

EDITORIAL

International human resource management and challenges to be overcome

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1. Global market and International Human Resource Management (IHRM)

It was taken as a reference that the IHRM field of study is inherent to the dynamics of structuring business relationships worldwide. This has been favored by the opening of national economies, such as Eastern Europe, China and the former Soviet Union (Homen, Tolfo, 2008), coupled with a GDP stagnation in developed countries and the rise of emerging nations' consumer markets.

These events eventually expanded people's management beyond national borders (Prahalad, Bhattacharyya, 2011), causing a number of effects and these, in turn, have been raising the interest from both academic and Human Resources professionals. Both impress by the magnitude of the numbers that involve such effects in companies' management models, especially those related to people management. Moreover, also because they are considered progressive, long-term, sometimes without possibility of reversal and common in most nations.

Thus, it is believed that discussing the set of effects originating from the globalizing process and its consequences on IHRM justifies the publication of this Special Edition. This brings, as an introductory discussion to the articles presented, a brief explanation about: (i) increasing internationalization of organizations, (ii) the volume of mobility of professionals, (iii) an intense search for talent globally and (iv) the demand for global leaders.

2. The effects of the global market for the management of companies

The fact that in 2009 the volume of exports was already considered 100 times higher than the volume of 1950 (Vartanian, Cassano and Caro, 2013) validates the statement by De Cieri et al (2005) on the process of internationalization of companies being a progressive and irreversible response to pressures from the global market.

In the 1980s, companies in South Korea, Malaysia and Singapore were strong participants of internationalization. In recent years, it was the turn of Southern Cone geographic region multinationals, such as Chilean and Brazilian companies (UNCTAD, 2004). Besides this territorial expansion, changes in the scope of the internationalization process are also observed. This is because activities traditionally held in the corporate headquarters of multinational companies are gradually being internationalized. The sample which best illustrates the situation refers to research and development activities (*World Investment Prospects Survey 2013–2015*, UNCTAD, 2013).

When dealing with the Brazilian reality, there was in 2015 an increase of 7% in the internationalization of companies (Ranking FDC das Multinacionais Brasileiras, FDC, 2015). Consequently, the flow of professionals' movements across borders increased. Brazilian multinationals conducted in 2013 10% more professionals' transfers out of Brazil compared to the year 2012 (*Global Line*, 2013). Similarly, Brazil received more than 70,000 foreign professionals in

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2012, i.e., a 26% increase compared to 2010 (MTE, 2012).

All this professional mobility refers largely to the war for talent. While in the 1990s, the so-called “war for talent” (Michaels, Handfield-Jones, Axelrod, 1997) would be limited to a strategic business challenge, at this juncture this “war” is shown as “fiercer than ever” (McDonnell, 2011, p. 169). This is because since 2000 managing talent means a continuous competitive necessity for professionals who are not only qualified but have a global mindset (Guo, Al Ariss, 2015).

Data as the ones discussed by the *18th Annual Global CEO Survey* (PwC, 2015) report show the size of the current “war for talent.” Only 30% of CEOs say they are “very confident” that they shall have access to the talent needed to perform the strategy of their companies and 70% say they shall require more time to invest in talent management strategies. In short, besides the vast majority of leaders not being sure about who can assist them in achieving organizational goals, they do not seem to have enough time to manage them either.

On the other hand, the leaders are also part of the group of talent. Therefore, they must have a global mindset (Vakilbashi et al., 2014) plus skills that enable them to have more integrated perspectives (Kedia; Mukherji, 1999), which are associated with a deep understanding not only of the business but also of the country (Bartlett, Ghoshal, 1992). This is because these are the requirements that allow them to add the local experience to the global perspective, i.e., they project them to influence and represent different cultural/political/institutional systems in groups and organizations (Beechler, Javidan, 2007).

Therefore, internationalization, the volume of professional mobility, the intensive search for talent worldwide and the demand for global leaders constitute the set of subordinate effects in greater or lesser degree to conditions external to the organization. They emphasize the importance of changes rapid enough to remain competitive, having people’s management as a reference point worldwide. Therefore, it is worthwhile highlighting the IHRM challenges.

3. The IHRM challenges

It can be stated that the challenges relevant to IHRM related to the items that make up the discussion

about the effects of globalization are considerably based on the demand for coordination between local and global bodies. This local-global relationship has been discussed both in the international and the national literature. Likewise, it covers various fields of study, including people’s management.

This is because the IHRM responsibility ends up being directed to the allocation of professionals throughout the business network (Lengnick-Hall; Lengnick-Hall, 2006). Therefore, they interact with the companies’ level of internationalization, the displacement of professionals and talent management. Their efforts are, from then on, on the implementation of policies and practices in different countries, intermediating local demands with global ones (Schuler, Budhwar, & Florkowski, 2002; Björkmane and Stahl, 2012).

In strategic terms, it means that IHRM should shift management models to where the activities are globally operationalized, promote knowledge transfer worldwide and balance cost-effectiveness with a focus on streamlining systems and processes (Brewster, Sparrow, 2007). In practice, these challenges are achieved through: (i) sharing international service structures in that this facilitates global solutions, (ii) integrating international operations with models of interpersonal networks, (iii) acting on the human resources area as a business partner in the international context, considering the different line managers’ levels of involvement among the countries, and (iv) articulating the level of expertise of the activities associated with processes of outsourcing, insourcing and offshoring.

This is not simply to replicate what is already being practiced to the links in the business chain arising from internationalization processes, professional mobility and talent management. A new way to manage people should be considered, ranging from the organization of work, roles and responsibilities to a redistribution of power in the political arena. Therefore, designing changes in the organization as a whole and not just in the IHRM area. In short, this one must reflect the business organization’s strategy and structure (Ulrich, Yonger, Brockbank, 2008).

The difficulties involved in such transformation, in general, are from the different institutional environments in which multinational corporations operate. This is because the local characteristics impact the design of management models (Kostova, Roth, Dacin, 2008) as the organization itself (Schuler

et al., 1993). Thus, it is expected that aspects such as the influence of the country of origin, strategy and corporate structure, the CEO's perception, and the global workforce's size and qualification (Thite, Budhwar, Wilkinson, 2014) be considered in the modeling of IHRM.

In addition, it is necessary to add to these circumstances some critical observations such as the one by Legge (2005). For the author, the global division of labor is based on the ones responsible for providing cheap activities and the production of commodities by developing countries as well as in the production of qualified goods and services with high added value by developed countries. This division, together with the pressure for more flexible organizations, result in the standardization of management models and the intensification of subcontracting as a way to gain competitive advantage. Thus, the companies' management would be standardized, regardless of the characteristics of the different institutional environments. As this kind of standardization is not always possible, it would increase what the author calls "rhetoric," i.e., a discourse that is disconnected from the actual organizational practices and their context. In this sense, in Brazil, Caldas, Tonelli and Braga (2009, p.10) argue that the studies on the IHRM fail to realize the potential that exists in understanding internationalization processes from developing countries. Thus, studies such as those presented in this Special Edition can also contribute to the understanding of such operations in contexts different from those traditionally addressed, as is the case in developed nations. They also assist in reflections on the issue of rhetoric versus reality discussed by Legge (2005).

Therefore, without ignoring the multiplicity of issues involving IHRM (Sparrow, 2010; Björkmane, Stahl, 2006) nor the criticism of the constitution of their knowledge domain, but in the expectation that the IHRM increasingly becomes a source of competitive advantage in global markets, this Special Edition has sought to broaden the debate at the national level.

4. Articles in this special issue

The articles selected have in common the possibility of contributing to the analysis of the effects of the global market or its relevance in the discussion of

alternatives that provide overcoming the challenges encountered in IHRM.

Regarding the group of articles related to the effects of global market, Calderón, Guedes and Carvalho (2016), in the study called "International Human Resource Management: intercultural adaptability in Brazilians' expatriation," problematize the experiences of sixteen Brazilian expatriates. The authors emphasize the need to humanize the process of internationalization.

Then, Simonelli and Araújo (2016) address, in "Spouses and Expatriates' Adaptation and their Relationship with Performance in International Assignments," the issue of expatriation from the perspective of family members involved in this mobility. Complementing therefore the findings in the article by Calderón, Guedes and Carvalho (2016), previously mentioned. The authors assess the relationship between the expatriates' adjustment and their spouses with the expatriate's performance, using a sample of 217 couples.

Departing from the job mobility perspective and approaching leadership worldwide, Winck, Froehlich, Bohnenberger, Bessi and Schreiber (2016) analyze, in a qualitative research, the perception of global leaders' skills development in the intellectual, psychological and social dimensions. In the article, "The development of global leaders' skills: an approach based on studies about *Global Mindset Leadership*," the authors deal in-depth with active global leaders' realities at a university in South Korea.

Whereas overcoming the challenges posed by globalization of the market to IHRM demands its restructuring, beginning with the type of management strategy, Zuppani and Fischer (2016) in "Comparative International Human Resources Management and Human Resource Management in Brazil: an analysis in view of the calculative and collaborative models," analyze the adoption of calculative practices, arising predominantly from the American theoretical tradition, and collaborative, arising from European theoretical lines. For that, they conducted a survey with 326 private organizations operating in Brazil.

As for "*Strategic Human Resource Management And Corporate Social Responsibility: Evidence From Emerging Markets*," Rosolen and Maclennan (2016) contribute to the discussion on the new roles to be undertaken by companies' IHRM operating in

emerging countries. The research included 287 companies, being 205 local and 82 multinational.

Closing the triangulation “strategy, roles and structure,” authors Bittencourt and Silva (2016) analyze the modeling and management process of the Human Resources Shared Services Center in a Brazilian multinational. The study entitled “Deploying a Human Resources Shared Services Center: a Brazilian Multinational’s Strategy in a Consolidation Context” was developed in one of the largest food companies in the country coming from a consolidation process.

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