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SETTING THE GLOBAL HUMAN RESOURCE MANAGEMENT AGENDA FOR THE 1990s*

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SETTING THE GLOBAL HUMAN RESOURCE MANAGEMENT AGENDA FOR THE 1990s*

by

Noel M. Tichy

Introduction

The global playing field of the 1990s is ushering in an era when multinational companies will be divided into two tiers. There will be a small, elite group of true world class companies capable of competing globally in terms of product quality, innovativeness, cost, and distribution and marketing muscle. The second tier will suffer continuous casualties among their ranks as they fail to compete successfully. Our premise is that the key to the success of the first tier MNCs will be leadership and an innovative set of Human Resource Management practices. This paper spells out the emerging 1990s leadership agenda for succeeding as a first tier, globally competitive MNC.

As we enter 1988, the volatility and imbalances of the global economy simultaneously attest to leadership's failure in the 1980s and its agenda for the 1990s. There are no easy solutions for the United States: It must address its budget deficit, live within its means, work harder, be more productive. The U. S. can only reverse its decline with shared equality of sacrifice. Black Monday, the slide of the dollar, the third world debt crisis, and the great trade imbalances have strained many of our global coordination mechanisms beyond their capacity. New shared leadership from Japan, the U. S. and Europe must take bold steps to prevent catastrophe.

A recent global economy forum, '88 Tokyo Forum, with representatives from five of the world's leading economic think tanks--Brookings Institution, IFO,

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Royal Institute of International Affairs, L'Institut Français des Relations
Internationales, and the Nomura Research Institute--concluded that starting in
1988, the following strategic changes are needed to deal with the global
economic uncertainty:

- 1. U. S. bipartisan long term, sustainable actions to reduce the budget deficit.
- 2. Stimulation of both the Japanese and West German domestic economies.
- 3. New capital flows to third world countries with Japan playing an increased role in both direct investment and in development aid.
- 4. An international monetary order to stabilize the exchange rate needs to be created. "For the U. S. to try to rely on the exchange rate to fix its trade imbalance is an evasion of the problem," according to Paul Volcker during the '88 Tokyo Forum.
- 5. A consolidation of free trade, a true opening up of Japan.

These five, seemingly common sense recommendations, it was concluded, probably will not happen until there is more trauma in the global economic condition. Possibly, this may be several years in the future: in the U. S., 1988 being an election year, there will be a leadership hiatus. Yet companies will continue to rapidly globalize in this increasingly mercurial environment. They must become global or risk demise. There will be no hiatus for global competitors while political mantles are passed on. Standards are now set globally in industry after industry. Product design, innovation, service, quality and speed of response to changing markets are driven by whoever is best in the world. National boundaries are less and less relevant. The competitive dynamic is self-perpetuating and it daily exacerbates an already overburdened system.

This paper shares an evolving Human Resource agenda for the 1990s. The seeds of this agenda were sown in 1983 with the inaugural issue of a newly focused <u>Human Resource Management</u>. The intention was to foster a dialogue among scholars and executives around strategic Human Resource concerns. At the time, we said:

The new Human Resource Management comes into being at a time when the challenges facing our management of people are monumental. World economic and political systems are in turmoil. There are tugs and pulls on the management of multinational corporations in this area, such as the tension over protecting jobs within national boundaries versus looking offshore for cheaper labor costs so as to remain world competitive. In addition there are important economic policy issues stemming from the transformation of economies and job structures in the industrialized world. The increase in high technology jobs and the service sector and the decrease in the manufacturing sector present many difficult prospects for people. The social and political responses by society to these changes are still being debated with the outcome quite unclear. We will take part in this dialogue.

The effort has just begun. There are no easy answers and quick-fix fads come and go. At least a decade of transformation will be required to make the shifts in managing our human resources. This journal intends to contribute to the development of better concepts and tools for successfully managing this transition. (Tichy, Noel M., "Editor's Note," Spring/Summer 1983)

At that time there were several themes we focused on as central to the remainder of the 1980s:

Organizational flexibility and adaptability. We outlined the remainder of the decade as witnessing rapid changes in many organizations: changes that would require new organizational forms and management processes with greater responsiveness, adaptiveness, and flexibility. The Human Resource function would be required to take the lead in developing these new forms. It would bear the brunt of responsibility for preparing people to operate in them and seeing that they effectively tied into the business strategy of the firm.

Economic performance and productivity. We stated that these two issues would probably be driving most organizations through the 1980s as they tried

to stay (or become) world competitive and avoid their own demise. Much more attention would be needed to productively make both qualitative and quantitative links between HR variables and the economic performance of organizations.

By 1985 the move was made to accelerate the journal's global focus.

An Initial Global Agenda

We began the process with a summer symposium held at INSEAD in Fontainebleau, France. From that gathering of HR industry leaders and academics based in Europe, the U. S., and Japan, three major themes for the field emerged:

- Leadership—There was no debate about the demand for future leaders capable of working in multi-cultural environments both within their companies and across national boundaries. It was felt that much could be learned from examining companies such as Philips, Unilever, Nestle, IBM, McKinsey & Company, and some of the Japanese MNCs.
- 2. Culture—It was debated as to what degree corporate culture can be managed to fit a given multinational corporation's strategy. Revolutionary cultural change, often triggered by a crisis, demand strong line leaders at the forefront, whereas the other kind of culture change—incremental—encompasses a much longer time horizon, greater reinforcement in the human resources systems, and leadership that is not as visible as in revolutionary change. It is important to make the implicit explicit: to continually examine the culture through a variety of feedback mechanism, mapping out the culture, assessing where the organization is, where it wants to go, carefully identifying strategies for change which constantly deal with the cultural gaps, and working the organization culture in relationship to the particular national culture in which it is embedded.

3. New Organizational Forms—There simply were not as yet clear answers to the many problems of recruiting, selecting, developing, rotating, and managing human resources in the context of the global organization. It may turn out that unless human resource strategies are both redesigned to be more global and are more tightly coupled to business strategies, it will not be possible to create viable global organizations (Schein, 1986). New concepts regarding what is "work" and how to redistribute tasks, redefine roles, authority relationships, and sources of power are already in evidence based on the new models proposed for the study of organizations by conference members.

Hedlund (1986) raised the issue of strategic and structural differences provided by the heterarchical--versus hierarchical--MNC. Others argued for a different framework, seeing organizations less like two-dimensional photographs and more like holograms with each part of the picture containing all of the information needed to reconstruct the whole. Multigons were proposed--an organizational form in which power perpetually shifts from one part to another as tasks require. We conceptualized organization's common cultural assumptions as possibly functioning like genetic codes with every member automatically knowing what to do under various conditions.

In thinking about the truly multicultural organization, we talked of how to achieve "controlled diversity," or "decentralization with fragmentation" (Schein, 1985). These ideas inevitably cause the future radical notion to emerge that lodging accountability in individuals will no longer be possible. When groups and units have the same information for decision making, they will be jointly accountable. This effect, called informating, is perhaps one of the most dramatic (Schein, 1986).

In the Spring 1986 issue of HRM Journal, we noted that, "These issues and the August 1985 symposium set the stage for our next international human resource symposium, which will be held in Japan in the Spring of 1987" (Tichy, 1986). That conference served to further our mission to help develop the global Human Resource Management agenda for the 1990s.

Asia-Pacific

The choice of Tokyo as site for our 2nd symposium is indeed timely. The catalyst for much of the world business transformation clearly emanates from the Asia-Pacific region with Japan as the center of gravity. Within industries in both Europe and the U. S., Japan's progress toward leadership has triggered massive transformations in automobiles, steel, consumer electronics, commercial aircraft, semiconductors, copiers, watches, and more recently, computers and financial services. We can expect Japan to soon become industry leaders in aerospace and pharmaceuticals (including genetic engineering).

But Japanese firms also face fundamental change, in part as a result of the technological revolution to which they have themselves contributed. Spurred on by mounting political pressures, fast developing competitive forces in NICs (Newly Industrialized Countries, i.e., South Korea and Singapore) as well as stronger U. S. and European MNCs and a plunging dollar, many of the best known of these companies are in the process of radically and rapidly altering their global posture (Bartlett, 1988). The economic, political, and cultural forces operating to transform Japanese MNCs present organization strategies include:

Economic Forces: --

- --Yen revaluation
- --World competition (U. S., Europe, and Asia-Pacific)
- --Imbalance of payments between the U. S. and Europe
- --Unemployment pressures in Japan
- --Need for domestic stimulation to shift from totally export driven economy

Political Forces: --Lack of strong consensus leadership in government

--Tax bill controversy --Labor disgruntlement --Aging population

Cultural Forces: --Quality of life and rising expectations

 $\operatorname{\mathsf{--Creativity}}$ stimulation in education and the workplace

--Job security expectations becoming uncertain for

increasing numbers of firms

--Role of women in the workplace showing early signs of

change

--Opening up the cultural boundaries of Japan is needed

The Nomura Research Institute offers an interesting analysis of these pressures, arguing that the external forces can be summarized by four key changes:

- 1. Rapid changes in technology and social systems (e.g., telecommunications);
- 2. Expanding needs for services designed for both consumers and industry;
- 3. Tie-ups, collaboration and realignment of competitive relations all taking place across industrial boundaries because of the development of #1 and #2 above;
- 4. The need for a new type of international strategy that outgrows the past export-oriented policy.

In response to these changes, the Nomura consulting group proposed that key internal organizational changes will have to be made if Japanese firms are to remain competitive in the global business arena. Their conclusions were quite radical for Japanese companies. They conclude:

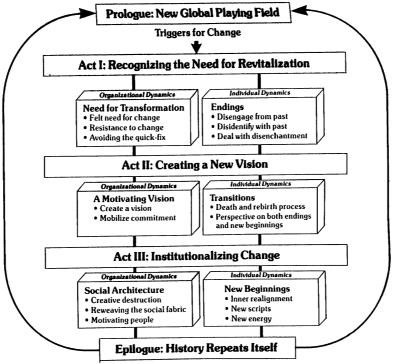
- -- the current emphasis on harmony and consensus within Japanese companies inhibits innovative and strategic action;
- --the inordinate emphasis placed on spiritualism, hard work, and perseverance in Japanese firms has a tendency to weaken management's strategic vision;
- --the great army of employees hired during the boom years now form the senior ranks within Japanese industry. These people are in need of retraining to prepare them for coping with a changed environment;
- --despite the progress in internationalization at local levels, in many Japanese firms, a long term international strategy has yet to be hammered out by headquarters, which retains its domestic orientation.

In February and March of 1987, I conducted interviews with senior executives of major Japanese companies including:

Hitachi--Mr. Mita, President
Canon--Mr. Kaku, President
Toyota--Mr. Ohshima, Executive Vice President
NEC--Mr. Sekimoto, President
Nomura Securities--Mr. Tabuchi, President
Honda--Mr. Okubo, Executive Vice President
Yokagowa Medical Systems--Mr. Sugeyama, President

Using the three-act transformational leadership framework (Tichy and Devanna, 1986) to organize and format their comments, the following inferences were made about the organizational dynamics of change in their companies.

Transformational Leadership: A Three-Act Drama



Act I: recognizing the need for revitalization. It usually takes a strong environmental shock of a technological, economic, or social nature to evoke an awareness of discomfort within organizations, such as Chrysler's imminent bankruptcy in the early 1980s. But in some cases, proactive leadership's sensitivity to developing pressures can wake up the organization and release energy for revitalization.

It is essential for the organization to develop <u>a felt need for change</u> to avoid decline. In Japan, trade complacency and arrogance within Japanese industry made it vulnerable to shocks to yen revaluation, trade friction, low cost manufacturing challenges from Korea and other NICs (Newly Industrialized Countries).

Trigger events, once perceived and interpreted as indicating a need for change, discharge both positive forces driving toward change and <u>resistance</u> at both individual and organizational levels. Revitalization will be thwarted unless resistance is managed.

This may become a major problem for Japanese firms, in part due to the harmony and consensus style management they practice. These characteristics, which lead to incremental change not quantum change, pose no major problem in times of growth. But in times of revolutionary change, they create serious difficulties—older leaders who are resistant to change cannot easily be circumvented due to entrenched seniority systems. One exception to this scenario is Honda where younger leaders are explicitly supported in the interest of enhancing the innovative capacity of the firm.

A variety of fads may begin to erupt in Japan in order to put bandaids on serious problems that really require more than <u>quick fix solutions</u>. However, Japanese managers don't appear to be as prone to quick fix solutions as are U. S. managers—note the latter's faddish application of quality circles, "Theory Z management," the excellence craze, etc.

Act II: creating a new vision. It is the <u>image</u> of the future desired state that stirs the workforce to relinquish the past and begin to prepare for a new organizational direction. It may evolve slowly and is often the work of many, but it is the key to providing the necessary motivational pull into the future. Creating a motivating vision has little to do with how it is

developed and everything to do with how it is responsive to pressures both outside and inside the organization.

This will be the major challenge for each of the Japanese companies observed. The best positioned appear to be Honda and Nomura with Hitachi and Canon in the toughest positions, followed by Toyota and NEC. The leadership may not be up to the task in several cases. Garnering support that evolves into commitment to the new vision requires that transformational leaders provide stewardship for the workforce to help people deal with conflicting feelings of fear and hope, anxiety and relief, pressure and stimulation, loss of meaning and challenge of a new meaning, threat to self-esteem, and a renewed sense of personal value. This will take time, a very scarce commodity in today's competitive environment.

Act III: Institutionalizing change--re-architecturing the organization.

Transformations will not be enduring unless the social fabric of the organization is fundamentally altered. Charisma and personal drive on the part of the leaders can, in the short run, bring about change. However, unless the organizational processes, decision making, planning, structure, human resource systems, etc., are re-architectured, the change will be transitory.

The institutionalization of a new culture and vision is most dependent on the human resource management systems. The best way to permanently alter the behavior in an organization is to staff with different types of people, appraise them on new criteria, reward new behaviors, and develop them differently. Thus, the challenges for the human resource profession in Japanese companies are immense. There are three primary domains requiring the attention of leaders in these firms:

1. Technical issues

- --Japanese companies need to develop new business strategies dealing with sourcing, localization, and portfolio shifts
- --New global organization design and structural mechanisms are needed for coordination and control
- --New human resource selection, development and reward systems are needed

2. Political issues

- --More top down change is required
- -- New coalitions are impacting the strategies of companies
- --There is union turbulence
- --A rebalancing of power with localization and new ventures and strategic alliances is under way.
- --Reward systems are showing signs of stress as growth and profits shrink

3. Cultural systems

- --New value systems are needed for globalization strategies
- --New value systems are needed to integrate more international organization structures
- --New value systems are needed to support quantum change

As a result of these interviews and a survey of business climate, it appears that Japan's fundamental global challenges fall into four areas:

- 1. A need for new global product and service market strategies;
- 2. A need for new global coordination and integration mechanisms;
- 3. A need for developing strategic alliances; and
- 4. New staffing and development systems.

These transformation problems seem similar to those of IBM, GE, Philips, Siemens, and others. Thus, we decided to organize our symposium in Japan around these four sets of challenges.

The Global HRM Journal Symposium

The symposium participants examined each of the four challenges from three perspectives: (1) the senior line executive, (2) the HRM executive, and (3) the academic. We developed a 1990s agenda for each of the three groups. The participants in the symposium represented line executives, human resource executives and academics from Japan, the U. S. and Europe. Four days of

intensive dialogue resulted in the following 1990s agenda.

1. Global Product and Service Market Strategies

As companies more aggressively look to world markets, they are faced with developing world class products and services at world class costs. This means changes in design, production, distribution, and marketing. The human resource management implications are multifold, including developing new forms of design teams, being better able to use strategic sourcing, and establishing world class standards for design, service, and performance.

As a result of the symposium task force work, we developed the following agendas.

1990s Agenda for Senior Line Executives

- --Clearly articulate why going global is needed:
 - --Determine what is meant by global
 - --Carefully identify what products/product lines are global
 - --Where possible, avoid going global
- --Determine what markets we have to be in if we are to be a player, that is, specify what markets we <u>must</u> be in in order to be in a strong position ten years from now.
- --Identify who are our major competitors worldwide, who we need to beat, who we need to join (pre-empt)
- --Define the competitive imperatives, i.e., mastering economies of scale, technological advantage, access to markets, distribution, etc.
- --Identify what skills are required and where they exist in the organization
- --Determine how to create organizational processes that treat globalization as an ongoing experiment with deliberate learnings and redirection

1990s Agenda for Human Resource Management Executives

- --Insure that there is HR involvement as an integral partner in formulating the global strategy
- --Develop competencies in HR to be a contributing partner
- --Take the lead in developing the processes and concepts for top management as they develop global strategy (information scanning processes, information processing, decision making, learning processes)
 - --Develop a framework to help top management fully understand the organization structure and people implications of globalization
- --Facilitate the implementation phase by identifying key skills required,
 assessing current competencies and developing sourcing strategies that may
 be required

1990s Agenda for Academics

- --Develop a clear concept of what global really means, (i.e., the following issues need to be debated: integrated markets, just major markets, sources of competitive pressure, degree of interdependence)
- --Develop an understanding of the nature of the market pressures for integration and fragmentation (efficiency gains from integration; desire for political and social autonomy; translation into company goal)
- -- Carry out comparative case studies
 - --Identify companies' global strategies and develop classification schemes
 - --Comparative case studies across political/social boundaries are needed
- --Develop performance measures (if units become integrated and interdependent, how can we measure at unit and individual levels?)
- --Develop measures of global integration and competition

2. Global Coordination and Integration

As the boundaries of the organization span wider geopolitical and cultural diversity, so does the difficulty of integrating the organization. Radically improved communication and cultural integration will be required, ultimately altering all of the human resource systems. Organization design concepts such as those discussed in our 1985 symposium (heterarchical vs. hierarchical structures, multigons and informating) are rapidly emerging as reality. In the Japan symposium, three globalization cases were analyzed to help develop the 1990s agendas. The cases, from different industries, driven by different imperatives, illustrate, in concrete terms, a variety of solutions to global integration. All three cases show how a set of outside trigger events—driving forces—created a need for global transformation.

Case 1: SKF (Swedish ball bearing manufacturer)

Competitive pressures triggered an intense effort to achieve price competitiveness via new economies of scale across the total European market. This led to a need to reorganize to create worldwide manufacturing units. SKF moved through three phases of globalization:

Phase I--1970. SKF was organized as a decentralized group of subsidiary companies (Spain, Italy, Germany, France, and the U. S.) each serving a home market with a strong Swedish headquarters and staff organization with the product development from Sweden.

Phase II--1980. Two major changes were made: the decentralization of product development centers to each regional market for greater local responsiveness and an additional export responsibility for each regional center. By the mid-1980s it was found that more coordination and integration were needed to disseminate cutting edge technology across the company as well as coordinate forecasting and supply.

Phase III--mid-1980s. SKF established a forecasting and supply center in Belgium and an engineering and research center in Holland, both separate from headquarters in Sweden, thus, decentralizing power and turf issues. This has resulted in much more sharing and integration than a headquarters dominated control center. Polycentrism has resulted in a more effective global company, balancing local market responsiveness with economies of scale.

Case 2: Cathay Pacific Airlines

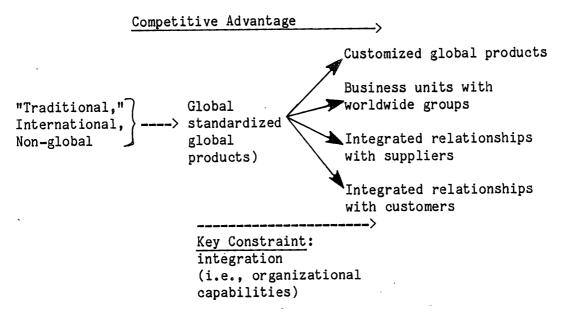
Cathay Pacific faced the challenge of coordinating global cargo/passenger route decision-making. To do this, they blended a set of "hard" integrating mechanisms with a set of "soft" mechanisms. The result has been a rapid and substantial level of global coordination.

	Hard	Soft
Integrating Mechanisms	Information systems for product planning, routine decisions (on-line; replacing or complementing planning process)	<pre>trainingcommunicationsget togethers (meetings, conference, seminars, etc.</pre>
	Hard	Soft
Unifying Goal	Moving operational targets"Coordination Centers"Neutral locationNeither centralized nor decentralizedInternational staffBalancing stability and change	Selection and promotion ("if not cooperative then moved and not promoted")Incentives linked to total system goalsMobility/rotation"Matrix mind"Transfer of expertise

Case 3: NEC

NEC has a long term global strategy called "C and C" ("Computer and Communication") requiring the integration of technologies in the communication and computer worlds. It crosses multiple global markets requiring customization as well as economies of scale. The dilemma for NEC: as competitive advantage increases, so does the degree of coordination

difficulty. Thus, the key constraint is solving the organization's design and management process issues as indicated in the figure below.



As we look to the 1990s, the core agenda items for each of our groups are as follows:

1990s Agenda for Senior Line Executives

- --Determine the balance of local responsiveness to global integration (Prahalad and Doz, 1987), local adaptation to universal products, local competition to global competition, local manufacturing to world scale factories, low R&D investment to high R&D investment and local customers to global customers (Gailbraith and Kazanjian, 1986), so as to develop the specifications for the global organization.
 - --View organization design as a blend of hard and soft mechanisms with special emphasis on process above structure, heterarchy above hierarchy (Hedlund, 1986).

1990s Agenda for Human Resource Management Executives

--Provide the organization with new concepts and paradigms for global organization design--old models lead to traditional hierarchical bureaucratic solutions

- --Develop the blend of hard and soft mechanisms; be the process experts
- --Provide the action research learning feedback loops for global integration experimentation

1990s Agenda for Academics

- --Break the old frames of neo-Weberian structural thinking to begin articulating organic network models of design (Tichy, 1983)
- --Develop comparative cross national and cultural longitudinal case studies to learn from practice innovation
- --Develop new research methods for global, cross national and cultural organization studies

3. Strategic Alliances

In order to deliver on global strategies, more and varied alliances are emerging. These are partnerships which are needed to gain market entry, price competitiveness, technology, and to develop new learnings about management. The success of these alliances will be largely determined by a set of human factors, proper pre-screening of partners, proper negotiation, the right conditions for partnering, a good coordination and integration mechanisms. These arrangements are fiendishly difficult to manage, and should often be avoided; however, they may be necessary under some circumstance. Thus, we must learn to make them work. This starts with a recognition that there are many variations of alliances; thus definitions and a framework are critical.

1990s Agenda for Senior Line Executives

--Develop clear models of types of alliances and strategic rationales for when to use them (outline the strategic purpose--access to markets, technology access, sourcing best play, management learning, importance of speed, risk diversification, government requirement, etc.)

- --Understanding the joint venture process: how to find an appropriate partner, the courting and pre-nuptial process, how to arrange the marriage deal, the launching of the venture and honeymoon period, and how to build a successful ongoing relationship
- --Design strategic alliance management processes that provide effective means of:
 - -- Handlng joint strategy formulation
 - --Developing structural linkages
 - --Providing adequate day-to-day coordination and communication
 - --Establishing a win/win climate
 - --Protecting the bargaining power of each party

1990s Agenda for Human Resource Management Executives

The strategic alliance is an inherently unstable relationship which requires a very delicate set of organizational and management processes to create the necessary levels of trust and ongoing capacity to collaborate. Human Resource Management executives play a critical role in establishing these conditions. Their agenda includes

- --Laying the foundation for the alliance by seeing that a cultural audit of each party is conducted and that there is clear understanding of each other's intentions and styles
- --Selecting the right key people, which is critical to the success of the alliance
- --Providing adequate autonomy and maneuvering room for the head of the alliance so that the following can be evolved:
 - --The alliance can develop its own shared values and culture
 - --Participants can develop their own processes for communication, decision making, and conflict resolution

-- Taking the lead in setting up the appropriate monitoring and corrective action mechanisms

The 1990s Agenda for Academics

The world will be witnessing an unprecedented number of strategic alliances over the next several years. The academics need to take the lead in developing useful typologies of alliances and codifying what is emerging.

Over time, they should be in a position to help evaluate the effectiveness of alliances and discern the conditions necessary for success. The proposed agenda is:

- --Develop a typology of strategic alliances--from licensing agreements through full joint equity deals with separate organizations being created (such as Fuji/Xerox)
- --Provide analytic frameworks for the systematic study of alliance strategy, structure, and processes
- --Develop longitudinal case studies to provide in-depth understanding of alliance dynamics and to develop criteria for evaluating success and failure

4. Global Staffing and Development

Developing leaders with global vision will be the key to world class competitiveness. Management processes in Japanese corporations are beginning to feel the strains. Their staffing and development systems will be tested domestically as well as globally. They can no longer afford to relegate second tier managers to international assignments. They must engage in massive localization efforts as well as create new alliances around the globe. U. S. and European organizations are also struggling to find answers. Only those firms that meet the challenge of developing a new breed of global leader will survive.

1990s Agenda for Senior Line Executives

- --Honestly assess the depth of commitment to development of global leadership talent for the firm
- --Does the company have a culture that truly recognizes the global nature of business? Examples of such commitment can be found in GE's mission:

 "Number 1 or Number 2 globally in every business or else fix it, close it, or sell the business." Motorola's CEO has committed to the global development of all the top staff; and NEC has invested heavily in a new management development center for its internationalization of managers
- --Top management needs a guiding set of principles for development:
 - --What are the leverage points for developing global leaders?
 - --What are the critical groups and functions that need to be targeted?
 - --How can commitment to globalization be secured from key managers?
 - --Ways are needed to make them stakeholders (adjust rewards and punishments; encourage active participation)

1990s Agenda for Human Resource Management Executives

- --Globalize the Human Resource staff
- --Link Human Resource plans to global business plans
- --Conduct analyses to determine which key functions, key jobs, and job requirements and skills are needed to operate globally
- --Develop programs that "internationalize" people, not just operations
- --Develop information systems to support global HRM
- --Develop a plan for attracting and developing world class employees: top management, middle management, staff functions, etc.

1990s Agenda for Academics

--Develop valid and effective ways of assessing the competencies required for global staffing

- --Geocentrism
- --Flexibility in problem solving
- --Identify the best practices in the world--find companies that are doing a better than average job and identify their key success factors
- --Look for ways of globalizing the business schools and universities
 - --Curriculum and courses
 - --Cross-cultural perspectives
 - --Students and admissions policies
 - --Conferences and events to bring global interests together

Conclusion

The 1987 Japan Symposium was an exciting event because it not only brought into clearer focus a global human resource agenda, but it was itself a model of what the future can bring. The participants represented a wide spectrum of global companies and academics from Europe, the United States, Australia, and Asia-Pacific, all working together to achieve greater understanding and engage in collaborative problem solving. At the end of the week, we felt that as a group we had demonstrated to ourselves the difficulty and challenges of cross-cultural collaboration. But more importantly, we worked through the problems and emerged with a temporary global organization that worked—it was open and communication, problem solving, and conflict resolution processes were exemplary.

The challenge for that group and those of us concerned with the state of our global economy is to recognize that we are entering a period where it is easy to become a victim of forces too great for anyone to control and thus, easy to decide to "wait and see." But the stakes are much too high for this. Global interdependence requires a mobilization of many people, organizations, and nation states. Wherever there is a break in the chain, the repercussions

are felt elsewhere down the line. Consistent with our initial intention for the <u>Human Resource Management</u> journal "to make a difference," we have begun to increase our commitment to a global agenda. We will take part in the dialogue and events that contribute to shaping the growing global economy. We will be part of the transition and we will chronicle it.

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