

The recent global economic crisis has made international hrm theory largely irrel...

[Business](#), [Management](#)



INTERNATIONAL HRM THEORY LARGELY IRRELEVANT By The of the School
The and where it is locatedThe DateIn contemporary global companies, the HRM department has been deemed irrelevant (Adler & Gundersen, 2007, p. 56). One of the critical issues pertaining to today's HRM society is the offshoring of jobs abroad. Most companies have decided to start reducing costs through the offshoring and outsourcing the human resources to low cost countries. The offshoring of jobs have largely led to the loss of jobs in the parent country throughout the world. In the United States for instance, most IT jobs have been lost to other countries such as India and China. For instance, some of the largest companies in the United States such as Apple have offshored their manufacturing plants to China. This is a new trend that has deemed the International HRM practices irrelevant. International HRM was mostly developed to meet the diversity needs. In companies that have not outsourced their labour, the relevance of the discipline is still evident. Cultural diversity management is one of the crucial considerations of International HRM and this being the case the discipline is still relevant in some of the countries and nations. International HRM emphasizes on proper compensations, but currently this does not apply, with organization strategies primarily aiming at reduction of costs majorly. Another main reason why HRM has been deemed irrelevant is due to the fact that HR are no longer considered in globalization decision making, or the decision making platforms of organization do not cover the Human resources consideration. Decision making in the organization no longer places human resources as a key consideration (Özbilgin, Groutsis & Harvey, 2014, p12).

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Most business strategies are primarily aimed at reduction of costs through the reduction of the wage bill. International HRM policies have been deemed powerless in such organization and as such, the relevance of its existence is highly questionable. In the contemporary business environment, there is linkage between business strategy and HRM (Dowling, Festing & Engle, 2008, p236). International HRM is thus created to ensure that employees are satisfied and the work environment is favourable. Offshoring has had a significant negative impact on staff morale and job security (Briscoe, Schuler & Tarique, 2012, p270). The lack of job security and the fact that HR managers come to terms with the retrenchment of their employees for the jobs to be offshored abroad shows how irrelevant international HRM policies are. And this is not a trend that is expected to come to an end. In the global business, Outsourcing is only meant to increase (Crawley, Swailes & Walsh, 2013, p48). As such, all crafted International HRM policies have been indicated to have no influence at all in the current workforce of an organization, particularly IT and call centre organizations.

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