

# Current ethical issues in international hrm

Business, Human Resources



Current Ethical issues in International HRM The task of international human resource management is to manage human resources in the global context (Paauwe & Boon 2009). The role of IHRM is very important in the modern business environment, because due to globalization many companies have to work in the international arena with international partners (Collings & Wood 2009). While the globalization is a relatively new phenomenon, IHRM started developing already in 1970s. It was revealed that international assignments can help employees perform to maintain competitive advantage that is a very difficult on the international arena. Furthermore, the task of IHRM is to find, attract and manage gifted employees, which are the most valuable resource for any organization (Kramar et al 2011).

Working internationally multinational companies face many difficulties:

a) bribery. When a company appears in the international environment, it can appear in the middle of the conflicts existing in the new society. Bribery is one of them. For example, while the bribery laws in the USA are strong, they are not so strong in Africa or China. The companies which recently faced such problem are: Transparency International Australia and The Organisation for Economic Cooperation and Development (OECD) (Collings & Wood<sup>6</sup> 2009)

b) breach of contract. The main task of IHRM is to make employees perform in accordance with ethical norms. Only adhering to ethical rules can increase the standard of living and bring benefits to employees and their families. IHRM has a very difficult task to instruct on the code of ethics and its application in the international environment. The violation of ethical rules can lead to breach of contract. The company, which recently faced such a

problem, is Ocean & Earth (Klerck, 2009).

c) abuse of human rights. Here the human resources managers meet many challenges and these challenges are much more serious than in those companies, which do not perform internationally. This situation is typical for the work in developing countries. Globe International Limited faced the situation where the rights of their employees were violated. This negatively influenced the performance of the organization (Klerck 2009).

#### References

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