

# **The role of Human Resource Management (HRM) in developing futuristic leadership**

**Ezeanata Walter C.<sup>1</sup> , Prof. Daleep Parimoo<sup>2</sup>**

<sup>1</sup>Research Scholar, sharda University, Greater Noida (UP), India

<sup>2</sup>Professor, HR & OB, Sharda University, Greater Noida, (UP), India

## **ABSTRACT**

*A scenario of massive changes on the environmental, socio-political and economic trends, arising from the present era of globalization and IT revolution is witnessed. This is impacting heavily on activities and programmes of the nations, placing enormous challenges on leaders and policy makers. The topic 'Leadership and Leadership Development Mandates in the Present Era of Globalization and Information Technology(IT) Revolution' attempts to x-ray the impact of globalization and IT era on the nations and operations of the organizations. This also examines the nature and scope of mandates placed on present day leaders on whose shoulders lies the challenge of manpower development. Again the quality and expectations of leadership that can steer the economy and industries to desired destination/target. This finally makes recommendations on leadership and HRM development strategies in a bid to groom leaders and workforce that can meet the global standards that makes such stay on course.*

**Key words**-Globalization, IT Revolution, it Super highway,Leader, Leadership

## **INTRODUCTION**

Globalization and the emerging information technology (IT) which tend to have eclipsed the global trends in the last two decades have so strongly impacted the economies, changing their approach to business, governance, leadership etc with its influence felt in almost all areas of socio economic processes. The emerging globalization and IT waves have not just affected the governments but the psych and consumption pattern of the people.

With the collapsing business boundaries arising from the new high-tech mass-media information dissemination gadgets and the accompanying rapid expansion of business, workforce diversity amidst the infusing multicultural trends etc, HR practices are taking a new dimension. Present day HR leadership practices tend to have left the culture of centrally organized body of knowledge to more dynamic and futuristic maneuvers. The practice demands high proficient disposition which must be enriched with creativity, innovativeness and learning.

The challenges of present day leadership places the HR practitioners on their toes, as they are the group entrusted with developing leaders that will brace-up to the challenges of weathering the tide and steering the ship to desired destination.

Glamuzina M.....2015 Today, leadership is extremely important for development and future prospects of modern companies. Organizations with poorly developed leadership have difficulties coping with the changes in the environment, they respond reactively and eventually, not being able to counteract the competition, they often go bankrupt. Leadership and its development represent the source of competitive advantage for many organizations.

## **The Place of HR Management and Leadership in the Phase of Globalization/IT Superhighway;**

It is a widely accepted fact among scholars in management that HRM and leadership constitute key factors in organizations' profitability, viability and growth. Again a common belief exists that the HR in an organization is at the center of operations, the dynamics of organizations performance and the key variable that determines the effectiveness, efficiency and worth of the firm. Generally most authors in the field of management perceive leadership as a major determinant of organizational success (Sikavica et al, 2008; Yukl, 2008). In effect leadership is deemed the factor central to the success of implementing change in an organization (Gill, 2006), while poor leadership is considered to be one of the factors that may lead to bankruptcy (Emiliani, 2008).

As a result, organizations need to fully develop, nurture and harness the HR and leaders to steer the ship to the desired goal. To achieve this, the organization has to strategically plan for the present and future as it affects the HR and leadership, as it is an undisputable fact that if an organization lacks properly coordinated HR plans it will surely operate with a bleak future. As the saying goes ‘**when one fails to plan for the future, he has only planned to fail.**’ This invariably applies to organizations and even states.... When they fail to train and nurture leaders not only for today but for tomorrow, the eventual leadership gap that may be created could be catastrophic to the life of the organization.

### **Quest for Futuristic Leadership in the Globalization and IT Revolution**

Present global changes demand suitably and sufficiently developed HRM and leadership team as this may seem the antidote for the present day challenges (coping with globalization and its revolution). This could also be seen as all the organizations require for the so desired sustainability, continuity, profitability and growth.

Mia Glamuzina 2015...Coping with present day changes and challenges emanating from the global technological, environmental and socio-economic trends becomes a problem for organizations with poorly developed leadership, they respond reactively in the environmental and socio-economic changes and eventually, not being able to counteract the competition, they often go bankrupt.

Today’s leadership in organization demands dynamism, innovative and futuristic disposition. These qualities are imperative in the current era and wave of globalization/ IT superhighway. As discussed earlier there exists the enormous challenges of developing leaders equipped with the right competences and learning, to drive banks and organizations in the present era.

Several other HR authors have expressed opinions on the matter. For instance, Day, 2001; McCauley, Moxley, & Van Velsor, 1998; Pearce, 2007 observe...Developing leadership, in particular, is becoming a critical management issue because of the increase in the knowledge work in companies.

Journal of International Business Research Volume 14, Issue 3, 2015

Researches carried at various quarters tend to establish some fundamental facts expressing...that with the emerging phases of globalization and information technology advancements, economies have opened up with consequential features as; high technology applications, global networking, high level competitiveness, greater awareness etc. With these developments banks and organizations have a mandate to upgrade and update the knowledge and learning of the leaders and the workforce. In other words, ensuring new trends in leadership and igniting a new culture of learning, training and leadership development. Leadership in the banking industry will invariably demand the same measure of knowledge update to move with the global trend.

**Daleep Parimoo 2013** The global trends and HR dynamics.....the consequences and outcomes of IT dynamics have also resulted in changes in organizational culture, more complex and knowledgeable labour force with higher demands. These have placed greater responsibilities on banks and other organizations to develop a leadership style with greater futuristic focus, creative and innovative tendencies.

### **Global View and Impact of Globalization and IT Revolution**

Some experts in Europe and America in 90s described globalization as .....’the breaking down of the national boundaries and barriers and replacement with a worldwide link in commerce, trade, financial transaction, exchange of technology and information and free movement of people’. This is simply a manifestation since the last 2 decades, which have witnessed tremendous changes in organizational dynamics, resulting from creative innovations and breakthroughs in science and information technology. The outcome being a turnaround in methods, operational frameworks, demands and wider networking.

Globalization which has led to interconnectivity and more efficient networking of the marketplace tends to bring the researchers to a common belief that the world is interconnected as never before. Information is so widely disseminated with unimaginable speed. In effect, products and services details could easily be circulated with great effectiveness in distribution. Nations have voluntarily or involuntarily opened-up some aspects of their lines of service and production to global marketing trends. They are more linked up to one another, thus depending on each other for commerce, trade and even survival. Nations are by this development faced with the risk of being dumped when not coping or bracing-up and effectively tackling the upcoming challenges.

Another observable feature of the trends in globalization is the growth of the practice of outsourcing. Manufacturing outfits from some technologically advanced nations have massively established industries in various nations outside their domain, for their production and marketing of products and services, taking advantage of the inherent endowments as cheap labour, large market, availability of raw materials etc.

With these turn of events, the leaders/ managers have more sensitive roles to play managing diversity in economic and socio-cultural trends. It is important to note that culture and relationships tend to differ from nation to nation, placing further challenges on HR practitioners and leaders of organizations as there are bound to exist different methods and approaches to business negotiation and leadership.

Eunice Parisi-Carew, Don Carew, Fred Finch, and Jesse Stoner ¥ Office of the future ¥ December 2000: HR development experts seem to appreciate the fact that challenges abound in the present day business and leadership and leadership development. The impact is felt in socio-economic activities in several ways, especially as it affects leadership.

**Features/Development of Globalization could be summarized as below:**

- I. Diversity of the Workforce
- II. Technological and Information Explosion
- III. Global networking,
- IV. High level competitiveness,
- V. Greater awareness and demand for persistent knowledge update
- VI. Quest for Recruitment and Retention of Talent (Talent hunt.)
- VII. Knowledge Based Learning Organization

These could be further be briefly explained as below;

#### **Diversity of the Workforce**

Multicultural workforce, virtual workers etc are features of present day globalized business environment. Experts in the USA believe that the socio-culture at home is changing. The workforce is no longer primarily white male. The number of immigrants, minorities, Hispanics, Asians and women has increased dramatically. Work teams are often multicultural and multinational. The workplace has to embrace differences, create common understandings and create environments that use the talent of all its people.

#### **Technological and Information Explosion**

Experts believe that the explosion of technology and advanced information networking has created a world of unprecedented rapid change, a world of uncertainty, a world of connectedness and often over connectedness as observed by Choardic Dee Hock.

#### **Global networking,**

Wide connectivity is experienced among different groups at micro and macro levels creating greater awareness, collaborations and integrations.

#### **High level competitiveness**

With the high level of awareness and wide distribution network, products and services are made available in nooks and crannies of the globe. For instance, think of the ATM services in the banking industry through which individuals and organizations can perform their transactions enjoying their bankers or other bankers services in different corners of the globe.

This development has triggered of high level competitiveness among banks and other organizations as variety of similar products and services are made available to the consumers.

#### **Greater awareness and demand for persistent knowledge update**

Consumers, producers etc have come to a state of high level awareness in the present era of technological and information explosion. This from another angle demands persistent knowledge update on the part of the leaders and producers to meet the global standards.

#### **Knowledge Based Learning Organization**

As observed above, present challenges demand continuous learning and knowledge update equipping the workers and developing the leaders for improved performances and best practices.

#### **Quest for Recruitment and Retention of Talent (Talent Hunt.)**

Talent hunt is a process in which hybrid, young and vibrant officers are selected, fully equipping them with the necessary coaching and training, thus acquainting them with the standards, norms and cultural values of the organization

### **Some Negative Aspects of Globalization**

While exponential growth and expansion have taken place some nations banking and industrial sectors, some others have experienced downward trends in socio-economic activities. Some have even collapsed, failed or liquidated for reasons of inability to cope with the trends/effects of globalization and IT revolution. Note that as leadership practices, styles and challenges have taken new turns due to complexities of technological advancements, global information management, diversity and increased span of control, many nations industrial sectors with less equipped modern techniques and low proficient HRM and leadership competences have been dumped or failed giving way to more futuristic IT friendly ventures.

A management expert has posited that all schools of thought have come on a consensus that in the globalization dilemma, big and small ventures nationwide and globally come under the influence of globalization and IT revolution. This they believe has opened new windows of opportunity and also poses new threats, pushing ventures beyond today's boundaries and exposing them to wild competition. The very well prepared ventures flourish while many unprepared, crumble. The reality is that no organization –big or small – can opt out of globalization plights.

The globalization dilemma has not also spared the banking industry, it has massively impacted on almost all aspects of the industry, changing the mode of practice. Some scholars Sheila M. Rioux Paul R. Bernthal and Richard S. Wellins 2008. Observe that the current waves of globalization is largely felt by big and small banks– the imminent changes demands that bank officers should not stop at understanding what customers want but also strive at attending to the customers in ways that meet their unique needs. The banker that innovates the strategy that reflects the reality of the global changes will sure reap the market advantage.

### **Facilitating Organizational Measures to Enhance and Equip the Leaders and HRM Practitioners in the Era of Demands of Globalization and IT Challenges**

Alongside the futuristic and innovative drives some experts have outlined the leadership and HR management practices to attain best practices and desired results in the phase of globalization and IT challenges, some of these facilitating measures need to be adopted in the system

- Identifying and injecting the Core Values of the organization in mindset of the leaders and workers
- Developing and adopting a Knowledge Based Learning Organization to constantly update knowledge and compete favourably
- Developing leadership with innovative and futuristic attributes. Leaders in this era must be wildly knowledgeable with great ability to learn.
- Developing Sound work ethics to maintain work culture and enhance service delivery
- Properly directing the visions targets of the organization for cohesion and synergy
- Developing the culture of Best Practices to enhanced performance efficiency to meet the global standards
- Adopting measures that could enhance the goodwill boost the image of the organization
- Developing sound corporate strategies in the organization. Corporate strategies are usually leadership dynamics and tools for organizational goal attainment. Strategies often stipulate tactics and maneuvers, along with plans and methods banks and organizations have devised to achieve certain goals. In the process, the basic organizations' culture, values, methods and standards are identified and applied.
- Instituting functional corporate governance(CG). Corporate governance is a strategy adopted by organizations to inculcate and inject in the functionaries of the firm the culture of integrity, fairness, transparency and accountability. This also requires a wholesome commitment to organization's rules and positive ideals that will generate great values to the best interest of the stakeholders of the organization.

Defined by J Wolfensohn 1999... corporate governance is promoting corporate fairness, transparency and accountability. President World Bank Financial Times.

Toyin PHILIPS 2007 has summarized the Principles/Key Elements of CG in these key words: **Honesty, Trust, Transparency, Performance orientation, Integrity, Responsibility.**

### **Some Fundamental Leadership Steps for Performance Excellence in the Globalized Era**

Performance standards in present globalized era demand excellence and best practices. Attaining such requires some fundamental and vital steps suitably blended.

V S P Rao 2010...has outlined below some steps that could stimulate leadership development performance excellence as below in his words, "To get the best of the people the CEOs should;

- Create a culture of excellence that motivates employees at all levels.
- Match organizational objectives with individual aspirations.
- Equip people with requisite skill to discharge their duties.
- Define clear growth path for talented employees.
- Provide new challenges to rejuvenate flattening corners.
- Empower employees to take decisions without fear of failing.

- Encourage team work and team spirit and open communication.

### **RECOMMENDATIONS**

Current globalization and IT challenges demand a pro-active leadership, well equipped and sufficiently developed workforce to grapple with the global changes. This has become imperative or inevitable considering the consequences if otherwise. In other words, sound leadership and HR development processes must be fully entrenched in nations socio-economic activities. This new learning process must be inundated with modern and advanced technology packages and should be sufficiently and suitably integrated in the culture of organizations in the economy. On realization of this, high performance standards measurable to the global demands will be put in place. The firms will flourish with employee efficiency, loyalty, hitch free and enhanced goal delivery.

### **CONCLUSION**

A suitably developed leadership team and properly groomed and trained workforce could be perceived as the panacea for wild global changes and failures, and sure will lead to a healthy industrial and economic system.

For most nations especially in African to attain a high and proficient level of performance to meet the current globalization and IT challenges, especially in HR development, and for good leadership results, a culture of regular and functional leadership development structure must be entrenched in the policies and programmes of organizations in these nations. In other words, sound, suitable and equitable leadership development strategies must be fully entrenched in the different nations operational system in a bid to engender best practices, attain higher standards to match force with present day high level competitiveness, arising from globalization.

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Journal of International Business Research Volume 14, Issue 3, 2015

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### **Corporate Strategies:**

Corporate strategies are usually leadership dynamics and tools for organizational goal attainment. Strategies often stipulate tactics and maneuvers, along with plans and methods banks and organizations have devised to achieve certain goals. In the process, the basic organizations' culture, values, and standards are identified and applied. These along with the visions often set out the following goals as it affect;

- HR development/ capacity building programme
- Building a veritable corporate image
- Attaining the ideal market share
- Meeting the profitability
- Growth, expansion and diversification rate are determined.

As earlier observed, the key factor in bank's profitability, growth and viability is Leadership and Sound Leadership Development programmes and processes, these factors determine the fate of the concern. In effect a pro-active leadership development pipeline becomes imperative or inevitable. To achieve this, these fundamental and potent under mentioned leadership problems should be addressed.