HUMAN RESOURCE MANAGEMENT PERSPECTIVES TOWARDS GLOBAL WORKPLACE BY 2020

Annette Sonia Chetan* & Deekshitha**

* Senior Lecturer, Department of Management and Commerce, Srinivas Institute of Management Studies, Pandeshwar, Mangaluru, Karnataka
** Lecturer, Department of Management and Commerce, Srinivas Institute of Management Studies, Pandeshwar, Mangaluru, Karnataka

Abstract:
Globalisation has led to different and varied outcomes in the modern days business by fierce competition, rapid change, emerging market trends and adoption of new technologies. A global workplace is a borderless workplace, which facilitate facing new challenges and compete in changing work culture. Today's buzz words are 'Manage change or perish'. The demographics and size of the workplace are changing considerably since 21st century. Hence the organizations are trying to cope with the changes to survive and sustain in the global competitive corporate world. Since the demanding market is dictating terms to the firms, every organisation is expected to deliver excellent results in terms of cost, service, technology, speed, etc. Innovation and technology seek skilled and qualified human resources to compensate the dearth in supply of man power. Companies which localize its HR strategies, acquire and retain global talents are at a competitive edge. Reskilling, cross cultural training, repatriation and empowering are the most viable option. Firms are more flexible in terms of working hours and location. They follow open culture and prefer to be learning organisations. This paper will analyze factors affecting changing global workplace, needs of global workers, management of workforce diversity and emerging trends to create global workplace.
Index Terms: Globalisation, Changes, Competition, Training & Emerging Trends.

Introduction:
According to Thomas L. Friedman (2005) Globalisation is the interweaving of markets, technology, information systems, and telecommunication networks which shrink the world from medium to small size. Globalisationbegan after 1990's, and accelerated over the past 15 years. The information technology densely interconnected global companies to create vast change in the workplace because of borderless organisation boundaries to encourage diversified workforce.This integration led to reduction of costs, lower trade barriers, instant communication of ideas, raising capital flows and intensifying pressure of migration. Even though building an effective global workplace is challengingit is very essential for the competitive global business. The advancement of information technology demands outsourcing, moonlighting, business consultation, cross cultural training, changes in HR policies and dynamic organisational culture from the HR professionals of corporate world.In global workplace executives are facing high labour cost and dearth of skilled employees.There is a gap between the skill requirement by the global corporates and the skills available in the labour market as skilled human resources are scarce and difficult to retain.The changing needs of workforce are rapidly changing because of the shift in generation. The millennium generation is more technology friendly and career oriented.

Business Globalisation:
1. Stages of Internationalization: Company seeks to take advantage by expanding their operation in foreign markets. Four Stages of Internationalization are viz., international company, multinational company, global company and transnational company.
- ✓ International Company: International companies export the products manufactured in the home country.
- ✓ Multinational Company: Multinational Company establishes its branches / subsidiaries in various countries and operates like a domestic company in each foreign country.
- ✓ Global Company: Global Company produces globally and markets locally or produces locally and markets globally. Dr. Reddy's Lab designs and produces drugs in India and markets globally.
- ✓ Transnational Company: Transnational Company produces, markets, invests and operates across the world. It is an integrated global enterprise which links global resources with global markets at profit.

2. International approaches towards Human Resource Management: Global companies can approach the management of international human resources in number of ways. Four of these approaches are given by Douglas Wind and Polluter

Ethnocentric: In the ethnocentric approach, the MNC simply exports HR practices and policies used in the home country to subsidiaries in foreign locations. The foreign subsidiaries do not have much autonomy and the strategic decisions are made only at the headquarters. The key positions are managed by personnel from the headquarters. In short the subsidiaries are managed by expatriates from the home country.

Polycentric: In the polycentric approach, the subsidiaries are basically independent from Headquarters. HR policies are adapted to meet the circumstances in each foreign country. Local managers in the foreign country are hired to manage HRM activities. The MNC treats each subsidiary as a distinct entity with some autonomy. The subsidiary is managed by local nationals.

Regiocentric: The Regiocentric approach represents a regional grouping of subsidiaries. HR policies are coordinated within the region to as great an excellent as possible. Subsidiaries may be staffed by managers from any of the countries within the region. Coordination and communication within the region are high, but they are quite limited between the region and the MNCs headquarters. It utilizes a wider pool of managers but in a limited way. Personnel may move outside their countries but only within the particular geographic region.

Geocentric: In the geocentric approach, HR policies are developed to meet the goals of the global network of home – country locations and foreign subsidiaries. Here the MNC's are taking a worldwide approach to their operations, recognizing that each part makes a unique contribution with its unique competence.

3. Nature of Global Workplace: Workplace does not mean one static location but it today's word it represents virtual and remote workers connected through telecommunication networks. Workplace could be onsite with clients, on road, at home, office premises or location by which the employees is virtually connected to the corporate.

1. Change in Demographics of Worker:

Age of Workforce: The generation at workplace can be divided into four groups. Traditionalists comprises those born after 1946, Baby boomer are those born after 1964, Generation X are those born after 1976 and Millennial & Generation 2020 born after 1997. It is inferred that before 2015 the Baby boomers is the largest population at workforce, Generation X were less in number due reasons like birth control measures, delayed child birth and at present till 2020 the millennial generation would be the major population at workplace.

According to Mark Dollins, by 2020 traditionalists (01 per cent), Baby Boomers (22 per cent), Generation X (20 per cent), Millennial (50 per cent) and Generation 2020 (07 per cent). (Figure -01)
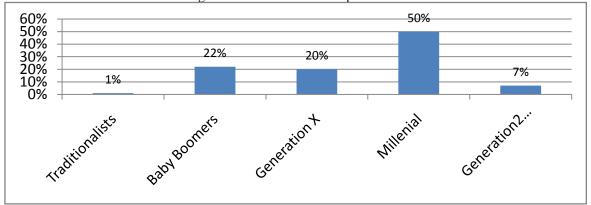
Figure 1: Generation of Workplace 2020

The larger population generally decides the work culture. The millennial generation seeks for mentoring and coaching; they are highly creative and innovative in nature and are more adoptive to the changes.

Gender Proportion: Globalisation has enhanced opportunities for women. Companies are increasingly feminizing their labour force in the name of promoting gender diversity. The proportion of women employees in executive positions have also increased.

Education: The global workforce are called gold collared employees as they are knowledgeable, well-educated and smart workers who are readily accepting changing trends
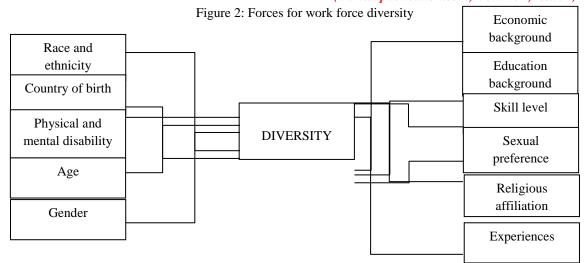
Mobility of Manpower: Migration of employees from all over the world is acommon scenario as the world has become a small village due to the development of information and technology.

2. Information Technology Advancement and Innovation: Information technology made the entire planet into a small web world resulting in enormous networking among business and individual. The present workplaces are virtual organisation and are technology oriented. Innovation and creativity are building the competitive edge for global business organisation.

Code of Conduct: The global workplace calls for highly professionalized and ethical behaviour from its manpower. The work culture should be such that it nurtures the global climate.

Diverse Workforce: Workforce in MNCs is highly diversified as they are from different countries, religion, race, age group, ethnic group, colour and gender. Globalization has led to mobility of skilled talents across the world which diversifies workforce.

Organisation Change and Development: Change implies on moving from present state to a more efficient and effective stage. Adjustment among people, technology and structural setup is established during global changes. Organisations have to effectively manage change and develop itself to be competitive in the global scenario.

Figure 2: Forces for work force diversity

Global Human Resource Policies and Practices: Diversity, millennial generation, change in work cultures have forced the organisation to revamp the policies and practices of Human Resource Management. The companies have to implement international recruitment and selection policies, cross cultural training, reskilling, international flexible compensation, repatriation, career development program, flexible work schedule and location etc., to stay abreast of the changing global era.

2. Methodology:

This paper is descriptive in nature. The researcher adopted descriptive research design for this study. The secondary sources were used for collecting the data which include text books, journals, bulletins, newspaper articles, government reports and website information. This study is conducted to analyse the Challenges and Trends in Global workplace by 2020.

3. Analysis and Discussion:

Challenges of Human Resource Management at Global Workplace:

The dynamic global environment poses various opportunities for growth and expansion of business. The HR professionals need to overcome the challenges and compete in managing talented workforce as per the global requirements. According to the survey conducted by EIU/SHRM foundation people management in global scenario is one of the greatest challenge faced by corporates.
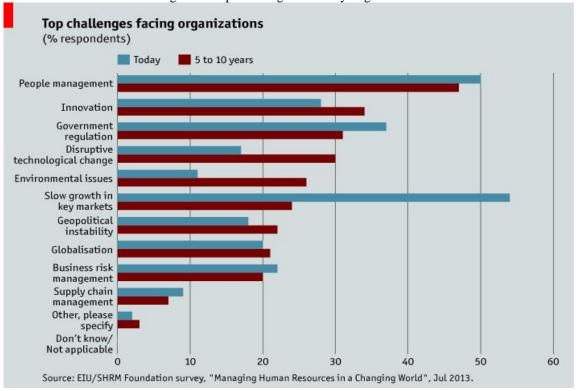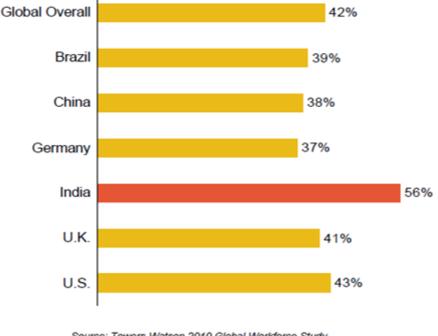
Figure 3: Top Challenges Faced by Organisation

Managing Diversity of Workforce: The dynamic changes in the composition of work force in terms of generation, nationalities, religions, ethnic groups, differently abled, gender, values and beliefs, it is rightly said that today H.R. Manager is managing a totally diversified work force. HR managers will be required to adjust their approach from treating each group of workers alike by recognizing differences among them and following such policies so as to encourage creativity, improve productivity, reduce labour turnover and avoid any sort of discrimination. When workforce diversity is managed properly, there would be better communication, better human relations and congenial work culture in the organization.

Meeting Aspiration of Employees: There has been a rise in the proportion of employees in today's industries who belong to the younger generations whose aspirations are different from those of the earlier generations. workers are more career oriented and prefer mentorship and coaching over training. They demand flexibility in work schedule and workplace. They are becoming more aware of their higher level need and this awareness would intensify further among the future employees. The managers would be required to evolve appropriate techniques to satisfy the higher level needs of workers and develop plans for the career advancement of the employees.

Figure 4: Global workforce leaving organisation due to career advancement

Source: Towers Watson 2010 Global Workforce Study.
towerswatson.com

Managing Performance in Global Context: Rewarding performance cultural consequences on performance, managing virtual teams and subsidiary performance are critical dimensions in performance management. There should be fairness and consistency in rewarding performances. Feedback is to be provided for individuals and groups.

Managing Skill Gap: There will be shortage of experienced and skilled employees as the generation of baby boomers would be retiring in the near future. The changing demands of technology in the global era leads to a gap in demand and supply of skilled manpower. The HR manager have to focus on minimize the gap and acquiring skilled talents to be globally competitive.

Maintaining of Global Work Culture and Climate: The HR department has to focus on organisational development by creating global culture which accepts change and creating effective communication networks. They have to create a learning organisation with flat structure.

Framing Global HRM Policies: In order to acquire talented workforce around the world corporate sectors have to reframe the recruitment and selection policies. Employee engagement programmes and competitive compensation policies should retain skilled employees in order to gain competitive edge. Importance should be given to group dynamics, cross cultural training, flexible schedule, job sharing and uniform practices in global workplace.

Employee Retention: The current labour market offers several job opportunities to the job seekers. Job hopping is the greatest threat faced by today's corporate world. The company needs to maintain and retain talented experienced workforce in order to gain competence.

Overcoming Resistance Towards Organisation Change: Change implies on moving from present state to a more efficient and effective state, adjustment among people, technology and structural set up. The company has to plan effectively to implement change, inform the workforce about the benefits and should provide effective training in order to cope up to the changing requirements.

Supporting Technological Advancement: Organisations have to focus on building virtual team from different nationality in order to meet up with the changing desires of global customers. The communication networks have to be strategized in order to aid virtual systems where in location is not a barrier.

Trends in Global workplace 2020 - Being Proactive: The various changing trends in the global workplace and the strategies to be implemented by the HR professionals at present to meet future challenges.

E-Learning: Traditional concepts of learning such as class room lectures, power point presentations will be obsolete. E-learning provides the ability to conduct training anywhere an employee has access to internet. Knowledge transfers will take place through virtual interactions using telecommunications. Future workforce would retain more information by gaming modules whereby they are stimulated by participating in situations and gaining experience.

Social Media as a New Language: Global organisation's work force demands for extensive use of social networking in work. According to a survey done by Deloitte Social business, the importance of social media in workplace has an estimated increase from 18 per cent in 2012 to 63 per cent in 2015. The increase trend in usage of social media is witnessed in the social networking sites like Facebook which had one million users in 2004, has been increased upto 100 million in 2008 and an estimated increase of 1.23 billion users during 2015. According to Forrester estimates, cloud computingwill grow from a $41 billion business in 2011 to a $241 billion business by 2020.

Talent Management: The global companies are competing in acquiring skilled employees as critical skills are scarce. There is uneven distribution in the availability of critical new skills which is forcing organisations to ensure that they develop and maintain talented workforce. Effective utilisation of available workforce is the key for global growth. In 2020, the focus would be on talent development and career advancement in order to retain skilled workforce. Employee engagement programmes should be tailored according to the needs of the key employees. The millennial generation is more prone towards searching other employment within a span of two years; hence active mentoring and empowerment should be the focus for higher commitment. On boarding of employees should be strategised effectively in order to improve retention and commitment. Effective interactive leadership also plays an important role in retention in the global workforce. The flexible polices of compensation, work schedules and work culture will also reduce labour turnover.

Collaborative Work: In the global workforce the companies need to strategise towards framing effective cross national collaborative team work. They need to identify the catalyststhatare playing key roles in collaboration. The advancing technologies would facilitate multifunctional and multilevel collaborations. Knowledge sharing and management would be tremendously increased in order to be globally competent.

Tailored Rewards and Compensation: The reward and compensation programmes are one of the key factors for talent management. In the scenario of diverse workforce the rewards and compensation policies should be tailored according to the changing needs of manpower based on performance factors and skill sets.

Work Life Balance: Global corporate jargon is 'perform or perish' which is due to the highly competitive market. The working environment is highly stressful and extra hours and odd hours of work isa commonscenario. The good working definition of work life balance is 'meaningful daily achievement in each of the four life quadrants i.e. work, family, friends and self.' The corporates have focus on maintaining work life balance in order reduce attrition. The climate at workforce will aim at making work fun and reduce stress.

Succession Planning: The millennial generation seeks for career advancement and growth for being committed in the global workplace. Succession planning aids in development of the individual and the whole organisation by encouraging the concept of hiring from within skilled workforce for future vacancies. The manpower would be groomed for the future requirements which ismotivating factor for the millennial generation.

Reskilling and Repatriation: The Company will need to aim at reskill the employees to reduce competency gap due to technological advancement. The organisations have to consider e-learning modules, mentoring, and social media and cross cultural collaboration to nurture the global skills.

Repatriation refers to termination of overseas assignment and returning back to the home country. The company has to ensure that the expatriate's experience is valued and provide the repatriate suitable job matching the global experience and knowledge.

Outsourcing and Consultation: The trend of outsourcing and consultation for expert and specialised functionalities will increase enormously by 2020. The firms need to focus on key business operations to be globally competitive and also benefit by cost reduction. The expertise knowledge and skills of consultants will help the global companies to have an upper hand in all the working spheres.

International Journal of Computational Research and Development (IJCRD)
Impact Factor: 4.775, ISSN (Online): 2456 - 3137
(www.dvpublication.com) Volume I, Issue I, 2016

Flexible Work Climate: The global trend will make organisation to be more dynamic for changes which in turn will change the working culture. There will be a tremendous increase in workforce who would be telecommuting and working in flexible shifts as per the requirement of the employee. There would be more scope for creating an interactive and learning organisation in coming years.

Reverse Mentoring: The millennial generation is more interested in interactive mentoring practices wherein they would have more opportunities to provide creative ideas and also learn in the process. The managers need to be mentors ofgeneration 2020 workforce and one side learning modules will be eradicated. The senior executives need to change their leadership styles to mentorship and coaching.

Employee Empowerment: Generation 2020 expects lot of freedom of work. By empowering the workforce would be contributing towards creative and innovative ideas which would be beneficial for global dimensions

Employer Brand and CSR: The global firms need to strategise on brand building, to acquire talented workforce. Companies will be more people oriented, which in turn will increase corporate social responsibilities.

Flexible Performance Reviews: The performance appraisal of global workforce will consider the various roles played by individual employees. The evaluation will be individualized to cater to the global requirements. This will be a key for career advancement and succession planning.

Changing Trends in a snapshot:

Traditional workplace	Workplace 2020
Secured permanent job	Contractual and multiple tasks
Workforce demand for Salary	Employees seek Prosperity
Benefits to individual	Opportunities towards career
Promotion ladder	Career navigation
Leaders take charge and moving	Leaders nurture and seeks growth
Personal assistant	Personalized technology
Office productivity tools	Follow-me-and-know-me tools
Vertical structure	Cross-functional and flat structure
Multinational	Globalized
Organization hierarchy	Intra- and extra-organization networks
Commute	Tele presence
Management decision makers	Employee empowerment
Employment history	Personal branding
In-person face time	Virtual face time
Localization	Global - think
Occupational	Holistic
Work-life balance	Work-life integration
Managing	Mentoring, reverse mentoring &Coaching
Developing specific skills	Maximizing potential & reskilling
Goals and mission statement	Roles and aspiration statement
Company and industry focus	Market transitions and adjacencies focus

4. Conclusion:

Globalisation has resulted in creating opportunities to the multi nationals to expand business operations across the globe. Heavy competition is leading the market which seeks highly skilled and talented work force. To effectively tackle the competitionthe human resource professionals have come up with innovative strategies and effective methodology to face the global business challenges. Reskilling, repartition, reverse mentoring, succession planning, collaborative work, social networking, E-Learning and cross cultural training are the recent trends adopted to create an effective work place. By 2020, the workplace will be completely virtualized and based on social networking which may be most prosperous, flexible for the workforce and challenging for human resource management professionals. Creation of ideal workplace 2020 is the collective responsibility of Individuals, corporate business firms and the government.

5. Reference:
1. http://www.Futureworkplace.com
2. www.Multiculturaladvantage.com-/recruit/diversity-in-the-workplace-benefits
3. www.Cremedia.com/tlnt/the-challenges-of-hr-management-andglobal-workplace
4. www.knoll.com/media/18/144/wt/five trends
5. http://www.cisco/workforce2020
6. www.futurehrtends.eui.com
7. www.sociallearningbootcamp.com
8. www.garter.com/newsroom/id/2645115

9. http//newsroom.fb.com/key-facts
10. www.bgcperceptive.com
11. http://thehiringsite.careerbuilder.com/2010/07/01/10-predictions-in-10-years-how-the-2020-workplace-will-affect-you/
12. http://www.forbes.com/2005/12/30/manpower-careers-employment-cx_0102mckinsey.html
13. www.eremedia.com/tlnt/the-challenges-of-hr-management-in-a-global-workplace/
14. www.2020workplace.com
15. http://www.eremedia.com/tlnt/how-the-changing-definition-of-the-workplace-impacts-hr/
16. http://careerbright.com/tag/challenges-in-a-global-workplace
17. http://thehiringsite.careerbuilder.com/2010/07/01/10-predictions-in-10-years-how-the-2020-workplace-will-affect-you/
18. Ashwathappa K "Organisational Behaviour", Himalaya Publishing house, Mumbai, Ninth Edition 2010, Page number 597-580
19. Ashwathappa K and Dash Sadana "International Human Resource Management", Tata McGraw-Hill Education Private Limited, NewDelhi, fifth reprint2010, page number 3 and 253
20. Mamoria C.B. and Rao V.S.P. "Personnel Management (text and cases)" Himalaya Publishing house, Mumbai, Thirtienth edition 2012 page number 809 to 845.
21. Judy, Richard W.; D'Amico, Carol, "Workforce 2020: Work and Workers in the 21st Century", Hudson Inst., Indianapolis, IN. ISBN-1-55813-061-6
22. Rao Subba P "International Human Resource Management", Himalaya Publishing house, Mumbai,, Edition 2011Pagr number 10-12 and 15-17.