

GLOBALIZATION IMPLICATIONS FOR STRATEGIC HUMAN RESOURCE MANAGEMENT

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Abstract: In our dynamic and competitive world, it has become evident that the success of a company is considered to be the human capital, as their most important asset. The human resources management has an essential role in the valuation of the employees potential, helping the organization to achieve its objectives. The aim of this paper is to present a conceptual framework for effective human resources strategies and to evidence the main changes which occurred in the evolution of Human Resource Management, as a response to the growing interaction of globalization and business performance.

Keywords: globalization, human resources, human resources management.

1. Introduction

According to Morrison [3], globalization is an important factor that influences organizations that compete for customers with high expectations for performance and quality. Globalization represents the structural making of the world characterized by the free flow of technology and human resources across national boundaries as well as the spread of Information Technology (IT) in a competitive business environment.

Globalization stimulates organizations to look for opportunities beyond national borders, and *Human Resource Management* can contribute to organizational effectiveness by being involved in the acquisition process that typically results.

Globalization of world economy is compelling organization to rethink their future strategies, especially human resources ones., and it is now widely recognized that transformation is required for the survival and growth of organizations. For the HR function, there would not be a more existing and challenging opportunity than managing the complexities of these changes and transformations.

In terms of the objectives pursued in the modern organization, human resource management has four fundamental objectives [8]:

- Facilitate competitiveness of the organization. Human resource management aims to understand the powers of the company, the most suitable human activity profiles and to develop methods of attracting and training of human resources.
- Increased productivity and quality. Organizations recognize the these dimensions help them not only compete but mostly survive. Productivity and quality of human resources management require different systems of selection and diversity of employees. These include investment in training and development, and use of different rewards for maintaining motivation and effort.
- Promote individual development. An important objective in modern organizations is employee development. The starting point is linked site job training and other development activities. In many organizations there is a concern for development other than basic skills.

2. Human Resource Management in a globalized market

The Human Resources Management is defined as a strategic and compressive management area that involves establishing policies, practices and administrative structures that focus on an organization's most valuable resources - its people [4].

Operation of a company requires the existence of different resources: material, financial and most of all, human resource. Given the different nature of human resources and their essential role in the sustainable development of a company, today all organizations pay a special attention to their Human Resources Management. Starting from the fact that people are the most important factor in any business, human resources has been recognized as an essential part of the management of any organization.

21st century globalization poses distinctive Human Resources Management challenges to businesses especially those operating across national boundaries as multinational or global enterprises. To achieve success in global marketplace, the challenge of all businesses regardless of their size is to understand global corporate cultural differences and invest in human resources. There are certain human resource management issues that are particular for the global enterprise. The key issues involve staffing policies selecting and retaining talented employee, training and development whilst encouraging employees to be innovative and creative, culture barriers, and legal frame work.

Figure 1: Evolution of human resource[4]

Early stages	1900-1960	1960-today
Evidence of workers	Personal Department	Business Partnership
Hiring new employees	Trade Union	HRIS
Voluntary introduction of social program by factories	Strict Work Safety introduced	Soft Skills
First work safety laws implemented	Social programs	Talent Development
Basic hard skills training	Hard Skills Training	War for Talents
Schools at Factories	Social programs for employers	Outsourcing
	Productivity focus	Leadership
		Diversity
		Innovations

Over time have been numerous approaches to Human Resource Management, many of them based on the concept of personnel management. In this case, management staff is focused on labor and is directly concerned with: [6]

- company employees: recruitment and training their employees payment procedures;
- explain what managers expect from them;
- justifying the actions of the manager;
- employee satisfaction, in connection with work;
- negotiate their problems and trying to alter the Manager when it could lead to a negative response from employees.

So, the role of personnel management is not only to serve the purposes organization; while it acts in the interest of employees, as individual human beings and by extension, in the interest of human society. Consequently, personnel specialists are situated somewhere "Between" managers and employees, as mediators of the relationship, and Human Resource Management is directly concerned with the problem of ensure human resources in the organization, especially in terms of planning, supervision and control, and less concerned with solving employee issues.

Human Resource Management issues include personal organizational activities like:

- staffing, consisting of job analysis, human resource planning, recruitment and selection;

- maintenance (maintenance) staff: compensation, health and safety, accommodation, labor relations;
- human resource development, consisting of improvement, performance evaluation, individual and organizational development.

In conclusion, while the personnel management has particular regard to the social side of human resources of an organization, Human Resource Management is about organizational, economic and social issues and its finality.

Figure 2: Personnel Management and Human Resources Management[6]

Dimensions	Personnel and IR	HRM
1. Contract	Careful delineation of written contracts	Aim to go beyond contract
2. Rules	Importance of devising clear rules/mutually	'Can-do' outlook; Impatience with 'rule'
3. Guide to management action	Procedures	Business-need'
4. Behaviour referent	Norms/custom and practice	Values/mission
5. Managerial task- vs. labour	Monitoring	Nurturing
6. Nature of relations	Pluralist	Unitarist
7. Conflict	Institutionalized	De-emphasized
8. Key relations	Labour management	Customer
9. Initiatives	Piecemeal	Integrated
10. Corporate plan	Marginal	Central
11. Speed of decision	Slow	Fast
12. Management role	Transactional	Transformational leadership
13. Key managers	Personnel/ IR specialists	General/business/line managers
14. Communication	Indirect	Direct
15. Selection	Separate, marginal task	Integrated, key task
16. Pay	Job evaluation (fixed grades)	Performance-related
17. Conditions	Separately negotiated	Harmonization
18. Labour-management	Collective bargaining contracts	Towards individual contracts
19. Thrust of relations with stewards	Regularized through facilities and training	Marginalized (with exception of some bargaining for change models)
20. Job categories and grades	Many	Few
21. Communication	Restricted flow	Increased flow
22. Job design	Division of labour	Teamwork
23. Conflict handling	Reach temporary truces	Manage climate and culture
24. Training and development	Controlled access to courses	Learning companies
25. Foci of attention for interventions	Personnel procedures	Wide ranging cultural, structural and personnel strategies

3. Theoretical Foundations of Strategic HRM

Strategic Human Resource Management is a term designating an integrated approach to developing HR strategies that will enable the organization to achieve its goals. It is correlated with term strategy, as defined by Johnson and Scholes (1993) is „direction and scope of action of a longer-term organization that aspires to create a match between the organization's resources and the changing environment of it, in particular markets, customers and beneficiaries to meet the expectations of groups of people interested in the smooth functioning of the organization" .

3.1. Defining strategic HRM

Strategic HRM is an approach to decision making about the intentions and plans of the organization that concerns work relationships between employees and organization strategies, policies and practices of recruitment, training, professional development, performance management, reward and relationship management employees. Defining feature of the strategic HRM is about its integrated nature: HR strategies are generally vertically integrated with enterprise business strategy and horizontally with each other. HR strategies developed through strategic HRM approach are essential components of the economic strategy of the organization. [9]

Strategic HRM deals with relationship between human resource management and strategic management of the firm. Strategic HRM refers to the general direction he wants the organization to follow in achieving its objectives with people. It argues that because intellectual capital is an important source of competitive advantage and ultimately because people are the ones who implement the strategic plan, top management leadership must take account of these vital considerations when designing their strategies. Strategic HRM is an integral part of these strategies .

An alternative definition states the HRM represent the linking of human resources department with the strategic goals and objectives of the organization, in order to improve the organization's performance and develop the organization's culture oriented toward innovation and flexibility [2].

In relation to the specific activities of human resource management process, the main elements that should be followed in establishing human resource strategy are:

- the extent to which specific elements of the HR function as designed by the functional strategy and related policies, the implementation conditions of the overall strategy of the organization;
- workforce planning;
- specific professions and trades organization whose coverage is critical;
- the average age of staff, overall, the professions and trades, compartments and so on;
- workforce plan and its components: plan recruitment, training and development plan, promotion plan;
- staff turnover;
- recruitment: possible sources and forms of conduct;
- personnel selection: making forms, benchmarks, procedures used;
- psihosocioprofesională integration of new employees, using influence factors, preparing necessary conditions, responsibilities;
- staff assessment - objective criteria correlate with the level of remuneration;
- promotion of staff - principles, criteria, promotion plan;
- personnel records;
- remuneration, pay system, wage levels, wage conditions, controlling wage and the statutory and regulatory compliance;

- tangible and intangible motivation of staff;
- Training and development of staff, establish immediate and future requirements, general and individual training and development methods and means used, training and development plan, program content and methodology, material infrastructure programs, monitoring and evaluation of results;
- social activities and services;
- relations with the unions.

An effective human resources policy must include:

- integration of human resource management in the general management of the organization;
- obtain adherence to all staff;
- effective action at all levels;
- creating an employment and unlocking the potential of each employee;
- recognizing and motivating staff get good results;
- stimulate desire every employee of continuous improvement of their own work;
- employee involvement in decision making that demonstrates professional competence.

3.2. Types of HR strategies.

3.2.1. Personally oriented investment strategy

With this orientation, human resources become the object itself or investment element for further development, and future of the company, as it is based on the idea that investment in human resources of the organization support its future development. If you make the time analysis of human resources for achieving investment strategy, investment strategy oriented staff has some advantages, such as:

- decreases resistance to change;
- allows planning and decision in good time for the efficient use of human resources that ensure the proactive nature of the specific activities of human resource management;
- reduce the costs of training and hiring staff when introducing new technologies;
- sensitize staff about the firm's strategy development issues;
- significantly increase responsiveness or adapting to changes in market driven company since relatively high dependence on personal strategy business strategy enables early and continuous personal activity.

3.2.2. Personally oriented value strategy

This personal strategy envisages basic requirement is to the interests, desires and aspirations of staff, along with the proper use of its potential. It brings to the fore the needs of employees, value-oriented personal strategy has the advantage of giving more importance to human resources.

Therefore focused on better use of potential employees based on meeting the needs, interests and aspirations, this strategy promotes elevated values among them to increase individual and collective performance, achieving the excellence, personality development people, the high quality of work performed, improving social relationships, job security. At the same time, this type of strategy hides the disproportionate danger to personnel, without considering sufficiently competitive aspects.

3.2.3. Strategy-oriented staff resources

Correlation staffing strategy and business strategy amplifies the need for a global vision and an integrated approach to the issue in question, which must be taken into account

more than that human potential can not always be adapted to the short-term requirements company strategy . It also increases the vision of the company and create competitive success premise to make further strategic steps in maintaining human resources.

Achieving this type of personnel strategy requires a change in attitude or behavior change managers need to understand the strategy -oriented financial aspects of the company is not in contradiction to strategy - oriented staff resources. For example, reducing investment, which may cause some reduction of staff, does not exclude highly qualified personnel required, among other things, ensure or improve quality. Moreover, the strategy-oriented staff resources to the maintenance and development of human resources is a prerequisite for developing new business.

To conclude we can say that staff input oriented strategy is focused on human resource development in order to increase their contribution to the success of the organization's strategy; it involves issues include human resources strategy of the organization itself and not in the phase of implementation, following the development of human resources to enable them to react quickly and appropriately to changes in the mode of action of the organization.

4. Conclusions

This paper set out as a contribution to the current discourse on the interaction of globalization and business performance facing challenges from the perspectives of human resource. This paper presents a framework for Strategic Human Resource Management as a response to prepare organizations for the challenges of globalization, although studies show that a large number of organizations have achieved relatively low levels of effectiveness in implementing Strategic Human Resource Management practices [1]. In conclusion, to face the real challenge for organizations in the era of globalization is to pay particular emphasis to strengthening their human resources by upgrading the relevant competencies.

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