

## **THE IMPACT OF HUMAN RESOURCES MANAGEMENT GOING INTERENATIONAL**

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### **ABSTRACT**

*The human resources are very important for any business house. The human resources are the working hands towards the realization of the corporate objectives and goals. This paper reviews the evolution and impact of the human resources management in the multinational firms. The role played or being played by the human resources managers has been reviewed. It has been reviewed if the human resources management practices are the same as in both the domestic and overseas markets. Also the impact and latest trends in the field of international human resources management has been reviewed to arrive at the conclusion as to its effectiveness in the international business environment.*

**KEYWORDS:-** International Human Resources, International Trade, MNCs, Strategic Management, Corporate Effectiveness

### **CONCEPT REVIEW**

The adoption of the human resources management practices in the international perspective is known as the international human resources management. The similarity and adaptation of these human resources practices in the said international perspective is the issue at discussion in the body of this paper. The recent trends and their impacts over the corporate effectiveness is the another issue integrated with the analysis. The contribution of the innovated HRM practices especially for the international markets has been critically analysed by this paper.

### **HRM- RECENT TRENDS IN THE INTERNATIONAL MARKETS**

The skills are taken most aggressively in the international markets. The skills set possessed by the employees are the real asset of the multinational firms when entering the international markets. For this end, a lot is done and a lot is yet to be done by the international firms. There have been various strategies used for retaining and managing the skills in the international human resources globally. There have been the instances and similarity therein amongst the skills strategies adopted by the international firms.

The international human resources managers have revisited the skills necessary for common business scenario. Thereafter, they looked upon their relevance in the international markets' perspective. Most of the focus of these identified skills chosen by the international HR managers has been on the market aggressiveness of the sales and marketing teams. The strategic business analytics and management tactics are the other skill area as identified by the international HR managers of the multinational firms. The firms of the developed countries have embarked upon the cost efficient labor available in the job markets of the developing countries to undertake the manufacturing and production activities in those developing countries. Even some of the leading MNCs are shifting their R&D activities in the developing countries due to the evolving skills development programme undertaken by the developing countries. To avail the benefits of the cost efficient labor, some of the MNCs have also invested hugely in the developing countries as 'on the job' training centers. The training given is mainly on the strategic issues such as strategic sales and

market acquisition. The training also focuses on the cultural and language awareness in order to make the trained teams as the most adapted business representatives of the international

firms in those countries. The benefits of investing in the skills development has been realized by these multinational firms.

Following figure elaborate the skills set required and identified by the HR managers in the international firms. The figure also depicts the skills management strategies to their impact capacity in the international trade perspective: -



#### **CORPORATE COMMUNICATION PRACTICES IN INTERNATIONAL HRM**

The above figure has underlined the skills set as required and identified by the corporate talent acquisition cells internationally. The reviewed skills set can be described as follows:-

- Managing market leads
- Negotiation skills
- Commitment adherence
- Strategic selling
- Key account profiling and management

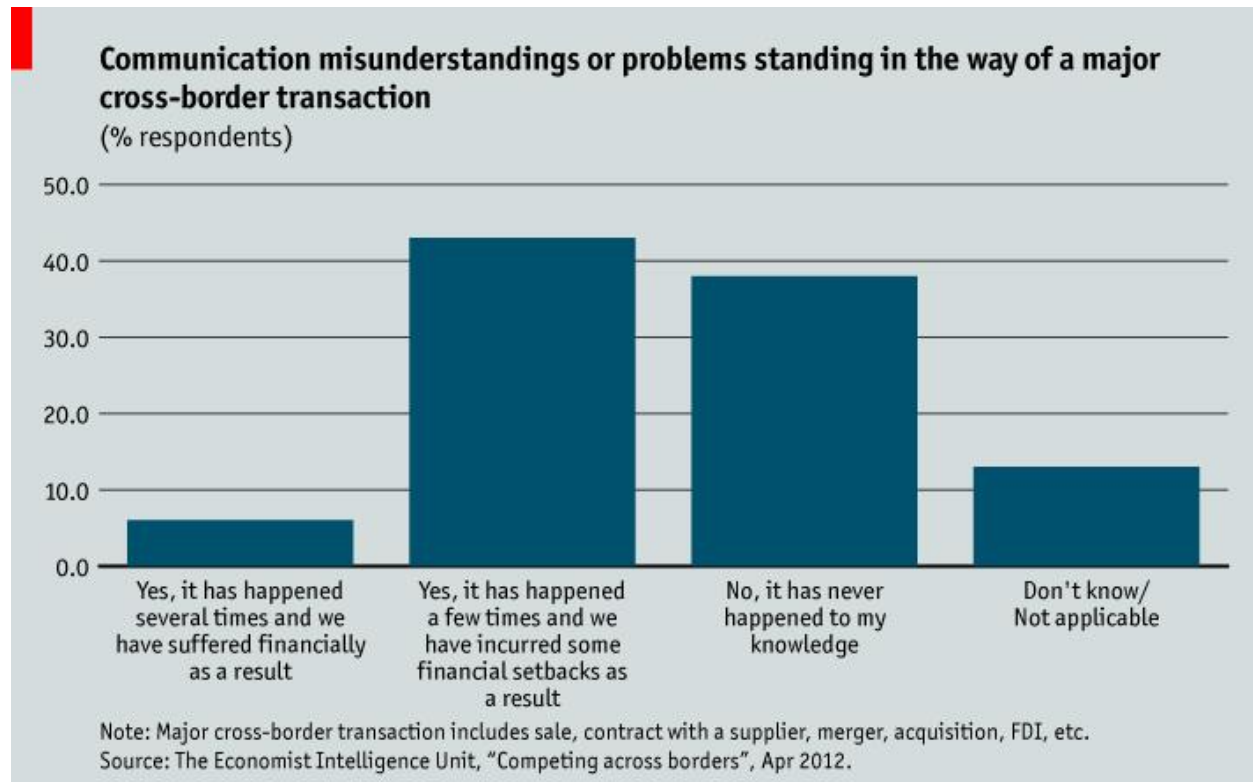
The above set of skills is something on which most of the focus of the multinational HR managers and trainers. All the skills mentioned in the figure are the recent most trend as part of the corporate training as adopted by the international firms.

The prime place where communication has the critical vitality is the human resources management processes. The communication is the blood to the organizational system. There must be a system of legible communication within and through the whole of the organization. If the policies are required to be clear enough to make the employees certain on some issue, it needs to have a clear communication channel. All the commands and suggestions need to be understood as to the meaning as intended to be conveyed to the employees by the management of the organization.

There should be the awareness regarding the consequences of the miscommunications and mis-representation in an organization. It becomes vital when an international organization is concerned. Miscommunication not only harms organizational behavior but it may also incur financial loss to the employee as well. The various instances have been reviewed for arriving at the conclusion that the

communication system is an integral part of the HR practices of an international firm operating in a strategic and competitive market.

The HR managers worldwide have relied upon the best practices in the field of business communication system as part of the human resources management and development related practices. All these notions may be elaborated with the help of the following figure: -



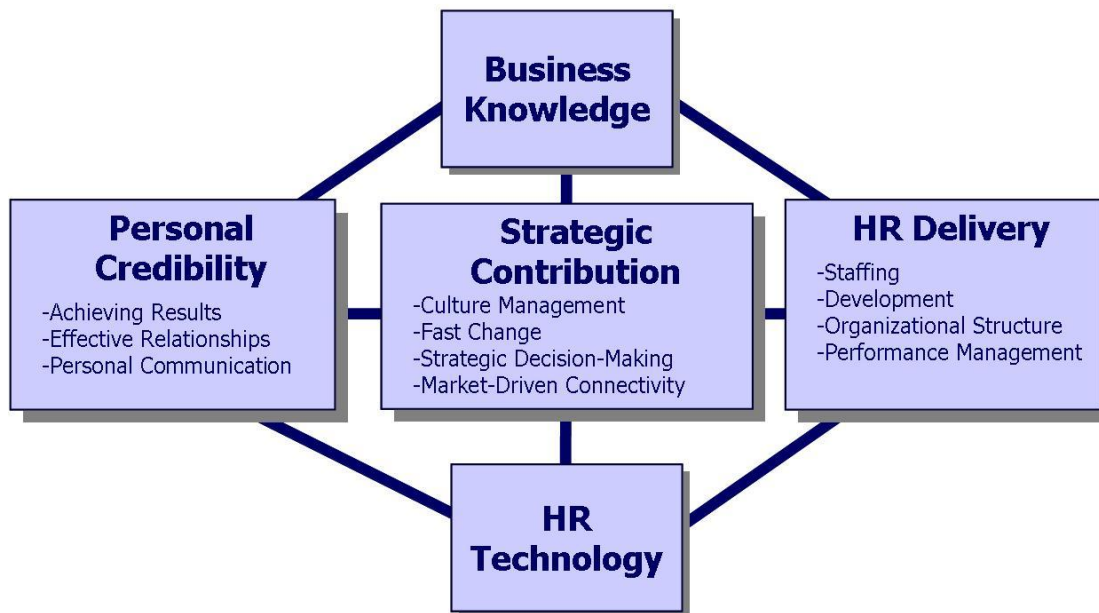
The above finding has revitalized the fact that the communication system needs to be free from ambiguities and obscure interpretation. Nearly 43% of the respondents have suffered financial loss due to mis-understanding or miscommunication. Whenever there are instances of miscommunication, there are chances of sustained financial losses and harassment to the organizational behavior.

The HR managers in international markets need to be alert on the issue that communication is as important as the skills set of the employees in order to keep a strategic advantage in hand while doing business overseas. The HR practices in the international business environment have become the things of more attention to the international HR managers.

## REVIEW OF ADOPTED HR MODEL IN THE INTERNATIONAL FIRMS

The international firms have adopted nearly same model for their HR practices. The adopted model advocates the cultural adaptability, language understanding and strategic market preparedness amongst the employees. The HR managers have made every realisation that the employee segment of the organization is prepared enough to function in the strategic and competitive markets worldwide. All the activities of the human resources management are carried out in the backdrop of the international strategic market conditions and perceptions. The staffing, induction and training of the employees is done to in order to inculcate the strategic management and behavior amongst the workforce of the multinational unit.

Following model as adopted by the international firms has been reviewed by the paper. The human resources management in the international market is resolved around the below mentioned model:-



As per the model as adopted and reviewed, the personal characteristics and traits such as result orientation and communication skills are supplemented by the HR functions such as recruitment, staffing and training, both taken together bring the business knowledge and skills amongst the employees. This business knowledge is assisted by the HR technology or assistance in order to put the business knowledge work for the development of the strategic advantage.

This process has helped the multinationals in bringing and ensuring culture adaptability, change acceptance and swift decision making within the organization.

## CONCLUSION

The paper has reviewed the international HR practices adopted by the multinational firms and found that the HR function has been critically specialized activity so as to deal with the different cultures and market sentiments. The HR practices have focused on the market preparedness amongst the employee groups of the international firms. The HR functions and practices have been valued critically as far as the international dynamic markets are concerned. It has also been concluded that the HR managers had to deal with the changing organizational behaviour very constantly in the international markets. The true line of the success of the

organization in non-domestic markets has been cared of by the international HR managers, which is strategic preparedness amongst their employees.

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