Chapter 4

Career Management and Human Resource Development of a Global, Diverse Workforce

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ABSTRACT

Career management and human resource development that focus on developing long-term capabilities within the organization are crucial to build core competencies and competitive advantage in a global environment. This chapter examines career management and human resource development factors of global competencies in management and leadership. Recent trends and research indicate that successful career management systems utilize organizational practices, processes, and people with capabilities for proactive decision making, information sharing, analysis, critical thinking, problem solving, teamwork, and innovation. Career management in a fast-changing environment must include continuous learning, cross-cultural and social understanding, communication skills, ability to differentiate and integrate information, tolerance for uncertainty and ambiguity, positive attitude, and openness to learning new things. Human resource development in a global economy should include global understanding and competencies necessary for managing a global workforce. The author discusses trends and best practices of 21st century leadership for developing capabilities for competitive advantage through human resources.

INTRODUCTION

Organizations today are confronted with many challenges of rapid globalization, advanced technology, and complex, multi-dimensional environments. Career management and human resource development in today’s global environment require careful planning and strategic alignment of organizational and individual goals of a diverse workforce using organizational systems, processes and practices that reflect 21st century skills and work environments. The 21st century economy includes high levels of integration and interdependence among nations, governments, business entities, organizations, and multiple stake-holders. In our increasingly multi-cultural work environment, technical skills and discipline-specific knowledge are not sufficient for achiev-

DOI: 10.4018/978-1-4666-7324-3.ch004
ing success in career management. It is crucial to be able to work cooperatively with people of diverse backgrounds who may speak a foreign language, have different religious views, varied cultural values, norms and beliefs, and national or ethnic origins.

BACKGROUND

As organizations expand globally, they need employees who can understand and respond to economic, political, social, legal, ethical, and cultural differences effectively when leading and managing a global workforce. Human resource professionals face many challenges in conducting business in a global environment. The “one-size-fits-all” approach is not sufficient for selecting human resources and managing talent to build a competitive advantage. Human resource professionals need to develop employment policies and management practices that can satisfy the needs of employees who often work with people of different countries and cultures across physical distance and in different time zones. Best-in-class industry trends are moving away from outdated, transactional talent selection processes to adopt strategic, pro-active, agile talent management practices to address the challenges of developing effective, talented, and productive human resources in today’s globally integrated marketplace (Busser, 2012).

The human resource responsibilities related to staffing and selection include (1) identifying workforce needs and requirements to achieve the organization’s short-term and long-term goals and objectives, (2) analyzing labor market trends that impact the organization’s ability to meet the workforce requirements effectively, and (3) developing career management systems that provide human resource development for 21st century management and leadership roles that generally require effectively managing diversity, global competencies, cross-cultural skills, ability to work across various time zones, physical boundaries, different cultures, economic, political, legal, social, and ethical environments, careful training and preparation for international assignments and working with foreign partners.

To gain a sustainable competitive advantage in today’s markets, it is necessary to develop core competencies that are difficult to replicate by competitors through building competitive advantage in product, process, or knowledge-based differentiation in the industry (Hill, 2013). Sustainable competitive advantage can be best achieved through strategic planning and implementation, analyzing both external and internal environmental factors, setting realistic goals, and designing integrative systems for achieving operational effectiveness. Although operational effectiveness is necessary, it may not be a sufficient condition of attaining a sustainable competitive advantage. Sustainable competitive advantage may be gained through performing different activities than performed by competitors or performing similar activities in different ways compared to the competitors (Dess, Lumpkin, & Eisner, 2011).

MAIN FOCUS OF THE CHAPTER

Career Management and Human Resource Development in a Global Environment

Organizations can develop critical capabilities by leveraging their core competencies to create a competitive advantage. Core competencies may be developed through utilizing the firm’s strategic resources that may include explicit and implicit knowledge, advanced technology, financial, material, or other resources such as capital, people, skills, value chain activities, services, or specializations that incorporate the firm’s collective learning or its superior position in the marketplace.

A core competency is a unique capability that an organization can use to develop high value for stakeholders which, in turn, can give a sustainable