

Preface:

The actual topic explain how Social Responsibilities and organizational ethical issues affect HR management, Business Ethics and HR Management Consequences and Provide an overview of challenges of the globalization of business facing HR today.

1- SOCIAL RESPONSIBILITIES

Organizational influences have changed as individuals, employers, governmental agencies, and other entities have evolved. Social responsibility and networking have become more prevalent as organizational culture issues.

Part of HR management is to ensure that social responsibility is integrated into the organizational culture. Both explicit and implicit requirements are needed. The explicit requirements include specific regulations, policies, and training. The implicit ones aid the organizational culture in encouraging appropriate organizational behavior when dealing with customers, suppliers, employees, and others.

1-1 HR Advantages and Social Responsibilities

Corporate social responsibility by HR has numerous advantages. One of the most important is the ability to attract and retain employees. Socially responsible jobs are increasingly popular, especially with college students, who will be future workers.

One survey by Panetta Institute for Public Policy found that almost half of the college students had their greatest interest in working for a more socially responsible corporation, while others wanted to work for governmental or nonprofit organizations. These statistics indicate how attracting individuals with social responsibilities before hiring may lead to lower turnover and higher productivity when they become employees.

Sustainability is a key part of social responsibility, as well as playing a key HR role in dealing with economic challenges. Sustainability is being able to continue to operate, survive, and adjust to significant changes. Balancing business needs and social factors, such as layoffs, job losses, business reputations, ethics, and other factors makes sustainability a part of HR in changing business environments.

Another evolving area in which HR is playing a social responsibility role is in creating a “green” culture. Although that may seem unusual, participating in environmental improvement efforts can enhance employees’ views of the social responsibility of a firm. Participation in different types of these efforts also can aid in recruiting employees, especially those who have higher views of such firms. As the HR Perspective discusses, the role of HR in green efforts is growing in importance.

1-2 Global Social Responsibility and HR

As organizations have more and more workers and businesses in various countries; social responsibility globally is becoming more of an HR issue. Global practices of social responsibility are often conducted through HR and may include

collecting/donating money for local charities or national disasters and numerous other activities, Doing these activities results in higher organizational images globally, better employee morale and loyalty, and more competitive advantages with consumers.

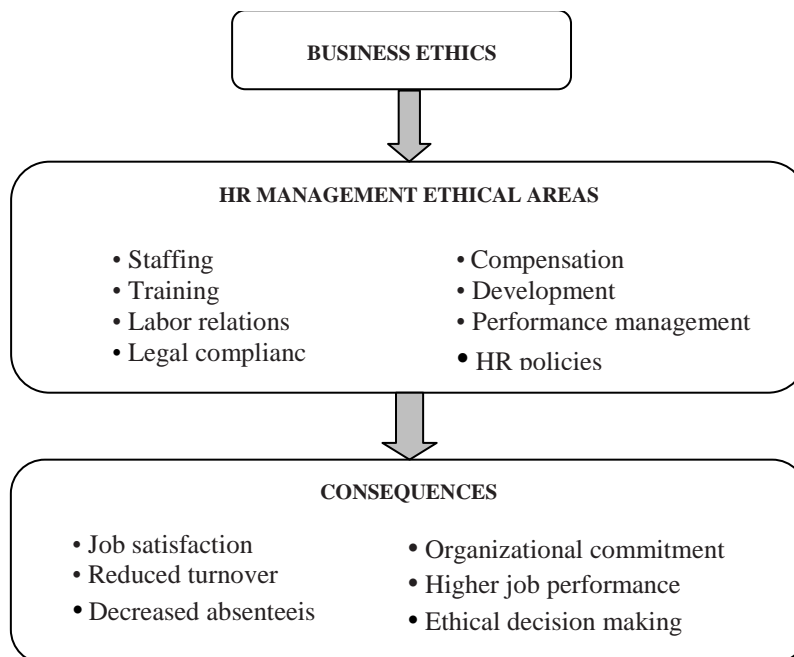
2- ORGANIZATIONAL ETHICS AND HR MANAGEMENT

Closely linked with the strategic role of HR is the way managers and HR professionals influence the ethics of people in organizations. How those ethics affect work and lives for individuals may aid in producing more positive work outcomes. As **Figure 4** indicates, establishing HR ethical areas can lead to organizational and individual consequences.

The need for great attention to ethics has grown in the past few years, as evidenced by the corporate scandals at numerous financial and investment firms in the United States and globally. These scandals illustrate that ethical lapses are not just symbolic; they affect numerous firms and employees. The expansion of the Internet has led to more publicity about ethical issues, including ethics electronic job boards and postings.

An increase in ethics issues has been identified by the Ethics Resource Center. One survey of 3000 U.S. workers found that within a year, 52% had seen one incident of misconduct and 36% had observed two or more ethical violations. The survey also reported that almost 70% of their employers had done ethics training.

Figure 04: Business Ethics and HR Management Consequence



3- GLOBALIZATION OF ORGANIZATIONS AND HR

The internationalization of business has proceeded at a rapid pace. Many U.S. firms, both large and small, receive a substantial portion of their profits and sales from other countries. Firms such as Coca-Cola, Exxon, Mobil, Microsoft, and General Electric derive half or more of total sales and profits from outside the United States. The reverse is also true. For example, Toyota, based in Japan, has grown its market share and its number of jobs in the United States and North America. Also, Toyota, Honda, Nissan, and other Japanese automobile manufacturers, electronics firms, and suppliers have maintained operations in the United States, whereas Chrysler and General Motors have had to reduce major operations.

The globalization of business has shifted from trade and investment to the integration of global operations, management, and strategic alliances, which has significantly affected the management of human resources. Individuals from other countries are employees. There are three types of global workers: expatriate, host-country national, and third-country national.

3-1 An Expatriate

Is a citizen of one country who is working in a second country and employed by an organization headquartered in the first country.

Experienced expatriates can provide a pool of talent that can be tapped as the organization expands its operations more broadly into even more countries.

3-2 A Host-Country National

Is a citizen of one country who is working in that country and employed by an organization headquartered in a second country. Host-country nationals often know the culture, politics, laws, and business customs better than an outsider would.

3-3 A Third-Country National

Is a citizen of one country who is working in a second country and employed by an organization headquartered in a third country.

For example, a U.S. citizen working for a British oil company as a manager in Norway is a third-country national. Staffing with third-country nationals shows a truly global approach.

Attracting global talent has created political issues. For instance, U.S. employers are having a difficult time hiring enough engineers and educated tech workers, but U.S. federal legislation restricts the quota for high-skilled workers to be admitted from other countries in light of the large amount of illegal immigration and high numbers of unemployed U.S. workers that are occurring.

3-4 Global Economic Factors

Economic factors are linked to different political, legal, cultural, and economic systems. In many developed countries, especially in Europe, employment restrictions and wage levels are high. When labor costs in the United States are compared with those in Germany and Korea, the differences are significant. As a result of these differences, many U.S. and European firms are moving jobs to lower-wage countries and other continental locations.

Critics of globalization cite the extremely low wage rates paid by the international firms and the substandard working conditions that exist in some underdeveloped countries. Various advocacy groups have accused global firms of being “sweatshop employers.” Thus, some global employers have made efforts to ensure that foreign factories adhere to more appropriate HR standards, while others have not. Global employers counter that even though the wage rates in some countries are low, their employees often receive the highest wages and experience the best working conditions that exist in those local countries. Also, they argue, more people have jobs in the host countries, which allows them to improve their living standards.

3-5 Global Legal and Political Factors

Firms in the United States, Europe, and elsewhere are accustomed to relatively stable political and legal systems. However, many nations function under Turbulent and varied legal and political systems. International firms in many industries have dramatically increased security for both operations and employees. Terrorist threats and incidents have significantly affected airlines, travel companies, construction firms, and even retailers such as McDonald’s. HR management must respond to such concerns as part of transnational operations and risk management efforts.

Therefore, HR-related efforts vary in character and stability. Compliance with laws and company actions on wages, benefits, union relations, worker privacy, workplace safety, and other issues illustrate the importance of HR Management when Operating Transnationally. As a Result, it is Crucial for HR professionals to conduct a comprehensive review of the political environment and employment laws before beginning operations in a country. The role and nature of labor unions should be a part of that review.