

Chapter 1

Crossing Borders: The Experience of a Mexican American HR Manager in a Maquiladora¹

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This chapter presents a case study in the form of the story of Angelica Garza,² a woman of Mexican-American heritage who worked for over 10 years in the Human Resource function of a multinational medical products company, most of that time as HR manager for a maquiladora³ plant in Tijuana, Baja California, a large city directly across the U.S.-Mexico border from San Diego, California. The story is told primarily in Angelica's own words (denoted by italics in the text).

Background: Family and Work

Angelica Garza is a sixth generation American, born and raised in Tucson, Arizona. She grew up in a traditional U.S. Hispanic family as the fourth of five sisters. Her extended family of origin was tight knit and religiously Roman Catholic, and revolved around social events and family gatherings. Family members were very close both in terms of emotional support and physical proximity. The family unit worked together and played together-- reinforcing each other and providing support to the family system. The family shared values such as a strong work ethic, a religious orientation, and the importance of maintaining their Hispanic culture. Angelica learned Spanish in the home and English both at home and at school, enabling her to develop her bilingualism.

My mother was a big focus, the matriarch of the family. She was about four-foot eleven, and ran an iron hand. So there were a lot of family gatherings and a lot of extended family-type get togethers My mom and my dad spoke [Spanish] all the time. Also, my mother had a twin sister who never got married and so lived with my grandmother The sisters were always over at the house or always over at my grandmother's house; I had to speak to my grandmother in Spanish. And I learned what my parents were saying because they would usually talk about us in Spanish. . . . I probably speak [Spanish] the best of all of them. My oldest sister speaks

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² This and all other names in the case are pseudonyms to protect confidentiality.

³ Maquiladoras are manufacturing plants owned by foreign capital in the regions of Mexico bordering the U.S., set up to take advantage of favorable laws and cheap labor.

it pretty well, and my second oldest, and the fifth down. Out of choice. The third one actually doesn't even acknowledge her Mexican heritage. She acknowledges whatever French blood we have in us; so she has had some negative experiences being of Mexican descent.

I always had acquaintances but I only had a few friends that were friends. One was a Mexican-American, with an Anglo parent. There wasn't much Mexican heritage there, in terms of her upbringing. But, basically, because my sisters and I were so close, we hung around a lot together. I also had some cousins that lived two and a half blocks away and we would hang around a lot together, too. So there wasn't a lot of time for socializing as kids, because there were the chores that we would have to do and the homework and the practicing, so there was a lot of socializing with cousins and sisters.

Angelica attended college in Arizona, earning her Bachelor's degree and working as a trainer in vocational rehabilitation. She also met her husband there, a Mexican-American man with whom she shared values and traditions. After college, Angelica got a job as a personnel manager for the Tucson facility of a medical company with plants in the U.S. and Mexico. She enjoyed working close to her family, her husband's family and her friends. This period included a sale of the company to USMed. Later, USMed was acquired by GPE, another large firm. After this buyout, Angelica was promoted to the Tijuana/Chula Vista facility as the Plants Industrial Relations Manager, with responsibility for both the U.S. and Mexico sides. Although she worked primarily in Tijuana, she lived on the U.S. side and crossed the border daily. Angelica described USMed, headquartered in the Midwest, as "an old boy company" whose management had been there "about 30 years" and "are all waiting to retire."

When I first started at the Tucson facility it was about 160 employees. I had a boss that was very intelligent and very sensitive. He was culturally sensitive. He treated women like professionals and that type of thing. He was a very efficient person and he was there about a year and a half, and left because of the takeover. And then we were left without any plant manager for about a year and it was a team management type thing. There were two women, another one and myself and I think four men. It was kind of an interesting thing because there was a lot of vying for the general manager position . . . among two [of them].

In mid '82 I was flying back and forth between Chula Vista and Tucson, because they were looking at expanding, or starting to close other facilities now that were owned by GPE. So, they decided to close one facility up in the Midwest. They had a little facility in Tijuana that was about 20,000 square feet, with about 160 employees. And they had an administrative office, maybe 5 or 6 people, on the U.S. side, in Chula Vista. So they decided to build a 100,000 square foot facility in Tijuana. Shut down the Midwest and bring that into Tijuana. So, that thing went from 150 to 500 employees just like that (snaps fingers). In 1983 I was promoted to Industrial Relations Manager, Tijuana/Chula Vista facility. I was relocated and moved to Tijuana.

Working Across the Border

The Tijuana plant was one of a number of operations for USMed. Six other U.S. facilities were located in the Northeast, in the Midwest and in Florida. In addition to the manufacturing plant where Angelica spent most of her time, she was also responsible for human resources for the small, primarily administrative facility in Chula Vista, on the U.S. side. Eventually, there were 34 Americans--12 on the Mexican side and 22 on the U.S. side--and approximately 1100 Mexican nationals on the payroll. (See Exhibit 2 for an overview.)

There was no or little connection between Angelica and the HR managers at the other USMed plants, either in the U.S. or abroad. Angelica reported that USMed had no overall policy or strategy for dealing with human resources generally, and diversity specifically: *There was nothing. Their biggest diversity policy was EEO (chuckle), Equal Employment.*

The transition in Mexico was not a smooth one for Angelica. Nothing in her U.S. experience had prepared her for what she encountered in Mexico. Her Anglo colleagues had only a vague knowledge about the operation in Tijuana and had little interest in understanding or relating to the Mexican work force. Given her Hispanic upbringing in the U.S., Angelica had some understanding of the culture and values of the Mexican employee body. Her Spanish-speaking skills also enabled her to understand and relate to the workers. While she had some empathy and understanding of the workers, the assumption by the U.S. management that her knowledge and connection to the Mexican workers was seamless was a false one. There were many aspects of cultural differences between herself and the Mexican employees that the Anglo managers were unaware of. Also, it was a time of growth and changes for the plant.

In retrospect now, I can look back and [I'm] just amazed at what I was involved in at the time. I mean, I didn't have a clue. I think that one of the things you find is that [people assume that Mexican-Americans are most suited to work with Mexicans.] I guess just because I was of Mexican-American descent, it was like I would just know how to mingle with this total[ly] different culture. And I guess it'd be like akin to putting a cowboy from the West into New York or something. You know, I mean there is just such a variation.

The assumption was that because I was Mexican-American that I would know how to deal with working in Tijuana. Originally I felt like I should be knowing all the stuff that was going on. But I realized later that it was unrealistic, that it wasn't me, it was my environment.

You have to remember that the company is from the Midwest and what they put in for the management there was very Midwestern. So it was a bigger shock for somebody from the Midwest to go to Tijuana than it was for me. At least I had some language. It was never perfect Spanish, but I was able to communicate with the people that I interacted with on a daily basis and supervised.

The result for Angelica was a great deal of frustration and misunderstanding. Her attempts to intercede between the management in Mexico and the U.S. often led to her disenfranchisement from her American colleagues who did not value or appreciate her ideas or suggestions. Further complicating her experience in Mexico was the mixed reactions she engendered from the Mexican nationals. Aware of her American status, she was misunderstood and sometimes resented by Mexican employees. Without support from the U.S. organization, her American counterparts or the Mexican employees, Angelica's successful performance of her personnel role was doomed to frustration and failure. She eventually became an easy scapegoat for the numerous communication and operational problems that proliferated.

Coming into the Maquiladora

I don't think there is ever anything in the books that can prepare a person in HR, let alone a female, because men I think have the advantage (laugh), for going into a Mexican operation. When I went there, I had a receptionist, and I had a personnel supervisor, [who] was pretty good. [Raquel] would get in there and just try whatever needed to be [done]; if she hadn't done it before she would improvise. That's pretty much kind of like where I am at, too. So we made a good team. Unfortunately, we were doing mass hiring, the turnover was 25% per month. . . . Devaluation was (about) 180% at that time, it was devaluing so fast. It was a situation where [the plant] was expanding very fast.

I found that the Mexican women who were there [two women in accounting who were Mexican nationals, and had been there for about five years] were resentful. My saving grace was that I was an American because the Mexican women there looked at the Americans as being like a step above or whatever. And there was resentment of me coming in and taking away jobs. They perceived it as: they weren't doing a good job and we were coming in and taking responsibilities away from them. They did accounting and they also did whatever human resource things came along the way that needed to be done, like if somebody needed an increase or somebody needed a promotion, or if they needed more employees. So it would be done on an as needed basis. When GPE purchased USMed and acquired the Mexican facility, GPE was very structured and a very controlling company. [For example] any [wage] increase or decrease or any hiring of anybody above the direct and indirect hourly workforce, if you needed clerical people, if you needed management people or professionals or anything, it had to go to New York. If you changed salaries that were outside of approved ranges, [or] if you wanted to promote somebody, that had to be approved in New York. So it had to be approved locally, it had to be approved by the middle company, USMed, and then it had to be approved by the parent company, GPE, which was a real shocker. I mean it was a rude awakening; it went from real loose to very structured. There weren't any systems at all in personnel, when you think about it's only a hundred-some employees, and these two people doing it on an as-needed basis.

So me being a woman coming in, I was scrutinized by the two women who had been there. I couldn't get information from them. They gave me the least information or help they could, and

would be critical of anything I did once I took it from them: "She doesn't know what she's doing," or something like that. We were doing a better job, and many times they viewed the policies that I was putting in as me trying to take over. It was in the interaction, the way they would come across, and the gossip that would come back to me.

It was very frustrating, because I also had a boss that didn't have a clue in terms of what I was doing or what was going on, so it wasn't like I could go to my boss and [get] any support from him. It was pretty hectic all around. Everybody was involved in trying to conform to the structure of this new company.

I was kind of the new guy on the block, and I was the only female in that level position. When I got there, there was a male QA [Quality Assurance] manager on the American payroll; there was an engineer, a controller, and a production manager. Those were the four that [the Mexican employees] interacted with on a regular basis for about three to four years, plus the plant manager. The plant manager was from England (laugh), but he was very culturally sensitive. So I was the one that was getting this type of attack from the employees.

You know, I look back and it was probably pretty frightening for them [the Mexican nationals] too, because we all came in and we knew what we had to do; [USMed was] very straightforward about, you know, you fail to do this and you can lose your job and you've got to do that or you could lose your job, so getting them to follow these protocols and these operating procedures was very difficult. Change is difficult anyway but getting them to follow some of those rules [was] real challenging.

Resistance was probably the biggest obstacle. I came from where you explain something, and you say okay, and what you explain happens. And I would explain something, and the Mexican nationals, at the lower levels, would be willing to do anything for you, but most of the time they didn't understand what you wanted them to do. Or, it was easier to do it the way they had been doing it. So they would say okay, I'll do it that way, and then they would go back and do it the way they had been doing it. And, with my receptionist-clerk, getting her to do things, like write a memo--"this is how you're going to write it, okay,"--and then the memo would come out and it would be the way she had originally planned on doing it anyway. Processing [new] employees: they were used to just bringing people in and plugging them in on the floor, bring them in, try them out; if they did good they got the job and if they didn't they were out the door. And we had to get some more control in terms of supervisors and that type of thing, getting them to go through one central place to get their people. Just changing a whole way of thinking and processing. And it was difficult for them; [at the same time] they were getting hit by production that they had to make changes in these areas and they were getting hit by quality control protocols and that type of thing. So I can look back and see how frustrating it was for them.

Between Two Cultures

Angelica understood the employees' approach to the work as stemming from local conditions and from Mexican cultural styles. The great expansion of maquiladoras in the 1980s brought a number of changes, including new expectations and different cultural styles on the part of the managers. At first, potential employees were unfamiliar with these new expectations; the employers needed to train the workers if they were to meet these expectations. This was happening in the context of the meeting of two cultures. In her role, Angelica saw herself as more American than Mexican, yet also as different from her Anglo colleagues.

[In 1982] there weren't a lot of maquiladoras. There were maybe only two or three larger ones; so, if you wanted a clerk or a secretary or an operator or a supervisor, whatever it was, there wasn't any place you could pull where they would have some resemblance to what you were accustomed to. The best thing that I could do when I recruited somebody in my department was finding somebody who was eager to learn and could pick things up quickly and could give 150%. So there was constant training.

The Mexican employees, like supervisors and at management levels, preferred working for American managers rather than Mexican national managers. They said [the Mexican nationals] were much harder on them. The Mexican national managers--[for example] if we hired a Mexican production manager--would be more prone to giving the orders rather than working with them and making sure that they were doing it right. They were more into the status of a position rather than working with the employees. And they would call them on anything, whereas the Americans would be more prone to retrain and try and get them to go the other way rather than letting them go or disciplining them.

In terms of where she fit into the scheme of Americans versus Mexicans, Angelica saw herself as bringing American training, expectations and styles.

Well, see I'm American. I mean I was an American manager, and that's where I was coming from. But I was forced to come up with systems that would eliminate future misunderstandings or problems. [For example] doing more documentation. One of the big things that we were involved in, [that] I got really hit with when I first got there was an audit by the FDA [Food and Drug Administration], and Personnel was responsible for GMP [Good Manufacturing Practice] training. What we had to do was make sure these new employees were getting the information they needed pertaining to cleanliness, hygiene, standards of dress, that type of thing. [The manufacturing had to be] always clean; we had to have documentation to back up that that was happening, and so we had a part and the supervisor had a part, which was like on-the-job training. There was a lot going on and it was a constant training ground. The devaluation forced the compensation to be adjusted four times a year. That had to go all the way to New York. Many times employees didn't understand why they had to wait for their increases [since] the government mandated an increase. So getting that type of thing across [was challenging].

Being a Mexican-American I thought it would be easier working in Mexico because I had some exposure to the culture, but it was a real culture shock for me. It was a different group of people socioeconomically. A lot of those people came from ranchitos, [from] out in the sticks, where there were no restrooms or showers.

There weren't any infrastructures in Tijuana at all. It's pretty good now compared to what it was ten years ago. We used to go to work through people's backyards and dirt roads. Dead dogs were marks for how to get there! And I think now, that if you go to Tijuana now--it's been ten years of maquiladoras there--you can find more qualified Mexican managers or supervisors or clerical people. [Finding] bilingual secretaries and engineers [was like] getting needles in a haystack back then.

The gentleman who had been the plant manager there before I got there and who stayed about six months when I got there used to say that I would be better [off having] a priest in human resources than another personnel person, because there had been incidents of things that had happened, and once we brought a priest in and he blessed [things], then [the employees] would go back to work. One of them was the new building. They wouldn't move into the new building because the bathroom stalls were red and the reason the bathroom stalls were red was because, I mean this was the story, the owner of the building had raped a girl in the bathroom, and when he did that all the stalls turned red. The superstition that was there was real; it was kind of startling. And the Midwestern managers would [snarl]: "Aagghh, get those people back to work!" They [would say things] like: "That's ridiculous!"

Raquel, [the personnel supervisor], lived in Tijuana, so she was real familiar with customs there. So she and I would go to work and talk to [the manager] or whoever it was and just say well, you know, the employees are really upset. They want you to come talk to the employees. They want to talk to you, they don't want to go to that place unless you come talk to them. So they would get together and talk and find out that that was the reason why they wouldn't go work there. And what was the solution? Well, get it blessed. So they blessed it and painted the stalls white, and everything was fine.

They had to get a priest a couple more times. One was when they did the move. They did the move, and the mechanics would not work in their area because one of the mechanics had been electrocuted during the move on one of the machines. They were all very hard workers; they would work extra hours to get more money so they were probably burned out but the guy apparently was trying to repair a machine without turning it off and he just got fried right there. So the employees wouldn't work on the machines. And they were very unhappy, and they were inconformes (unhappy), and so finally it was another meeting to get them together, it was a problem with the machines, so we let the priest come back and bless just that area There was a lot of superstition there.

Another situation when Angelica had to deal with a very different approach to labor relations occurred towards the end of her time at USMed.

[The plant manager, Gary,] wasn't respected at all and people in my staff wanted him to leave. What they did is they went and they got someone who hired a witch to try to get rid of Gary and Arturo. It was Gary and Arturo. Arturo was this Mexican manager; he's the classic macho Mexican. He's got this management position, and he was a real hot shot. And I liked the guy, I mean, I would b.s. with him and stuff like that, but he was dangerous. He aligned himself with the boss to try and find flaws in what I was doing. But nobody liked Arturo, so the witches were working on getting rid of Arturo first (chuckle). And then, they would come to me, and they would say, "Oh, Angelica would you go spray so-and-so's house with this formula, and go spray their door knobs so that they'd touch it." And I'd say, "Well, what is it?" So it's something they got out of the graveyard, you know, stagnant water, you know, rooster pee, or whatever the heck you find there (laugh)! And I said, "No, I'm not going to do that!" This gal said that she spent about \$1,000. The name of her witch was El Negro. One day she came and told me that El Negro told her that he was doing his spells for Arturo and that there was this force that was fighting it. He had found out that Arturo had a witch (chuckle) that was counteracting his witch. So, it was kind of amusing, but at the same time it was frightening to see how they really believed in those avenues of resolution. And they would tell me, "Angelica, you need to go spray your doors, and spray all this outside your house, because Arturo's witch is throwing powers and spells against you" (laugh). And I'd say, "Oh, sure!"

Getting Things Done

Even though Angelica did not share the workers' perspectives and superstitions, she felt she had to find effective ways of motivating and working with them. She was willing to go along with doing things like calling the priest when necessary, or more importantly, accommodate to the local expectations.

It sure was a lot of frustration, but I thought it was my responsibility to make [my colleagues and superiors] understand that if they wanted to go any further, then they were going to have to do some of this. I said, you know, this is surprising for me, but it's the norm here. It's not something I am accustomed to, but it is the norm here and this is what we have to do.

When asked whether she agreed on some level with her colleagues' views of the workers' superstitions, Angelica responded: *Well, yeah, because I'm an American manager. I'm an American. Well, I mean I'm Americanized. It's like, whoa, you know, this is pretty bizarre, but I mean if that's what you have to do Yeah, I was an American, and I felt like they did but*

Angelica attributed her desire to be responsive to the workers to a combination of being the only woman in the top group, being the one Mexican-American whose job supposedly was to be the

mediator between cultures, and being responsible for the human resource function. Her primary goal was getting the job done. *I don't know what percentage it was. It was a combination of them all. Being in that situation, if you're going to move on, you've got to at least figure out what you need to do.*

I found myself being the only woman in an old boy network environment, and that was pretty tough. And it was also tough working in the Mexican environment. Because the Mexican men that I would deal with would look down on me because I was a woman. Again, my saving grace was because I was an American woman. If I had been a Mexican national woman then I would have really had probably more problems. [For example] I had to work a lot, real close with the Mexican accounting manager, who was a male. And he would come to me and tell me how I had screwed up my numbers, or you didn't do this right, and stuff like that. I would go over the numbers and it was just a difference in terms of how things were calculated. Specifically, calculating an annual salary. He would do it by using 365 days, when I would do it by 52 weeks and you'd take your daily rate, it was different, it would always be off a little bit. But, I reported them the way the Americans would be expecting to see them.

[In terms of] reporting, there was no recording when I got there. Nobody knew how many employees were in the plant. People were walking out the door as fast as they were coming in. [Headquarters] would be very upset because they got different answers. They asked production, they'd get one number. They'd ask me, I'd give them another number. They asked accounting, they'd get another number, and everybody had different numbers. So there was that feeling that Mexico was out of control.

But it was pretty interesting. A majority of the employees didn't have washing machines for washing their gowns, so I found myself having to come up with benefits that would be different than what you'd come up with in the United States. One of the things that we put in was a laundry room. And there was a transportation program I had to put in, because the majority of the employees didn't have cars. And they were getting out of second shift at 1:30 in the morning, and they were not wanting to come to work. I found them to be very dedicated, to be doing the job. They originally were working the hours without the amenities that we're used to.

Angelica described the process for implementing new initiatives: The laundry room I don't think was a problem because we couldn't prove we were in compliance with FDA regulations the way the system was. So that was a move that was sound, that the cost was something that they were going to have to absorb. I guess there wasn't that much of a difference because in the U.S. we had laundry services that would come in and do the gowns. So the laundry room wasn't a real issue. The transportation I think was the next issue and then the cafeteria program was an issue. And the transportation program was an issue because no other facility in all of USMed had a transportation program, and that's basically the way the [Headquarters] people would think. And so I'd have to justify it in terms of cost, and of why you were doing it. You had to convince them. [The main arguments were] turnover, the other maquiladoras were doing it,

[and] we wouldn't be able to hire and retain qualified people, if we didn't have it. The other thing too was that there's no lights, there not infrastructures, there's no public transportation to get them home.

Initially it started with me discussing it with the plant manager. And the plant manager at the time, although he was very Midwestern, was starting to see that things were not the same [in Tijuana]. He would say that Mexico was different than the other facilities. [Headquarters] tried to say that Mexico was no different than any of the other operations. You know, it was a medical device manufacturing facility; it was no different than Belgium, no different than Ireland, (chuckle) no different than any of those others.

But there were [differences]. There was the border we had to cross. There were the [wage] increases four times a year which required justification all the way up and that was a major thing. The communication, the lack of training, all these issues, but people would say we're no different. USMed has been around for many years. And the average age was probably in the 30s in the other plants and the average length of service was probably, in the older plants, 10, 15 years. Some of them even 20 years. [In Tijuana, the average age] was about 18, and the average tenure was probably two years. So, as an industrial relations manager you couldn't compare one job to the other. There was no way you'd do it.

Dealing with Headquarters

In spite of the differences, Angelica found that it was a very hard sell to get the people in the central office to understand. For example, headquarters' insistence on standard company-wide procedures for wage increases caused problems. Nevertheless, it was a distant relationship between the plant and headquarters.

When I look at it in retrospect, everything was a real struggle for the first three to four years. And then it started getting a lot easier and I guess towards the end it was pretty easy. They were accustomed now to seeing these high increases, because we would ask for increases of 40% and with devaluation you were talking about a negative three percent dollar increase (laugh). There was a 3% reduction. But see, GPE had this mind block that you were not getting anymore in [Headquarters], you will not get any more than a 10% increase, and that's for exceptional performance. And so we'd go in and we'd ask for 65% and 50%, but that was how fast devaluation was just chewing up pesos.

And I think I learned. I made maybe two trips to [Headquarters] in all the time I was there. [From Headquarters] Tijuana seems far, far away. I mean it's just like it's non-existent. You don't think about it.

Language and Culture

There were only two of us who spoke Spanish [in] the [American] staff, and the other one was Puerto Rican. He spoke Puerto Rican Spanish and I spoke, I'd probably say 80% Spanish. I would never feel comfortable conducting a meeting of the employees, [and] my department was all Mexican nationals.

There were certain departments that were very American. Materials and Purchasing were highly staffed with American employees. In Quality Control, there was a U.S. manager and he didn't have any Mexican nationals. But there's a difference in terms of the people that could work in Mexico. There were the ones that were repulsed by it and shocked by the lack of amenities. And there were the ones that [thought], "This is interesting. I'm going to see what I can learn and go with the flow." And he was one of those, so he was able to fit real well with the employees. The Production Department was split up between two. One production manager had about 400 employees. He was the one who was Puerto Rican, and he was totally Mexican staffed, and the other production manager had a group of 100. He was the American and he had two production managers that were American. So, they were trying to get less Americans. And the more Americans we got in there the more problems we had (chuckle), truly.

Angelica had a sense, albeit somewhat vague, that her ethnic and cultural background helped her do her job better and provided some points of connection to her employees.

I think the employees' commitments to family, and [the way] they would expect the employer to take care of them, the work ethic, was probably something I could understand. In terms of communicating, I felt comfortable with the language thing. They are all huggers. Stuff like that didn't faze me, I mean it didn't seem strange to me. I don't know if anybody ever commented about the people hugging or anything. It was just kind of [normal]. [A] lot of the partying, it was very social. I could understand that. They [the Anglo managers] couldn't. The sports, the social part of it, stuff like competing in the maquiladora beauty contest and stuff like the baseball and soccer. Employees wanting basketball courts and that type of thing, those I found easy to communicate to my boss about. I would have a hard time with him not wanting to do it because he didn't feel it was important. There were things I would win on and there were things I would lose. But they had a hard time.

The picnic and the Christmas party were big things, and GPE was extremely opposed to having any alcoholic beverages served at any company function. The norm was, you work hard, you play hard, and the [employees] expected beer, and they expected to have a nice big party. In some ways I was surprised to see a company spending so much money on a party and in other ways I knew that it was expected. [The] Christmas party for the employees and spouses would cost about 20 or 30 grand. They would spend whatever money they had to come decked out looking their best. The guys from the Midwest would comment, "on their wages how can they afford to get clothes like this." But they would.

[At] Christmas time, the whole place just shut down. If turnover was 25% during the year, it was 50% in December, because people would just quit working and go home, back into the interior of Mexico. They would ask for a leave, and if you didn't give them a leave, they'd just quit their jobs.

The women were really into make up. They would spend all their spare money on make up. I mean we had to put a rule in, no make up, period. We had problems recruiting for that reason. You have to remember, we were working with high school kids. You were in a high school mentality there. The gals were single, they were looking for men. They weren't looking real pretty behind white caps, white gowns, and no makeup (laugh). So, I could certainly understand their [point of view] and I know many times that would be an issue that would be brought up for the turnover and it was [frustrating].

Conflicts with Upper Management: Inflexibility, Misunderstandings, and Prejudice

My managers before [the last one I had] were more willing to accommodate [to the Mexican employees]. The last one I had was probably the most difficult He was from the Midwest [and] had been in USMed [for a long time] I became a very strong person. I probably wasn't as strong at the beginning but I did become a strong person, in terms of saying no, enough is enough You know, this is what we have to do and this is why.

One important conflict occurred in early 1993, at the time of major rains and flooding in Tijuana: There was one day when there was only two of us managers [out of six] in that group that made it to the Mexican facility, and if you had seen it, you would have to have had a boat to get inside the building. As you drove, it was a real challenge to get to work. Maybe about 100 out of 600 employees showed up. One of the other managers and I pulled all the employees into the lunchroom. Basically the rain wasn't stopping and there was a lot of fear and concern regarding their homes, their children and all these different type of issues that they had. So before this meeting I conferred with this other manager, who was the male manager and we both agreed that we should probably just send them home--it was around 1:00 o'clock and it hadn't stopped raining--and to tell them that if the next day was exactly like it was today, that they should call in about coming into work. The main boss, my boss, was on vacation.

So these people did go home and the next day it was definitely not the same conditions, and 60% of the employees showed up. And then the issue came up about whether they were going to get paid for the previous day and what was going to happen. The manager that I worked with on this whole thing said "Well, Angelica is the one that told the employees to go home," and "Angelica is the one that told them not to come to work," you know, because I spoke, I told them in Spanish, and "I had nothing to do with it" [he said], because the boss was not at all amenable to paying anybody for not coming in that day. And I found that, in talking to the Mexican managers, their consensus was that it should be paid, that [the workers] had suffered a lot of

economic loss and that they needed whatever little money. Not only that, they needed contributions from the company.

So dumb me, I took that to my boss and he said, "We're not going to pay them and we're not going to make any contribution because it was an act of God and we don't have any responsibility for that." And he says, "And you're going to go sell that to the Mexicans," and "You're going to be the one to go tell that to the Mexican managers." So I did. I [told] the Mexican managers and I just said, "Sorry, but I need to go and talk to the other maquiladoras. As it stands now we're not going to get it, but I'll see what we can come up with." I said, "Management at this point doesn't feel that they're going to pay." And they didn't sit happy with that.

And at the time, when I made calls to maquiladoras, most of them didn't know what they were going to do, anyway. They were just coming back to work themselves. So, they went on for a couple of days, "Are they going to pay us? Are you going to pay us?" and I said "No they are not going to pay you," and I went back to my boss two or three times in the interim saying, "Other maquiladoras I'm hearing from gave \$10,000 worth of goods, they're doing all this stuff." And he said, "No." And then he got phone calls from the newspaper, and they reported him to a radio show. It was on the radio, and he was getting hounded from the radio. And one of the American managers of Mexican descent, the controller, went to him and convinced him that he should do it. And so after that he went ahead and did it.

I think [my boss] always felt that I was giving away the company store. [He thought] I was giving them stuff, when in fact it was more of "that's the way things were done here." And trying to get him to understand that was extremely difficult for me. Because he already had a blinder on [thinking that I] was being too soft with the employees.

The episode during the flood was not the only frustration Angelica experienced. Another example was trying to convince upper management to implement her ideas regarding medical and other benefits for the management employees. These frustrations were especially an issue with her last plant manager.

As time went on we were getting trained people and people were being trained either with us or with some other maquiladora. So benefit changes were starting too, like paying somebody's rent. Or paying medical insurance, even though there was socialized medicine there were those that clearly wouldn't use it, but they wanted [coverage from the company]. [I'm] talking about your Mexican management-type employee.

I have to say [that] the management that I had before the last one, which I had for the last three years, were willing to go to [Headquarters] with the requests, were willing to take that step. This one was not. He was more interested in looking good and having good numbers than he was with accommodating the changes that were going on with employees. And medical benefits

would have cost the company some money, but at the same time we would have had more security in terms of retaining that level of employee. Also leasing cars for some of the employees was another thing that was going on. Just being receptive to benefits that were out of the ordinary [compared to] something that [the plant] in the Midwest or one of these others would get.

Upper management's style also created problems for Angelica. Eventually, she began to feel that the deep prejudice that her colleagues and superiors expressed towards Mexico and Mexicans was also directed at her.

The last management group was, "If you don't like it, don't let the door hit you in the ass," type mentality. You know, "If they don't like it, they can just leave," and when that would get back to the employee, they would be absolutely livid and that would create extreme job insecurity. There was one incident when an employee sent a letter to [Headquarters], referring to the manager that they had there, that they were concerned about [him]. [They asked Headquarters to] send us a manager who cares, something to that effect. There was no response to that.

It was hard not to internalize it. I'm of Mexican heritage too, and if that's the way they feel about these people that are our livelihood, that's the way they feel about me. The last incident with me was when my boss was going across the border--he had a staff member driving him--and he hit a Mexican national. Physically, in his car he hit the Mexican national. He and his subordinate got out and the subordinate said, "I think he's dead." And my boss took off across the border. Now, that was a difficult thing for me to deal with, and I was probably ineffective in that respect because an employee would say things to me regarding that, [and] I couldn't defend it, in terms of promoting good will and all that stuff, I couldn't defend him because I had those same feelings myself. You know, [for example, employees] would say, "If he runs off on something like this, what's he going to do if we get in trouble here? Is he going to leave us hanging?" There were comments like that. So, I couldn't be a positive force in that respect. I couldn't be a good ambassador. [My job was] being in the middle, keeping an employee in the company working in a harmonious working relationship, and of course, I couldn't do it at that point. I guess when [Headquarters] would come and visit and make comments like I would have done the same thing, and he was right to do that, and stuff like that, [I would feel], "Geez, what is this place?"

Enough Is Enough

As Angelica experienced more negative interactions with management, she began to understand prior experiences in a different light. The cumulative effect proved to be too much to continue at USMed.

Down the road I could remember things where, you know, I felt being Hispanic. I can remember the boss who I had that was the more sensitive boss. The first boss I had, Bob, was

there during the growth and the changes, and I can remember when I told him I was pregnant and he was very upset about that. I can remember when a Mexican QC supervisor was in the process of being promoted to engineer and she had a miscarriage, and he called the whole thing off because "that means she's just going to try again, she's going to be pregnant, so she's going to be gone." "I'm in Mexico and I can pretty well do what I want," was kind of the attitude. And he would tell me things like he didn't want me to hire women of child bearing age or with young children at home.

And I would just say to him, you're talking about me. I mean that would be hard as a woman, you know, in situations like that it would be hard not to feel like that's who you're talking about. I can remember when they were building this new facility in San Diego, and a comment was made of "don't you like what I did with the bathrooms, Angelica?" What did you do with the bathrooms? "Well, they're all cement, and then all they need to do is take a hose and hose it down, because you know how those Mexicans are." I said, "how are they?" He said, "Well, you know, they're dirty, they get that stuff all over them, and they don't know what to do with the stuff." And I would just say, "you know you're not going to be hiring Mexican nationals here anyway, you're going to be hiring probably Filipinos." But it was comments like "wash Mexico off of me," and just stuff like that. And after hearing them over the years it became more identifiable with me. I felt it was more insulting.

[At first] I wasn't vocal about it. [When] I started off, I was like a new kid, I was like a virgin, you know, I was in this old boy network, and I think I felt many times I was lucky to be working in many respects.

It was just, you know, finally, enough is enough. I would make comments like "that was uncalled for." The last [manager] was probably the worst. He was more interested in looking good, [but] he really wasn't. He would be the one who would "wash Mexico off." He wouldn't participate in any of the Mexican [events], he never came to the Christmas party, and employees felt insulted. The last year, I was at a Christmas party and there were only two Americans there. And that was myself and that QA Manager. And the comments were, "Weren't we good enough for him to come. Aren't we important enough for him?" But they took things like that, the things that would insult people easily, something that I wasn't real in tune to initially, but became more in tune to that. Maybe that's why I became more sensitive, I probably became more sensitive to it, because I became more aware of what was going on.

Part of what allowed Angelica to see things differently was that she was now more settled in her job. She became less concerned with figuring out what to do, and grew to see that the problem was not her.

The focus I think was probably different. The focus I think initially was having to learn what I was involved in, and having to put systems in place, and once those things happened, I also developed a department. There were only three of us when I started, and there were 20 when

I left, in that department. So, I think the combination of working out of a vacuum, just kind of doing what I needed, and fighting fires, initially, and learning what I was doing. And getting a formal department where I was more involved with management things than I was before. Simply because we were becoming less fire fighters.

At first, I [thought] maybe I'm being too sensitive, maybe I'm seeing things that I shouldn't, that are not there. I was more critical of me and I just got to the point that I realized it wasn't me who was [the problem]. . . . I became more vocal and the relationship with my boss deteriorated significantly. It was very hard, it became very hostile. He came to the point where he would have witnesses when he talked to me, and he would be accusatory and I became, I guess, more reactive than anything. I kept [Headquarters] apprised of a lot of the problems that were going on. Ultimately, I got involved in reporting him and things that were going on to GPE. [Headquarters] came to do an investigation. I told them basically things that I felt were inappropriate. I talked about racial and sexual discrimination and I also mentioned that the last bit of respect I had for the man was the incident at the border, and that was a hostile environment. And that there had to be some changes, and so they decided to make the changes. They moved me out. I mean it was an extremely hostile environment. And that's how I got involved with litigation.

The company "resolved" the problems by firing Angelica. There was no attempt to deal with the situation constructively, or to use all her insights to address the plant's problems. Her boss is still at the company and, as Angelica says, "he'll probably retire there." Angelica is currently suing USMed, claiming retaliation, sexual and racial discrimination, and unequal pay.

I mean it was truly unequal. Men were getting \$30,000 or \$40,000 a year more than I was and they weren't any more qualified. [I] was now with 10 years of experience, I was also more bilingual than the majority of them. In terms of this evolution it was a thing of "why should I have to take this and be at the bottom of the range any more?" There was a time when I [would just have said], "I'm lucky I'm earning what I'm earning." But I guess that's speaking like a woman in many respects (chuckle): If a woman earns more than \$30,000 a year, she's lucky, really.

Angelica's primary motivation in suing is to get justice, but she has to pay a price. At the time of the interview, the litigation had been going on for a year, with two more years likely. *I felt that it was a thing of being swept under the floor and I just wanted them to know that I wasn't going to be swept. If I had it to do over, I don't know if I would do it again.* (Exhibit 1 gives a chronology of key events in Angelica's tenure with USMed.)

Lessons Learned

In discussing her experiences Angelica reflected on the lessons to be learned and on possible ways that the negative and painful outcomes could have been avoided.

Before they put people into an environment like that they should give them some sort of cultural training, and demand that an effort be made to learn the language. Because, even if you just say, "Buenos Dias" or show some effort to learn the language, you get a lot more respect from the workforce. From everything I've heard, they took a problem manager and put him in Mexico. Anybody I would talk to in [Headquarters] or people who visited would say, "you know, they've had problems with him everywhere they've gone." And so, it was a thing of like, you can take him and stick him here and nobody's going to be the wiser. But, I don't think you should take a problem employee from the U.S. and put him in an international company, because I think it just exacerbates whatever is going on anyway.

When they were expanding, they had a reorganization [and] they put this one fellow in there to evaluate the expansion. He came at a time when the manager was Bob, who was there from about 1983 to about 1987. So he was the longest period; he was from USMed. Things were so out of control by the end of '87, that he was having these meetings, and these sub-meetings, and it was this big elephant thing, where to get rid of the elephant you have to take little bites, and [one of] the little bites was defined as morale was real low. So there was this big subcommittee to get the employee morale on board. And, in January of '88, this fellow started and he was culturally sensitive, culturally intelligent, and the morale just changed immediately with the employees, just the way he interacted and the way he responded to employees.

From 1983 to 1990, I pretty well ran the show in the personnel department, setting up the systems and designing everything that needed to be done and setting up policies, and that type of thing. I had maybe six or seven people maximum a year going to Mexican labor court when he left. And we were getting 6 or 7 a month there towards the end. So I really looked at myself as being ineffectual [by that time,] in terms of I was probably doing more harm than good.

I think in human resources, I don't care where you are, you're only as good as the support you have. Because if its not supported at the top, then this whole function is just a waste of energy and money. And in the Mexican environment, I think the human resources role should be [and] is a very significant and an important role. The progressive companies look at it as an important role [in contrast to] the companies that look at it as a "have to have." And I think if you look, too many times people promote clerical people into human resource positions.

USMed is an old organization. I don't think there's going to be much changing until you get a younger group of managers and directors in there. I don't think anybody in human resources could go in there and make any changes, period, under the direction of the current management, in that environment.

Angelica clearly indicated that at USMed, HR was not seen as part of a broader strategy, or as part of accomplishing the firm's mission. In looking for a new job after she was fired, she took these lessons into account.

One of the things I would not do is go to another company that didn't view human resources as a key element, in terms of the organization and its culture. When I interviewed for this job, what was I looking for? I was looking for a commitment to human resources: How, where did it fit in the organization? How much input or involvement did the position have in terms of policies? What level of strategic planning were they involved in? The commitment of money they put into the position, in terms of the whole organization. The boss's philosophy in terms of what his expectations were out of the human resource department. [I am interested in a workplace where I can be] an integral part of the top level team, where the communication is very open. I'm pretty straightforward and I guess I expect them to be straightforward too.

Currently, Angelica continues to work in human resources management in a very different type of organization located in San Diego.

Discussion Questions

1. What competencies are appropriate to identify and/or develop to insure greater effectiveness of U.S. employees operating in a Maquiladora or other non-U.S. organization?
2. What role did the U.S.-based top management team play in the ineffectiveness and productivity problems discussed in the case study?
3. (a) What would be the specific "Business Case" for increased sensitivity and awareness of other cultures?

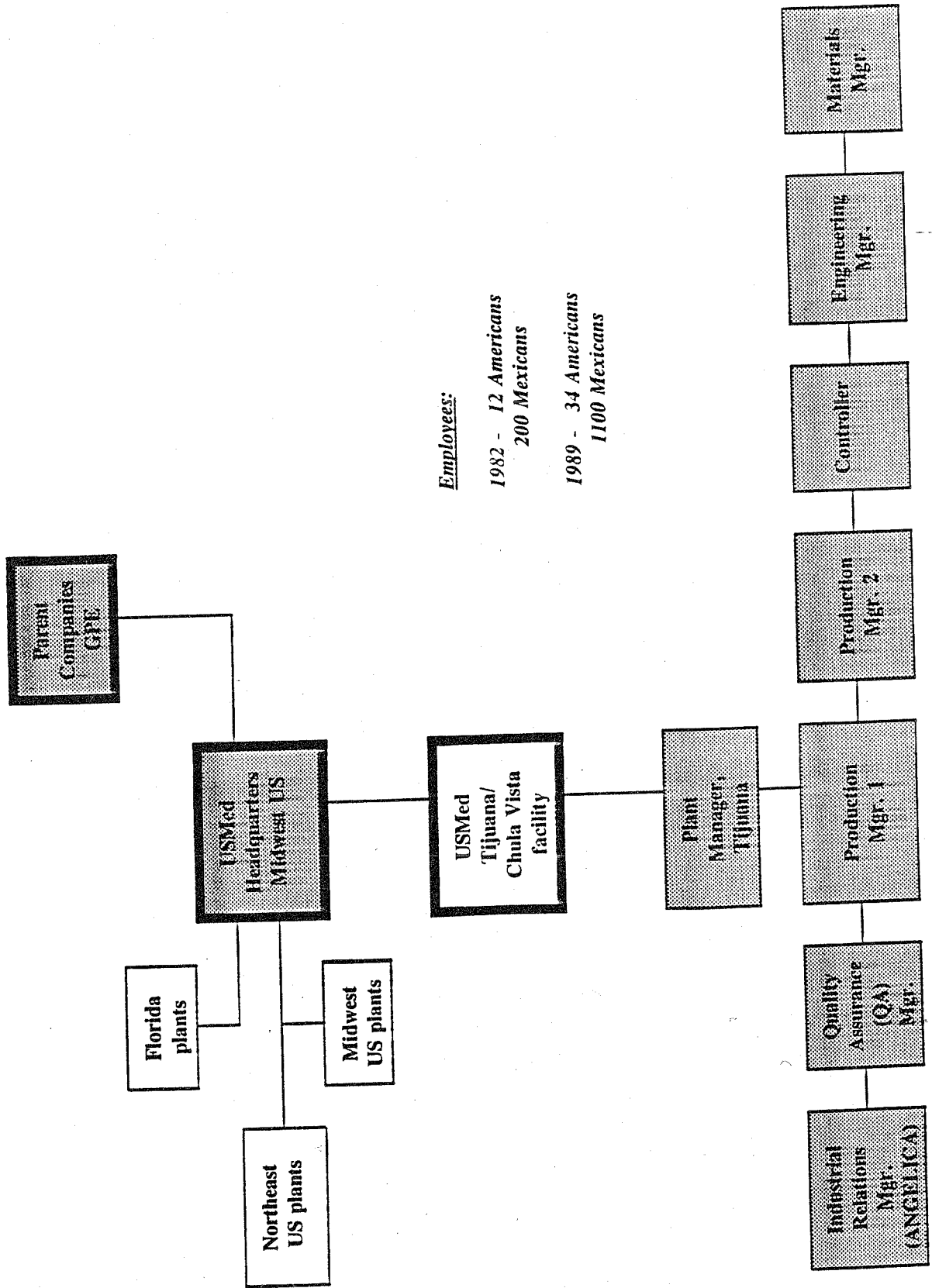
(b) What are some of the costs of not understanding diversity?

(c) What could the organization have gained by approaching the plant with greater cultural understanding?
4. From the HR perspective, what were the unique challenges that Angelica faced at various points in her work for USMed?
5. How did gender, ethnicity, race and nationality converge and interact in playing a role in Angelica's experience at USMed?
6. What were some of your key learnings about diversity and HR based on this case?

Exhibit 1. Chronology of Key Events

<i>Date</i>	<i>Event</i>
1953	Angelica Garza is born in Tucson, Arizona
1977	Angelica graduates from college in Tucson with degree in rehabilitation
1980	Angelica begins work as personnel manager at the Tucson plant of ABC, Inc., a medical products firm
1982	ABC is purchased by USMed. Three months later, USMed is acquired by GPE.
1982	Angelica begins to travel back and forth between Tucson, Arizona and Chula Vista, California
1983	Angelica is transferred to Tijuana/Chula Vista as Industrial Relations Manager
1989	Gary begins work as plant manager for the Tijuana facility
January 1993	The "Unpaid Flood Day"
March 1993	Angelica leaves USMed

EXHIBIT 2. GPE, USMED AND THE TIJUANA/CHULA VISTA MANAGEMENT



Facilitator Notes

Case Summary

This case depicts one woman's experience working as a human resources manager in a Mexican maquiladora. It highlights ineffective and inefficient HR practices the parent company adopted in running a foreign subsidiary.

1. What competencies are appropriate to identify and develop to ensure greater effectiveness of U.S. employees operating in a Maquiladora or other non-U.S. organization?
 - Willingness to learn about other cultures and values; cultural sensitivity/respect for culture;
 - Awareness and knowledge about U.S. or White cultural styles and understanding of how these styles mesh or conflict with the styles of other cultures;
 - Flexibility - Willingness to adjust current practices to fit the needs of foreign employees;
 - Willingness and ability to adapt or modify one's own behaviors depending on the situation;
 - Creativity in approaching workplace conflict and a wide range of interpersonal and communication skills;
 - Resourcefulness - find new and alternative ways to accomplish goals;
 - Language facility;
 - Understanding of motivational approaches and skill at helping people perform to their highest ability;
 - Open mindedness; blessings and curses.

2. What role did the U.S.-based top management team play in the ineffectiveness and productivity problems discussed in the case study?

They played a major role:

- Rigid and inflexible structure. For example, pay increases had to be communicated all the way to the corporate head. This resulted in inefficiency.
- Treating Maquiladora as any other U.S. subsidiary. Not recognizing cultural differences. For example, attempting to implement U.S. strategies for disciplinary problems and insensitivity to Mexican labor laws. The lack of understanding demonstrated by management regarding the setting of the maquiladora led them to mandating policies and practices that did not fit the organization and cost them productivity as a result.
- Distant relationship with the subsidiary.
- No cultural training for U.S. employees working at the Maquiladora.
- Prejudice against Mexicans
- The laissez-faire approach of management led to isolation and disarray at the field level.

- When Angelica raised issues to top management, their response was to "kill the messenger" rather than to hear the validity of the problems she brought up.

3. (a) What would be the specific business case for increased sensitivity and awareness of other cultures?

- Reduction of turnover and absenteeism
- Increased morale equals greater productivity
- Not using organizational human resources to their potential
- Better labor relations

(b) What are some costs of not understanding diversity?

- Loss of valuable personnel
- High turnover and absenteeism
- Unnecessary or excessive training costs
- Work slow-downs or diminished performance
- Poor community relations and absence of good citizenship in Mexico, resulting in not being an employer of choice in the region

(c) What could have the organization gained by approaching the plant with greater cultural understanding?

- By attempting to understand Mexican workers and their needs, USMed could have gained a productive workforce who knew that the corporate head was concerned about the needs of the workers as well as generating revenues. Training of U.S. personnel before placing them in Mexico would have resulted in less confusion and misunderstanding. For example, rather than wasting months figuring out how the plant is run, Angelica could have worked on initiatives that would have benefited both the workers and the corporate. They could have also gained more loyal workers, which may have reduced turnover.

4. From an HR perspective, what were unique challenges that Angelica faced at various points in her work for USMed?

Angelica essentially had to adjust to and learn practices that simply are not a concern in U.S. companies. Some specific problems:

- lack of training
- age of employees
- lack of clarity about the role of HR
- policies and practices applied arbitrarily and violated without consequence for Mexico operation

- lack of accountability and support
- blessings and curses--practices alien to American society
- lack of documentation
- needing to invent different benefit system to fit the needs of the workers
- installing laundry room
- dealing with wage increases four times a year and getting corporate to cooperate.

6. How did gender, ethnicity and race converge and interact?

- The corporation just assumed that because Angelica is Mexican-American she would adjust to Mexican culture with no problems. They assumed that Mexican-Americans are better equipped with work with Mexican-Americans. Because Angelica is Mexican-American, people just assumed that she would instinctively know how to work with Mexicans. Even she, to some degree, expected to get along easier since she had some exposure to the culture. However, this proved not to be the case. She did not simply "blend in" to the culture. There were many cultural differences between Angelica and Mexican employees. Most of the Mexican workers were from a different socioeconomic group. In addition, Mexican workers viewed her negatively at times because she was an American woman. She was sometimes misunderstood and resented by Mexican employees. Also, being a woman, she was scrutinized by all the employees. Mexican men looked down upon her because she was a woman. Mexican women resented her as well. She was part of neither culture but she was, at the same time, part of both. There was a definite hierarchy in power relationships. Furthermore, her colleagues and superiors held deep prejudice towards Mexicans. Because she is of Mexican heritage, it was hard for her not to internalize those remarks and attitudes.

7. What were some of your key learnings about diversity and HR based on this case?

- A variety of individualized answers could apply.

**MANAGING DIVERSITY:
HUMAN RESOURCE STRATEGIES FOR
TRANSFORMING THE WORKPLACE**

A FIELD GUIDE

by Ellen Ernst Kossek, Sharon A. Lobel and Rachel Oh

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