

Globalisation and hrm



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This assignment discusses on the link between globalisation and HRM. It explains how HRM practices like recruitment and selection should be carried out in order to improve organisation performance and enhance important corporate aspects like how to dominate the global market.

Human Resource Management is act of dealing with people in an organisation - how to manage their behaviour and activities to increase profits. According to Decenzo and Robbins, (2004), and Bernardin, (2003), Human resources management (HRM) is the function within an organisation that focuses on recruitment of management and providing directions for the people who work in the organisation. Human resources management can also be performed by line manager and deals with issues related to people such as performance management, hiring, wellness, benefit safety, compensation, training and communication.

In addition, HRM is the sense of getting things or work done through people. It's an essential part of every manager's responsibilities, but many organisations find it advantageous to establish a specialist division to provide an expert service dedicated to ensuring that the human resource function is performed efficiently. Also how HRM processes should be in order to cope with global issues. The effect of globalisation on recruitment and selection is seen clearly now that organisations need to recruit people that are able to work in global situations and contribute to the global environment.

According to Castells M, (2000), Globalisation is an inevitable phenomenon in human history that has been bringing the world closer through the exchange

of products, information, goods, culture, services and knowledge. Over the last decades the pace of this global integration has become much faster and dramatic because of unprecedented advancements in science, communication, transport, technology and firms. So HR managers should understand how to cope with all these changes especially as many people prefer to get high quality products if they are offered from abroad. If companies understand this, they will reach organisational goals effectively.

Saiyadain M (2004) According to Globalisation has contributed to various competencies which organisations have found effective to improving profit. Other positive aspects include financial organisation situations; where the developing counties have benefited from developed countries and financial organisations such as IMF (International Monetary Fund) and WTO (World Trade Organisation), where by these organisations invest money or commerce loans to the financial organisation.

Also, globalisation has created thousands of jobs around the world and also has contributed to the growth of the world's economy. In other contribution, globalisation has been effective to providing access to technological improvements and has also led to the reduction of barriers to trade.

A market is what a business targets to benefit from by satisfying consumer needs. According to S. Skinner, (1998), a market is a social arrangement that allows buyers and sellers to discover information and carry out voluntary exchange of goods and services. Its one of the two key institutions that organize trade, along with the right to own property. Its importance to globalisation is to make the producer know what consumers of the market

need at the moment in terms of satisfaction and organisation practices.

Globalisation has made organisations to participate in local and international markets to improve quality of trade and the level of business operations.

HRM needs to work on practical matters that affect their business because they need to cope with everyday changes and balance internal and external issues.

There are issues over importance of communication or culture. These include issues about the rate of importance between background culture and adopted culture. However, it sometimes depends on the situation of the company. Contribution of the employee depends on the environment he or she is in. In case employing someone from a less developed country, training would be right measure for improvement. However, if he person is from a more developed region, then the HR department may want to just tech the person how to cope with the environment and the individual will be able to participate fully in everyday business. Capon C, (2004),

Capon C, (2004), states that Development of global telecommunication infrastructures has led to success in establishing stable communication through service such as cell phones, internets, and satellites in the developing countries such Kenya, Uganda and Somalia. This has provided a link of third world countries to developed nations thus reducing world poverty. This point shows how important HRM is to the world, as recruiting the right person to telecommute can change the world.

Globalisation has made trade liberalization; whereby every one can gain the movement to lower trade barriers and to open the world trade. It has

increased the growth of goods and services, where people have got more income to improve the living standard in the society.

Foreign competition is increasingly extending beyond the goods firms.

Outsourcing of services in dorks, such as call centers. It's important to the business due to less cost. but is it morally acceptable by your customers. It improves cultural awareness between organisations, where it brings employees of different background of culture to work together without any conflict in the working environment. Saiyadain M (2004

Even though there are positive aspects, there are also negative issues that globalisation can cause. These include;

Environmental pollution increases with globalisation as countries manufacture more products to satisfy demand. Also there is increase of carbon emissions to the atmosphere, whereby people are always traveling from one place to another, for example when an individual is assigned to work globally, he or she will have to travel by air thus contribute to air pollution. HR managers should act responsible and protect the environment. This could be done by limiting the number of trips carried out by the employees if possible, and also using transport means which are more environmental friendly. Capon C, (2004),

Globalisation encourages development in already developed countries therefore leaving less developed countries to become poorer.

Recruitment is the process of identifying that the organisation or company requires employing someone to the point at which application forms for the

post have arrived at the company. According to Saiyadain, (2004), recruitment is the process where the organization gets people to work for them so as to be part of the organisation functions. A successful recruitment depends upon finding the right people with the necessary skills, knowledge, experience and qualifications to do the work required together with the ability to make a positive contribution to the values and aims of the company or organisation.

Mendenhall M, (2007), Selection then consists of the processes involved in choosing from applicants, suitable or the right person to fill the post needed in the organisation with the right qualification. The selection process needs to be well carried out because HR managers may choose the wrong people and leave the right people.

Matthewss J et al, (2004) , states that, recruiting people who are wrong for the for the organisation can lead to increased labour turnover, increased costs for the organisation and lowering of morale in the existing workforce. Such workers are likely to be discontented, unlikely to give of their best and end up leaving voluntarily or involuntarily when their unsuitability becomes evident. They will not offer the flexibility and commitment that many companies seek. Managers and supervisors will have to spend extra time on further recruitment exercises, when is needed in the first place is a systematic process to assess the role to be filled and the type of skills and abilities needed to fill it.

Most recruitment systems will be simple with stages that can be followed as a routine whenever there is a vacancy to be filled and which can be monitored and adapted in the light of experience.

According to Dessler, (2005), The organisation should be aware that the provision of the disability discrimination Act 1995 not only makes it unlawful to discriminate against disabled individuals without justifiable reason but also require employers to make reasonable adjustments to the workplace arrangements.

Brewster C et al, (2007) states that The employer has the legal responsibility to ensure that no unlawful discrimination occurs in the recruitment and selection process on the groups of race, age and religion. Equality of opportunity is an integral part of the recruitment and section process, and to these end employers may offer encouragement and training to any under represented group of workers. For example to the management development of woman who are under- presented in management grades.

The world in which human resource managers exist and with which they interact is continually changing, generating new issues and challenges for HR managers to consider during recruitment. There are specific qualities that managers should look at when recruiting for specific functions in the organisation.

With the increase in intensified competition among organisations in aspects of performance, productivity and competent expertise, HRM managers are faced with a challenge of recruiting professional staff to have a competitive advantage in the market. According to Porter M (1998) Competitive

advantage is an advantages ove competitors gained by offering cunsumers greater value, either by means of lower prices or by providing greater benefits and services that justifies higher prices Although recruitment has always held an important place within organisations the growing demand for highly skilled staff has meant that effective recruitment practices are now becoming a considerable resource of competitive advantages used to improve performance.

This recruitment and selection learning module is designed to prepare individuals and trainers to introduce effective recruitment and selection systems. In addition the learning pack clearly outlines how to introduce a supporting measurement system for the recruitment process to maximize both individuals' and organisation's efficiency.

Capon C, (2004), states that, With the increased pace in globalization, organisations are now operating under a multicultural environment. Hence organisations face a challenge of recruiting knowledgeable, talented, and skilled employees from different background as they are able to manage internationally. Multicultural environments boost business performance since there are different views from participants.

Capon C, (2004), states that, Moreover, the riding wave of technological innovation forces the HRM managers to recruit staff who posses the acquired knowledge need to operate new machinery, equipment which are equipped with the new knowledge E. g. the use of email and internet as tools of information provision and communication, the use of computer databases to hold staff information and generate reports.

Pareek U, (2004), states that, Furthermore, with global standardization of policies practices and HRM philosophies, the HR needs to diversify their strategies. Also organizations need to react in a way that is satisfactory to both the employees and consumers. For example, HR manager should emphasize on employing people who know proper hygiene when preparing food for the customers, in three years ago MacDonald's food chain received complaints from his customer that the food prepared was not good for the health of people, whereby their food contained a lot of fat and other unhealthy contents. Thus individuals who used to be loyal customers had a risk of becoming obese. At the same time, workers left their work due to the complaints from customers. MacDonald's therefore lost a lot of customers in a certain point as before, but after sometime, they changed the way of preparing their food and how they offer their services, then the number of customers also increased much more than the previous.

According to Bernardin, (2003) Meeting the expectations of the law, the employer has the legal responsibility to ensure that no unlawful discrimination occurs in the recruitment and selection process on the grounds of sex, race, disability, sexual orientation, age and religion. Equality of opportunity, it's an integral part of the recruitment and selection process and to this end employers may offer training and encouragement to any under represented groups.

Brewster C et al, (2007) states that, Employees and their representatives will also have an interest in fair, non discriminatory recruitment and selection policies, and they should be fully consulted when new procedures are introduced or existing procedures reviewed. The sex discrimination Act 1975, <https://assignbuster.com/globalisation-and-hrm/>

the race relation Act 1976 and 2000, the employment equality regulations and the disability discrimination ACT 1995 set out the legal requirements for employers.

Capon C, (2004), States that, The organisations should be aware that the provisions of the disability discrimination Act 1995 not only make it unlawful to discriminate against disabled individuals without justifiable reason but also require employers to make reasonable adjustments to the workplace or working arrangements. Detailed guidance is available in the code of practice on the elimination of discrimination in employment. Robert et al (2004), and Dessler, (2005),

Some of the issues which make the link between HRM and Globalisation more intensified include the rate at which the HR manager responds to Global-economic activities. For example if there is an absolute market in a different country, the HR department is responsible for defining means of which the business will perform in order to capture the market, including recruiting the right people for the job, and training them for them to learn how to develop. Pareek U, (2004),

In conclusion, responding to intensified competition is crucial for an organisation since without competition it's difficult to progress and offer excellent services. As a HR manager, understanding this concept will help the manager in defining exactly what the organisation prefers in terms of who to employ, and as a result, the right people will be employed for the job thus generate profit. In addition, the profit will even be high since the global economy has offered more market share to businesses.

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