within these priorities, the ILO in PNG focussed on labour standards, equality of women, employment promotion, work environment and informal and rural sectors.

### **Future role of SMEs in PNG**

In the era of globalisation and free competition in the next millennium the future of SMEs in Papua New Guinea is unknown. There is a fear that SMEs will not be able to survive in future trade era where there will be stiff open competition in which Papua New Guinea may not be able to compete. Another factor which will affect the SMEs in Papua New Guinea is its high labour cost which is one of the highest in the region. It is believed that the Asia Pacific region will become the dominant factor in guiding the economy of the world in the next century. What will be the part played by PNG in this effort as one of the countries in the region. Unless measures are taken to improve the future of Papua New Guinea SMEs will be uncertain.

In the next century trade will become increasingly global and there are moves towards elimination of all trade barriers and restraints in trade. Papua New Guinea industries find themselves at a cross-road; they must achieve more with less effort in order for their products to remain competitive in the world market or be prepared to sink. Increasing productivity in any business is a challenge. Improvement of productivity depends on many factors, some of which are related to workers, some others are related to the supervisors and the relationship between the two. Human resource management is thus a contributing factor in the survival game for SMEs in Papua New Guinea.

Since Papua New Guinea is a small country with small number of enterprises there is no role model for workers from leaders, politicians and churches. Overall human values does not exist in PNG. Organisations cannot develop in this situation. There is no motivation for workers who are only interested in all perks that a job can offer to them but are not responsible for the work that they are doing. They are also least interested in increasing productivity. Organisation? vision statement is short term and not long term due to frequent changes in the government policy.

### **Impact of cultural values**

Cultural, social and economical values have impact on work. Melanesian culture is very easy going where punctuality, time conscious and responsibility are not considered very important. Many workers do not show up at work usually after a long weekend. Wantok



(relatives or who speak same dialects) system is very strong in the social system. Urban migration brings more wantoks from rural areas. They come to town and stay with their wantoks sharing their income and facilities. This creates extra social pressure, unemployment, law and order and other social problems on the community. Except some multinational companies housing is not provided for the workers by small and medium enterprises. Housing rental is very high and workers are forced to live in settlements with their unemployed wantoks. Safety and security are not guaranteed. Health services in Papua New Guinea is very poor and there is no separate hospitals for workers or such as Employees state insurance for workers as exists in many Asian countries. Drinking, gambling and polygamy are accepted factors by the society. Family breakdown is quite common in the PNG society. Detachment of workers for a longer period for training overseas changes the situation and their attitude towards work but on return quickly influenced by the society and return to the original situation. Hence the change is not sustainable. Group training will be preferable. Village values have more influence on work style. Though the National Constitution stipulates integral human development PNG educational institutions fail to achieve this objective.

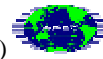
### **Traditional Vs Technological style of HRM in PNG**

Two sectors of work exist in PNG: the traditional sector work in rural areas covering almost 80 percent of the population and modern sector mainly in urban areas covering just 20 percent of the population. These two are fundamentally different in organisation of production. While in the modern sector labour is perceived as a factor of production and compensated by prevailing wages, in the traditional sector the labour is mainly for subsistence living. A range of social and cultural factors determine the organisation of production and the use of land and labour in the traditional sector. The use of textbook HRM style cannot work in the traditional sector. Any effective HRM policy must take into account the characteristics of traditional employment in the rural areas in order to be relevant and meaningful to the needs of the majority.

### **Occupational Shifts**

Frequent movements in the occupational categories from traditional to modern and vice versa in PNG make the work of HR managers difficult. Due to heavy competition for education and training in the later part of this decade there are notable shifts in the job categories. Overall people from rural areas moved out of subsistence into monetised and formal sectors. They moved mostly into cash farming, a positive shift for development. On the other hand in the urban areas the shift was out of wage employment and into unemployment. There were also shifts as well out of housework and into cash farming, schooling and self-employment.

Due to its well known diversity in culture and languages traditional management has been built on clan or wantok system. Since Papua New Guinea has been exposed to outside world very recently compared to other countries in the region the people are not exposed to external pressure either in their normal life or in their working environment. Exerting pressure at the work place will result in the workers leaving their job even if they do not have any alternative work or means of living. They will simply return to their villages. Due to the above factors management and workers in Papua New Guinea do not have a close ongoing



relationship. Human resource management seeks to integrate the interests of an organisation and its employees. The obstacles to the effective human resource management in Papua New Guinea is the authoritative and irrelevant management style of mostly expatriate supervisors against Melanesian cross-cultural setting of work force, wantok system in the hierarchy and the resistance to change. A participatory management approach blending technological management principles with the traditional management practice is necessary for successful employee investments in Papua New Guinea. Another factor is the government unstable industrial relations policy.

### **Expatriate Bosses**

Most of the SMEs in PNG are foreign owned and are managed by expatriates. Expatriate bosses in Hong Kong are regarded by their staff as more supportive than their Chinese counterparts, according to a survey. This was particularly felt to be the case among female middle managers. Chinese bosses were found to be far more authoritarian and hierarchical leaving their subordinates feeling powerless. What is the situation in Papua New Guinea? Immediately after the independence and during 1980s majority of the supervisory work force in SMEs were all foreigners and hence the management was much easier. At present very few expatriate managers exist in any single enterprise. Unlike Hong Kong expatriate managers in PNG are not well liked by the national work force. HR managers relationship with the subordinates can be assessed in terms personal interest in the subordinates work, friendliness, information sharing, consultation, recognition and job assistance. Expatriate managers working in PNG are not same in terms of the above factors. Some are friendly with subordinates and some are not, some consult with the subordinates and share information and some are not and some managers are friendly with their staff. Some feel that closeness with staff might diminish differences in status and will make supervision difficult. Some managers are authoritative and use foreign style management creating unrest and conflict. Three case studies were conducted to access the HR managers view on their work force and to establish the style of human resource management techniques that exist in Papua New Guinea.

### **Case study 1**

The first case study was conducted with the Lae Branch of the Australia and New Zealand Banking Corporation, an Australian Bank with an Australian Branch Manager

There are a total number of fifty staff with only the manager as expatriate leaving all other forty nine staff as PNG nationals. The manager has already worked in Australia and Vanuatu. He has full exposure to the Melanesian culture. His views are that expatriate managers will fail in their work if they do not understand the local values and culture. He says text book method of human resource management will not work in Papua New Guinea and he has no problem in managing his staff except in some situations his decision is not acceptable by his staff. His experience is that expatriate managers are respected more than the national managers. Sometime wantoks short circuit the management cycle. He has found out that values are diluted when Papua New Guineans manage Papua New Guineans and managing female staff easier than male staff.

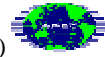


## **Case Study 2**

The second case study was conducted at the Lae International Hotel which has a total of 150 plus staff. There are 6 expatriates while the rest are Papua New Guineans with 25 percent of them female staff. The HR manager is a Papua New Guinean with about 6 years experience mainly in airline industry. His view is that national manager supervising national staff is easier due to the clear understanding of cultural values. Wantok system gives pressure on his work but ignoring the pressure makes the work more recognised. He thinks that cultural values have more impact than social values on one? work and hence solution to the problems such as punctuality and attendance must be dealt in cultural way and not using textbook methods.

## **Case study 3**

The third case study was conducted in an airline sales office where the sales supervisor is a female Papua New Guinean. All her 22 staff are female Papua New Guinean staff. She has no problems in managing and supervising her staff and is well respected by her staff. She has been awarded Queen? honour for her outstanding achievements as sales supervisor of one of the busiest sales office of the airline.



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