

GLOBAL ENVIRONMENT FOR HUMAN RESOURCES DEVELOPMENT

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Summary

In the age of globalization, every nation is faced with a greater challenge of developing its human resources for the future global society. The dynamic forces of globalization are evident in almost all aspects of human life all over the world, shaping the nature of future “global work force.” Among these forces is the emerging global market economy that has given rise to the creation of global organizations and corporations. In the environment where market competition rules, the global companies need to prepare their task force for the upcoming transformation of world of work. Through information and computer technology, the work system is moving towards virtual organizations or a network of organizations. The nature of work becomes more automated, information-intensive, and unpredictable. New roles and expectations are imposed on workers. As the society becomes more dependent on “information” and “knowledge” for economic development, knowledge is deemed, more than ever, “a commodity” or “an asset.” Workers need to have higher-order cognitive skills to create and apply new knowledge to solve problems. They also need to have higher-level emotional intelligence to enable them to work with others under pressure and deal with all sorts of business uncertainties. The intense competition in the single global market has forced domestic and global organizations to increase the share of temporary and telecommuting workers for cost-effectiveness purposes while expecting their workers to do their best to cater to their customers' demands and preferences. Also, the applications of biotechnologies into industry have raised the public concerns about the adversary effects of such the practices on the ecology of human community, leading to changes in future consumer behavior patterns. The present global interconnectedness resonates to the theory of

quantum physics that sees everything on this planet and in this universe all interconnected. This is the worldview that global organizations must assume as they take a quantum leap to globalization.

1. Introduction

Since the 1990's, an occurrence of globalization has become a common phenomenon that affecting almost all aspects of human life around the world. Notwithstanding, its implications have been largely placed on the economic issues. This remarkably results in the worldwide attempts to build national human resources to meet the demands of the emergent markets for manufactured goods and services. Rather, the concept and significance of globalization are broader than trading and business activities although it might have been triggered by the economic drives. Globalization can take various, though interconnected, forms, for instance, globalization of information and communications networks, globalization of trade, globalization of cultures, globalization of environmental initiatives, globalization of political actions, practices or policies, as well as globalization of military forces across borders. In essence, globalization is a process through which certain human activities become integrated throughout the world. Thus, the magnitude and relevance of globalization vary from one aspect of human life to another, depending upon regional, national and local environments. Owing to its ever-increasing impact on human life, globalization has drawn greater attention to human resources development in numerous countries, either advanced or developing ones, in order to cope with continual socio-economic changes, domestically and globally. The purpose of this article, therefore, is to outline certain prominent global environment that influences the development of human resources across countries. Understanding the challenges of globalization posing on human resources development is quintessential for the formulation and implementation of human resources development efforts in any given nations.

2. The Concept and Dimensions of human Resources Development

In so doing, first of all, the definition of human resources development has to be clarified for mutual understanding and analysis. The term "human resources" used herein is not meant to dehumanize or treat human beings as material like other resources, but rather to signify the importance of human beings as both contributors and beneficiaries of development. The concept of human resources development can either be limited to a narrow focus on acquisition of skills and knowledge for employment purposes or cover a broader perspective of human development for the well-being of individuals and society at large (Rao, 1996). Human resources development in the latter sense incorporates all developmental aspects of human beings at every stage of life including occupation and industry development. Such a holistic view of human resources development is more of interest of this article. Without a solid foundation at the early stages of human development, individuals cannot develop to their full potential to contribute to their own well-being, nor can they help enhance the well-being of others and the society. Unless all facets of the development of a whole person have been taken into account of the development process, individuals will not be able to develop as humans with dignity, wisdom, and ability to lead their lives, as they desire, toward good ends. Thus, people's well-being and quality of life can be enhanced through physical

and psychological health, cognitive capability, sociability, economic opportunity, political participation, morality and spiritual welfare.

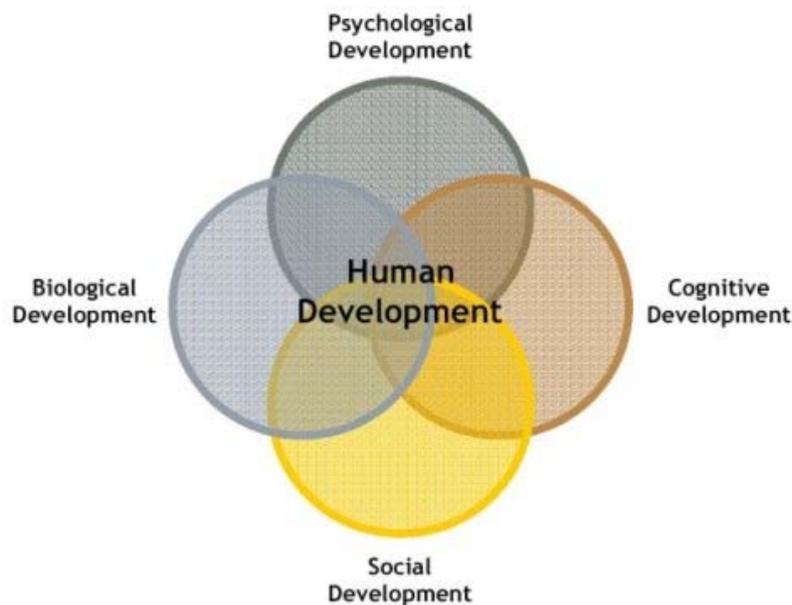


Figure 1. Dimensions of Human Resources Development

3. Global environment for human resources development

Human beings do not develop in a vacuum, but interact with significant others and the environment (Newman & Newman, 1991). More importantly, in these days, we live in an increasingly tight-knit world in which we constantly interact with our immediate and remote environments. The extent to which global environments will influence the local environments also varies in different parts of the world according to the degree to which a given locality is linked to the global mainstream and the differences in cultural, socio-economic, and political background. It is no surprise that the meaning of well-being and quality of life will differ from one society to another. The implications of global environments identified in this article, therefore, should be interpreted in the peculiar context of a region, a nation, or a locality as well.

Currently, global forces have influenced the development of human resources around the world in many aspects. As we have entered the Global Age, we are a more global people, we share many global values and practices, and we are more and more working for global organizations. Globalization has caused a converging of economic and social forces, of interests and commitments, of values and tastes, of challenges and opportunities. Four main forces have quickly brought us to this global age- technology, travel, trade, and television. These four T's have laid the groundwork for a more collective experience for people everywhere. More and more of us share common tastes in foods (hamburgers, pizza, tacos), fashion (denim jeans) and fun (Disney, rock music, television). Nearly two billion passengers fly the world's airways each year. People are watching the same movies, reading the same magazines, and dancing the same dances from Boston to Bangkok to Buenos Aires. Ever more of us speak a common language.

More than 1 billion people in over 100 countries now speak English either as the first or second language. The English language, which, like all languages, carries culture and social values, has become the global language of media, computers, and business.

4. Emerging Global Market Economy

The signs of the global marketplace are all around us.

- U.S. corporations have invested \$1 trillion abroad and employ over 100 million overseas workers; over 100,000 U.S. firms are engaged in global ventures valued at over \$2 trillion. Over one-third of U.S. economic growth has been due to exports, providing jobs for over 11 million Americans.
- 10% of U.S. manufacturing is foreign owned and employs four million Americans; Mitsubishi USA is America's fourth largest exporter and Toyota has displaced Chrysler as the third largest in U.S. auto sales. Foreign investment in the United States has now surpassed the \$3 trillion mark.
- McDonald's operates more than 12,500 restaurants in 70 countries and is adding 600 new restaurants per year.
- Many Gulf countries have more foreign-born workers than native population. More than 70 percent of the employees of Canon work outside Japan.
- Financial markets are open 24 hours a day around the world.
- Over half of the PhDs in engineering, mathematics and economics awarded by American universities in 1997 went to non-U.S. citizens.
- Global standards and regulations for trade and commerce, finance, products and services have emerged.
- More and more companies—Intercontinental, Xerox, Motorola, Honda, Samsung, Pentax—are manufacturing and selling chiefly outside their country of origin. We hardly know if a company is French, Japanese, Swedish, or American.
- Coca Cola earns more money in Japan than in the U.S.
- Over 70 percent of profits for the U.S. \$20 billion music industry is from outside our country. Most big-bucks movies depend on global viewers for big profits.

As such, the emergence of global economy has been marked by an increase in the worldwide economic interdependence, dissolving of the old-tradition national economies. Time and geographical distance no longer impose significant barriers to cross-border trade and business. This phenomenon helps expand the scale and scope of the existing world trade system. The global economy not only affects the manufacturing and marketing of hi-tech products, but also the producing, preparing and selling of agriculture goods for global markets. The impact of the global economy is most evident in the financial markets as well as in many other service industries including those in hospitality and tourism related businesses. In the face of the global economy, market laws (market competition on a global basis) drive almost every sphere of national economies and societies. The desire for survival in an intense competitive world also imposes a marketing orientation on those activities that normally deemed as public services: telecommunication, transportation, electricity, and water supply. There is a market even in such social services as education, health and medical care. The following global forces have created the single global marketplace:

- Proliferation of global technology and telecommunications (enhanced by fiber-optics, satellites, and computer technology)
- Competitiveness of global corporations
- Converging of global lifestyles and values, accelerated by global language
- Emergence of global market drivers
- Lowering of costs of doing business globally
- Liberalization of financial markets
- Globalization of resources and services
- Emergence of the knowledge economy and are
- Workforce mobility
- Privatization and globalization of government services
- Emergence of open and unrestricted free trade

The global market economy has forced the creation of global organizations, companies that operate as if the entire world were a single entity. They are fully integrated so that entire activities link, leverage and compete on a worldwide scale. Global firms emphasize global operations over national or multinational operations. They use global sourcing of human resources, capital, technology, facilities, resources, and raw materials. They deem cultural sensitivity to employees, customers, and patterns as critical to the success of the organization. Globalization of an organization has occurred when the organization has developed a global corporate culture, strategy, and structure, as well as global operations and global people (Marquardt, 1999). Although certain industries became globalized earlier than others (especially telecommunications, electronics and computers, finance and banking, transportation, automotive, pharmaceutical, petroleum, and biotechnology), every industry now has global players. Success depends upon the ability of the organization to compete globally for every industry and sector throughout the world. Even the largest companies in the biggest domestic markets will not be able to survive without any global alignment. They are still subject to globalization of consumerism and life-styles. As more and more customers are shopping around the world for higher quality products and services with lowest prices, more and more companies, whether small or large, young or old, globally-oriented or locally-oriented, recognize that their choice is between becoming global or becoming extinct.

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Biographical Sketch

Somsri Siriwaiprapan is Chief Officer to Vice Minister for Industry, Thailand. In addition, her academic roles include educator and researcher. She teaches Management Science, Human Resources Development and Research Methods at the Department of Business Administration, Burapha University. She is also a research associate with the Research Centre at the same University. Her research interest encompasses various disciplines and areas due to her educational background. She is very keen on the issues of small and medium enterpreneur development, eco-tourism, and management and leadership, all of which are crucial to economic development in her country. She has conducted a study on “The Development of Tourism Potentiality, Strength and Sustaining on Homestay, The One Tambon One Product Project: A Case Study of Tambon Tapong, Rayong Province.”