

Global human resource management research paper examples

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



Introduction

Globalization has led to increased business opportunities and expansion of business operations in foreign countries. Investment in foreign countries has been facilitated by trade agreements between countries and their simplified terms of trade activities. Globalization has affected the way human resource management operates as a result of exposure to diverse customers and different cultures across the world. International business and trade activities have affected the demand on human resource management. Business competition has increased when organization endeavors to maximize profits relative to their rivals. Increased global competition has been facilitated by improved and modern technology. This has ensured business operations without international borders; thus organizations can trade in any place across the world. International business activities also require an efficient and effective workforce in ensuring sufficient production and performance within the competitive global market. This paper will focus on how expansion of business and trade activities in foreign countries' affects the human resource management, business operations, and some of the challenges that the human resource face.

Effects of International Business Activities in HRM

Growth in international business activities has a major effect on human resources management. For instance, human resource management team has to have a global mindset in its operations in order to match the required standards and meet global competition. As a result, expansion of business internationally will equip the management team with the required skills and

knowledge help organization maintain competition in the global market. The human resource professionals will be required to adapt to the global perspective of business operation in order to support the aspect of corporate strategy across the borders. The human resource team needs to acknowledge and embrace the short-term and long-term objectives of a company so as to stay in line of its achievements. This helps the professionals in resource allocation and in the determination of a potential growth expansion strategy within the market. As a result of global expansion, human resource team also needs to develop policies, regulations, and procedures in accordance with an organization's culture as well as have equal representation between domestic and foreign business operations (Kiessling & Harvey, 2005).

Technology has affected the human resource management operations in international markets. For instance, modern technology allows human resource to advertise, recruit, and train employees without border restriction. Efficiency in communication has been facilitated by online communication strategy; therefore, employees' communication with the organization is made effective. Most multinational companies have resulted into portals and web pages with the aim of allowing efficiency in communication, and ease of getting in touch with customers across the world (Chambers, 2013).

Talent mobility and employee engagement other factors that have a substantial impact on human resource management operations in a global market. Talent mobility refers to a practice where the human resource management is able to move employees, possessing different talents, across

foreign borders. Talent mobility has a positive impact on a company as it brings cultural diversity among employees. This ensures that the organization acknowledges and understands various cultures and how to operate under different cultural backgrounds. Employee engagement has been an issue of concern among multinational companies. Employees tend to reduce their performance leading to poor productivity. Employees' commitment has an adverse effect on a company's productivity and performance. As a result, human resource management has to employ certain practices such as employees' incentives and promotions in order to motivate and gain their commitment (Geiersbach, 2010).

Socio-Economic, Culture, and Political Effects on HRM

Establishment or expansion of business operations in foreign countries has a significant effect on the human resource management. Business organizations need to put into consideration socioeconomic, political, and cultural factors before expanding business activities. As a result, the effect of the aforementioned factors is evident in human resource management in various ways. Political factors affect how business operations are run, and subsequent affect its performance. For instance, implementation of policies and regulations on foreign companies will have a noteworthy effect on the business operations. Introduction of a tax regulation of a foreign company will affect its profits after tax. Human resource management has, therefore, the responsibility of implementing strategies so as to mitigate the impact of a tax cut on the company's profits. Political instability will also have an adverse effect on business operations and human resource management

operations. Employees will be reluctant in working in a country with political instability. As a result, the human resource management will be adversely affected by the lack of sufficient employees (Kiessling & Harvey, 2005).

Cultural factors affect the human resource management in various ways.

Cultural diversity and different beliefs among individuals from various backgrounds affect performance and efficiency of business organizations.

Human resource management team will be required to get employees from diverse cultural background in order to address their needs. A human

resource management team that has put into consideration diverse cultural aspect in the recruitment of employees will have an advantage in acquiring

market for its products. Human resource needs to acknowledge and

appreciate different cultures in order to promote cultural aspects of the

organization. Training and development of employees must be done in line with cultural norms of the host foreign country. This ensures that

organizations operate and carry out their business activities in line with cultural beliefs of the host country (Chambers, 2013).

Socioeconomic factors is another factor that influences the human resource management team through production and profitability of a company. Social responsibilities of a foreign company may significantly affect its

performance. On this front, the human resource management is expected to modify its business strategies in order to promote production and efficiency

of the organization. Social factors, greatly, affect public perception of an organization thus the human resource management needs to understand

diversity in publics' views and customers' requirements. This will ensure that an organization produces goods and services in line with the community's

needs. Economic factors will affect production and marketing of products. The economic condition of a foreign country plays an important function in determining the success of business activity. As a result, human resource management is expected to make necessary changes in the corporate and cultural structure of an organization. This ensures an organization undertakes its management practices, and business activities according to the outlined goals and objectives (Kiessling & Harvey, 2005).

Challenges Faced by HRM in The Expansion of International Business

Human resource management can be described as the practices and activities an organization carries out in coordinating its human resources in an effective manner. There are various activities that the human resource management performs. For instance, it is responsible for the human resource strategy determination, evaluating employee performance, staffing, and labor related issues. In undertaking business operations, human resource management face issues like coordination of various locations around the globe. This is a major hiccup to the human resource management as coordinating employees and customers in various geographical areas prove to be a challenge to the HRM (Geiersbach, 2010).

Understanding the ever dynamic competitive environment in a global perspective also poses a major challenge to the HRM. Global competition among organization has increased in an effort to improve production capacity and profitability of these multinational companies. The HRM has various obligations in determining the dynamic nature of the market in ensuring implementation of new marketing and operation strategies to

counter check the prevailing global competition. Ensuring global awareness among organization's shareholders is another challenge faced by the HRM in order to promote international growth of business activities. The human resource management is thus endowed with various responsibilities that are inclined at improving an organization's performance in the competitive global market.

Creating a multicultural human resource management team poses another challenge in the HRM of an organization. As a result of the expansion of a foreign market, the human resource management professionals need to embrace cultural diversity aspect in their globalization practices. This is, usually, not an easy obligation to the human resource team as the organization must cope up with cultural beliefs and norms of the foreign country. Cultural conflict among organizations has been a major issue in developing multinational companies. The human resource team has to ensure that employees acknowledge and appreciate cultural diversity in a multi-ethnic environment (Geiersbach, 2010).

Change of labor laws among causes conflict in organizations. For instance, in the United States, an organization is mandated to fire an employee at any particular time without a notice or considerable reason for the action. The aforementioned labor law does not exist in some countries like in India. It is, therefore, important for the human resource team to ensure business operations are in accordance with the foreign country's regulations and policies(Chambers, 2013).

Solutions to Overcome the Challenges

The human resource team is expected to be conversant with the ever changing global market in order to stay at the top of the competition. It is crucial for the human resource team to analyze and evaluate market strategy relative to global competition and rival companies. In so doing, an organization will be equipped with strategies and practices that ensure performance, in the competitive market, is maintained. Production of products and services should be according to customers' tastes and preferences. Evaluating customers' preferences and demand for certain products will promote the company's production and sales efficiency. A multicultural aspect of an organization is enhanced through recruitment and employment of employees from various cultural backgrounds. The human resource team is obligated to ensure employees embrace diverse cultural beliefs and norms in order to understand business ethics and practices of the foreign country. It is, thus, important for employees to get abreast of cultural beliefs of the foreign country to enhance social responsibilities among the general public. Promoting cultural diversity has a positive effect on a company's performance and production capacity (Kiessling & Harvey, 2005).

A change in labor laws, in various countries, is a common practice that the human resource team needs to embrace and acknowledge. Labor laws concerning employee performance vary from country to the other. As a result, the human resource team has to adhere to the respective labor laws by ensuring employees' compliance. Employees are anticipated to perform their tasks in accordance with the foreign labor laws to avoid legal actions

being taken against the company. Understanding various practices and strategies concerning international business operations will help the human resource team in evaluating challenges as they arise.

References

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