

Summary

In the mid 1990s, structural failure related to poor construction techniques caused the collapse of several large structures. These failures when investigated were found to exhibit problems related to faulty construction and the problem was wide spread in Korean society. Large construction companies tried to resolve this problem by assigning resident foreign CM professionals at the project site. However, this system had a major flaw in that resident supervision system was limited to contracts with foreign companies only and did not solve the problem. HanmiParsons incorporated a joint venture with an overseas company and introduced advanced foreign supervision techniques and construction management to the Korean construction industry.

In the beginning, to build up the capacity, HanmiParsons joint ventured with PARSONS in the US. A 3-step strategy was established in Korea to develop and expand the global CM methods. The first step was to introduce advanced techniques and management techniques in the form of a joint venture with an advanced company. This was accomplished by organizing and operating the company to be lead by Expats with Koreans in a support role. The second step was to elevate the Korean's technical and management skills to the level which is required of global standards. The third and last step was to have our Korean staff execute the CM activities based on the improved global techniques, and for Expats to support the efforts. Accordingly, from the initial point, HP has operated and established the company in an advanced way utilizing the new global techniques rather than just simple technical cooperation. The advanced system was operated by Expats and all employees were using English as an internal official language and our staff was able to acquire both advanced technical and management skills. Yet HanmiParsons was not satisfied here and continued its innovation.

HP created 5 unique capacities. First, they established management vision based on the CEO's firm willingness. "Excellent Company by Excellent People" displays the company image. Secondly, honesty, transparency, and moral standards were fixed as HP's indispensable values. Ideal employees are talented people but possess ethics and transparency. Third, companies which continually learn and develop their skills are innovative. In order to operate this advanced CM system, knowledge must be available to assist in the management of the programs, accordingly we established a KMS (Knowledge Management System) and operate a diverse learning organization to strengthen CM knowledge. Fourthly, we introduced a BSC- based performance management system and laid the foundation for a systematic management system; overcoming diversity thru organized activities. Due to the organization being designed with human resources from external companies, consistent work practice was necessary.

So the "HanmiParsons Way," was offered and assisted with the implementation of services on a global level. Lastly, HP strived hard to overcome inflexibility of the system through culture. Many systems for performance creation were made but the true result only appears when it is supported by culture experiences. For this purpose, HP continues its GWP (Great Work Place) activities and social community services since our founding in order to practice both corporate social responsibilities.

HanmiParsons entered into the world market after adopting US CM techniques and management capacities thru a 3-step strategy. This is the globalization of Loc-balization concept. Loc-balization is the phenomenon of a local multi-national investment corporation that reverse enters into a world market after applying special management global mechanisms infused with local techniques and culture.

HanmiParsons, for its overseas expansion, obtained a license for the name PARSONS and mutually agreed upon its strategic use. This assisted in developing our relationship structure with PARSONS. International expansion began in 2002 with China and later additional locations as joint expansion with other Korean corporations or organizations and foreign contracts continued. As the company continues to grows, HP is listed in ENR magazine; ranking as top 18th (Non-US company), and announced "Global Top 10 in 2010" vision in 2006 as celebrating 10th anniversary of the founding. Accordingly, overseas expansion began in earnest; Macau, Singapore and 2007 Middle East. HP currently has expanded in over 36 countries and is now accelerating its global strategy with the aim of 100 million dollars in contracts. The kernels of international expansion are the globalized strategies, operating system, and manpower. The 3-step strategy implemented at the founding of the company is now repeating itself in the global management strategy. Therefore, the strategy of making the managers of major projects expats, middle-managers Korean and engineers are local or third country nationals are utilized at every initial phase. Moreover, a foreign holding company headquartered in Dubai (HP Global) was established and HI-ME under it was established with local partner to manage ME and North Africa region. Currently, total 8 business units and branch offices are operating.

Key facts composing Loc-balization are the participation of multinational corporations, application of local experienced management methods, and expansion into global markets. In this manner, HanmiParsons adopted CM techniques and operating knowledge from PARSONS and possesses unique corporate culture and capacities, and eventually overseas expansion. It is not yet time for us to speak about success but HanmiParsons will continue its globalization thru accumulating resources including assignment of Expats who share HP core values.