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STRATEGIC HUMAN RESOURCE MANAGEMENT

A Cross-Cultural Managerial Approach

Thesis

CENTRIA UNIVERSITY OF APPLIED SCIENCES

Business Management

April 2017

ABSTRACT

Centria University of Applied Sciences	Date April 2017	Author Xavier Anyangwe
Degree programme Business Management		
Name of thesis STRATEGIC HUMAN RESOURCE MANAGEMNET A Cross-Cultural Managerial Approach		
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<p>The goal of the thesis was to examine the impact of the concepts of culture, human resource management and strategic human resource management. A man without a culture is like a man with no identity, so the identity of people needs to be identified for effective unity in diversity.</p> <p>The findings of the thesis show that cultural diversity is an inclusive aspect of almost all communities and countries in the world. The richness of these cultures in terms of cultural values, languages, interactions, social and business habits makes our communities very rich with the potentials available to excel and progress when cultural diversities is viewed as strengths and opportunities rather than as threats or weaknesses.</p> <p>Based on the findings of the thesis, it shows that a cross-cultural managerial approach to handling cultural differences brings out the highest outcome of a diverse but unified culture. A system approach to cross cultural management is a good way to avert some challenges of unity in diversity.</p>		
Key words Culture, Management, Human resource, Cross-Culture, Strategy.		

ABSTRACT

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1 INTRODUCTION

The thesis is about what effect culture has on human resource management. The study will begin by giving a background of study area, which brings out the call for carrying out this research, and then the literature review that motivated and encouraged me to carry out this research. The research aim, the research methodology that guided me to complete the research project and finally conclusion and some recommendations.

The world is drowning deeper in globalization such that cultures from one region can be found floating in other areas, looking so similar sometimes to the culture of their new location but never can be the same. Some cultures are sinking some keep reacting in different ways. Shallow minds are being filled; condensed minds are being infiltrated gradually and diffused slowly such that Human resource management in the 21st century seems to have a wider challenge. If we define organizational culture in the words of Furnham and Gunter (1993) as ‘the commonly held beliefs, attitudes and values existing within an organization or in more simple terms, culture can be seen as “the way we do things here”’. The said values and norms may have never been articulated anywhere in the organization but they will shape the way of operation in the organization. Values mostly refer to those shared or common beliefs that are considered important to the people in the organization and to the organization while norms refer to the unwritten rules of behavior. Most organizations have no particular way of behaving and the people as well may have seemingly same but unique values because things seem to be done in an ever changing manner such that the way things were done yesterday sometimes look little or totally not like how things are done today and, or how things will be done tomorrow.

In the game of chess, the first move determines your second move and the next move of your opponent, the third move is based on your previous moves and that of your opponent and it also acts as, but not limited to basis for the fourth, fifth to the last move of you and your opponent. Human resource management can be likened to a game of chess where human resource management’s activities are influenced by internal company specific factors and external factors such as culture and so is strategic human resource management. An on looker in the game of chess might be tempted to think that the invisible hand concept of Adam Smith is acting in the game of chess as it acts in a market economic system wherein, things seem to happen uncontrolled.

There are many different approaches to strategic Human resource management and there are strategies, as all different strategy will certainly have a different approach. People cannot be

managed in the same style always because what is acceptable to one person may be a taboo for someone else.

There are many scholars who have carried out research on human resource management and strategic human resource management that is closely related to my topic. Fernando et al (2013) has analyzed the workforce diversity or diversity of the employees of a company in strategic human resource management; Farhad & Azhdar (2004, 2013) wrote about the relationship between employee relationship and strategic human resource management on the notion that people constitute a very vital part for competitive advantage to a firm. This means that there is a need for an integration of people management and the strategic goals of a business entity. Rama (2006) has clearly analyzed the synergy between managements approach and cooperate culture, and the effects of a cross-cultural approach to business practices operating in a culturally specific environment. Vivien (1994) identified some myths surrounding people management, dispels those myths, and offered better approaches to human resource managers. Vivien also presented a list of seven assumptions that can help in managing people. The first assumption states that "Managing people is about managing our relationship with other people" (Vivien, 1994) which confronts you with the fact that you are in in total control and responsible for your behavior and that you as a manager have the potential to and power to influence how things are done or how things happen. This was summarized with the following equation.

$$\text{Event} + \text{Your response} = \text{Outcome}$$

The choice of human resource managers of being proactive or reactive is related to a conceptual shift from traditional human resource management practices [Ulrich 1997; Thornhill et al. 2000: Wintermantel & Mattimore 1997; Brockbank 1999] (Aulikki Sippola, 2007) to strategic human resource practices. Sippola (2007) in article two of the research finding focused on how HRM can be influenced by diversity. Article two further explains that it is crucial for human resource management to be more proactive at the strategic level in order to support cultural diversity within the workplace and this leading to reducing inequalities and adding value with a more culturally diverse workplace.

There are many views and definitions to culture. Many scholars and researchers have giving some definitions of the concept of culture; Hofstede (1993) said cultures is a collective program of the mind which distinguishes one person or a group of persons from one another such that the values of a person or people tends to vary as a result of cultural differences originating from sociopolitical, historical and ecological. Adler (1997) in his research ascertained that managerial values and operations are greatly influenced by culture and these same managerial values do affect or shape the culture of an organiza-

tion and so there is a very high demand or need for human resource managers with cross-cultural knowledge and management capabilities to management. According to Elashmawi and Harris (1998), successful human resource managers must be able to practice and implement people skills. Cross-cultural management is very vital to an organization in the 21st century times, because culture is part of an organizations tacit knowledge that needs to be managed effectively. Culture is a strategic issue for most organizations and so cross-cultural human resource management experts with the ability to transform tacit knowledge into explicit knowledge (Holden, 2002), have a great role to play.

The aim of the thesis is to examine the concepts of culture and human resource management separately and also examine how Strategic Human resource management practices are influenced by cultural differences by focusing more on a cross cultural approach to strategic human resource management.

The thesis research will be done qualitatively through in depth research findings with the use of theories to examine and interpreted the concepts of human resource management and culture from different perspectives and the applicability of a cross-cultural approach in human resource management.

In this thesis, I will focus on Hofstede's (1984, 2001) cultural dimension theory to get a better appreciation of culture and the possible variations in cultures within a country and the availability of differences in national cultures and examine some problems that may exist in cross cultural human resource management. Furthermore, I will also use Edward Hall research (Hall, 1959) about cultural differences based on cross communication to be able to see how cross cultural communication can facilitate cross-cultural approach to strategic human resource management.

Human resource management needs to be understood from a more theoretical point to better understand Human resource practices, procedures, and the strategic aspects of Human resource management. I will use some models to facilitate the understanding of the Human resource practice. I will use the Harvard model (Beer et al, 1984), which brings out the interconnectivity of stakeholders, their interest and human resource management practice. I will also use the Matching model by Fombrun and Devanna otherwise known as the Michigan model which point out that human resource management is a system and the correlation between strategic human resource management strategies and practices and the overall organizational or business strategies.

I will also use publications and findings of former researchers and scholars related to this area of research, respecting their ideas and findings to analyze a cross-cultural managerial approach to Strategic human resource management in the 21st century.

2 HUMAN RESOURCE MANAGEMENT AND STRATEGIC HUMAN RESOURCE MANAGEMENT

2.1 Human resource management

Human Resource management has grown leaps and bounds over the years. If you follow the basics of production of a firm from a microeconomics perspective, you will recall that there are four factors of production namely Land, Labor, Entrepreneur and Capital. Production is a function of Land, Labor, capital and entrepreneur. From the above, labor constitute that aspect of human resource to a company and its very vital to properly manage this resource just like any other but more keenly and in a manner best for the available human resources. From the very basic definition of management which is the process of dealing or controlling people or things, it is very easy for us to define human resource management as the process of dealing and controlling Human resources.

Things have evolved greatly and it would be partially incorrect if you define Human resource management with the definition above because the role of human resource managers have expanded and the behavior of human beings is so unpredictable and keeps changing such that there is always need for contingency management nowadays that contingency management seems to be a needed. There have been many studies into human resource management and it would be a fallacy to forge ahead without stopping over to appreciate what others have written and said about Human resource management. It has been proven that organizational performance and the employee performance is greatly influenced by HRM [Bowen and Ostroff, 2004; Guest, 1997] (Onalenna & Hill, 2016). Armstrong (2000), HRM is a strategic personnel management practice, which pays more emphasis on the acquisition, motivation and organizing human resources. Without a well-trained labor force, many businesses will lose their ability to compete globally and this will lead to a fall in their economic success (Tomaka, 2001).

With the rapid spread of globalization and its countless impact on almost all sectors of business life and daily life such as worker shortages as a result of changing demographics and changes in skill gaps, it is even more difficult for a nation to maintain its competitiveness (Fernandez, 2001; Laprade, 2006). Huselid (1995) clearly demonstrated how increased productivity and increased financial performance are linked to HRM practices known as high-performance workplace practices (HPWP) some of which include training, motivating, and compensation, all of which lead to increased performance. Human

resource management process involves the practices or the manner in which human resource managers transform the existing or available human resource inputs in an organization or within the human resource system (Lado and Wilson, 1994). Lado and Wilson (1994) further defined human resource practices as the set of distinct but interrelated functions all directed to attract, develop and maintain organizations or nation's human resources. Human resource practices sometimes referred to as high performance workplace practices (HPWP) can be divided into two kinds namely; entire HR management practice and single HR practices. Both of which elements such as recruitment and selection of employees, training of employees, motivating employees, compensating employees, dispute handling or grievance procedures and the organizational and job design [Delaney and Huselid, 1996; Huselid, 1995; Lado and Wilson, 1994; Lawson and Hepp, 2001] (Karen et al., 2010). Barneys (1991) in RBV of the firm described the single HR practices as intangible resources. Lawson and Hepp (2001) clearly showed how HRM could have positive and very significant role on employee commitment.

Human resource management is a function within an organization and most human resource managers focus on the selection and recruitment of personnel, management of the workforce, providing directions and assistance for and to people working within the organization by providing training, carrying out administrative services, coaching and talent management oversight. The development of an organization and the organizational culture is the responsibility of the Human resource department of most organizations. The above-mentioned function of Human resource management can be classified into three main categories as seen on the diagram below.

2.1.1 Human Resource Management Function

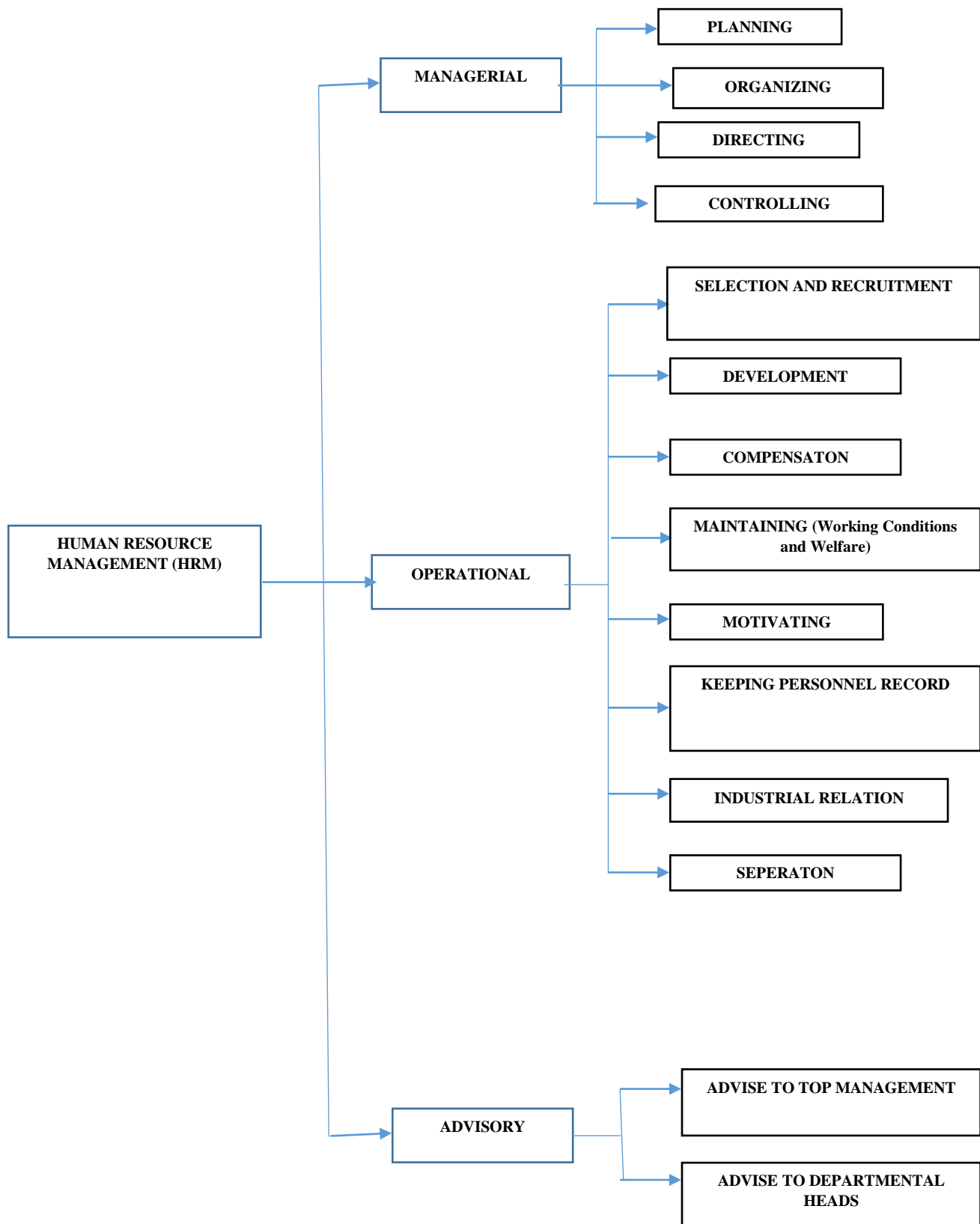


FIGURE 1. Human Resource Management Functions (Adapted from Smriti Chand (2009))

2.1.1.1 Managerial Functions

The manager has to plan and making sure that he gets things done through other employees in the organization. The planning function is important because it is this managerial role that sets out the goals of the organization, policies and the procedures through which these goals will be achieved. For HRM planning has to do with managing and implementing personnel programs such as planning job descriptions, job requirements and determine the recruitment source. In the personnel planning stage, there are three principal stages. The First stage involves the forecasting of the demand and supply of all jobs and it entails perfect knowledge of both labor conditions in the market and the strategic position of the company and goals of the organization. Secondly, all net shortages and excesses of personnel by each job category are projected for a specific time. Thirdly and finally, the HRM develops plans to manage the forecast shortages and excesses of all categories of human resource.

After a successful planning and setting plans and objectives and clearly defined road map to achieve them have been made, the HRM has to design an organizational structure that will perfectly carryout and execute the various operational plans. These plans can be organized in a structure that might take the following format:

- i. Grouping of personnel activities into functions and positions within the organization
- ii. Assigning different functions to different persons or group of persons.
- iii. Delegating authority according to the task assigned and responsibility involved in it.
- iv. Coordination of activities and measuring of the level of task completion and activity progress of various groups.

After all plans have been made, they have to be put into effect by the people within the organization. However, how well the plans are implemented depends on the motivational level of the personnel involved in the execution of the plans. The Personnel manager or HRM has the duty to encourage the people working willingly and effectively for the achievement of the organizational goals.

The directing function of HRM is meant to orientate people on the goals, motivate (motivation can be through proper career planning programs, developing cordial relationship, provision of safety requirements and welfare of employees or either through salary administration systems) and guide them towards the accomplishment of the personnel objectives.

Motivation is one of the most challenging functions of HRM. The personnel manager not only has the responsibility to motivate but more importantly, he must have the ability to identify employee needs and determine the means of satisfying the needs. Motivation is a no ending process and a continuous

job for HRM as new wants will always emerge because human wants are unlimited in relation so supply because resources are limited in relation to demand and employee's wants cannot be fully satisfied at a given period in time. New desires will always emerge when the old ones are satisfied.

There is a need for regular control and monitoring of the activities included in the plan and in achieving organizational goals. HRM needs to carry out periodic evaluation to assess success level and growth rate of the personnel in terms of various operations and this involves appraisals, critical examination of personnel records and statistics and audit of personnel.

2.1.1.2 Operational Functions

The employment of the proper kind of personnel and the right number required by the organization is one of the main operative functions of the human resource manager. The employment process usually comprises of selection, recruitment and placement of staffs. It is the responsibility of HRM to determine the human resource requirement of the organization needed to perform various tasks and to achieve the objectives of the organization. By so doing, HRM determines the labor requirements in both quality and quantity and the induction and placement of the chosen personnel for better job performance.

After fulfilling the demand needs for labor by the organization, HRM needs to train and develop their personnel team properly to provide them with the right skills needed for their various roles and for higher job roles in the organization.

The HR department has to therefore develop and proper training programs, workshops and seminars with a mixture of both on-the-job learning and off-the-job learning methods.

It is the role of HRM to determine the remuneration for the employees for their contribution to the organizational goals and this compensation may either be monetary or non-monetary rewards.

The basic needs of the employees, the job requirements, legal provisions regarding minimum wages, wage level offered by competitors and the capacity of the organization to pay are some of the factors that every personnel manager has to consider before determining the pay package for employees.

It is good to have a good, well-experienced, and very qualified personnel team in an organization. However, just because the team is qualified and skilled guarantees no success unless they have good

working conditions so that work can be done in a conducive, comfortable and healthy environment. There is no doubt that working conditions influence the motivation of employees and their morals.

The HRM has to ensure that the health, safety and comfort of workers at work is well taken care off by the organization and the employees need to be provided with welfare services such as rest rooms, work insurance, and recreational facilities, that will enhance and maintain the good social well-being and physical well-being of employees.

Every worker works to be able to satisfy their needs and unless their needs are adequately meet, they would no contribute towards the organizational goals to the best of their abilities. The absence of good employee motivation may lead to less efficiency and reduced quality. The HRM has to formulate various motivation systems within the organization or assist the different departmental managers or heads to develop and design both financial and non-financial motivation reward systems for employees.

It is the duty of the HRM to maintain the industrial relation of an organization and this can be done through collective bargaining or joint consultations. The HRM also provides authentic and real information to labor union leaders.

Many people these days do not die on their jobs, and so it is the duty of an organization to meet all obligations and requirements of the process in separation if an employee want to leave the organization. The HR manager has to ensure they retired employees get their retirement benefits on time.

2.1.1.3 Advisory Functions

The HRM advises management in general and top management executives on issues related to things like the formulation or evaluation of personnel programs, procedures and policies. The HRM ensures that a good human relation exist always and high employee morale is present within the organization.

The HR manager also gives advice to the heads of various departments in an organization on issues such as job design and job analysis, recruitment and selection, training and performance appraisal of employees.

2.1.2 Aim of HRM

The general aim of Human resource management is to ensure that the organization is successful and achieves her goals and objectives through people. 'HRM systems can be source of organizational capabilities that allow firms to learn and capitalize on new opportunities' (Ulrich and Lake, 1990).

Human resource management functions have been seen above but more specifically, HRM is specifically concerned with the achievement of the organizational objectives in some more specific ways as elaborated below.

The success of every business depends on the people who work in the organization and so the people working in an organization constitute the organizations human capital. The human factor in an organization consists of a combination of intelligence, experience and skills, which all together make the organization different and distinct from others (Bontis *et al*, 1999). Human resource managers have to make sure that they properly identify the human elements of their organizations. The human elements that may exist within an organization are those that are capable of adapting to change, learning, capable of innovating and providing the organization with creative thrust where with the availability of proper motivation, can ensure that the going concern is guaranteed or ensure the long-term survival of the organization.

In most organization, their prime assets are the human capital and so they need to invest more in it to not only ensure its growth and survival but its ability to adapt to changes and future challenges. In this light, human resource management aims at obtaining and retaining human capital that is committed, well-motivated and skilled. This can be done by accessing and satisfying most or all the future needs of the people in the organization, which will enhance the growth and development, capabilities, contribution of the people, their potentials and employability within the organization. The employee capabilities needs to be developed and given improved and every organization can let this happen if the organization provides learning opportunities and transform the organization into a learning organization to enhance continuous development opportunities. This therefore mean that human resource management should be more involved in talent management whereby they acquire talents, nurture them wherever they are located and whenever need be, with the aid of human resource management policies, strategies and practices in the real world or resourcing, development, learning, succession planning and performance management. This involves very 'rigorous recruitment and selection procedures, performance-contingent incentive compensation systems, and management development and training activities linked to the needs of the business [Becker et al, 1997] (Michael, 2006).

Human resource management aims to promote job engagement and improve commitment from the people in the organization through motivation and policies and processes that will guarantee that the value of the people are recognized and rewarded accordingly with what they do and what they achieve and also based on their skilled competence level.

Knowledge management according to Scarborough et al (1999), is any practice or any process that creates knowledge, acquires and captures knowledge, one that uses and shares knowledge at any point in time and in any location to improve or increase the learning level and the overall performance of an organization. HRM therefore supports and contribute to the development of skills and firm specific knowledge.

Human resource management aims to meet the needs of its diverse stake holders and also manage and very diverse and culturally distinctive work force through policies and practices that balance off and adapt to meet the objectives with special focus on differences between groups and individuals in the employment process, work style and aspirations, personal needs of each employee or group of employees, and the provision and strengthening of equality and fairness in operations.

‘Distinctive human resource management practices shape the core competencies that determine how firms compete’ (Capelli and Crocker-Hefter, 1996). Human resource management strategies aims to support programs that will improve organizational effectiveness by creating a great work place. Purcell et al (2003) describes this as the ‘big idea’, which consist of a very clear vision and a set of integrated, interconnected values’. Human resource can also be concerned with the development and continuous improvement of customer relations policies and strategies.

Gratton et al (1999) found out that there was a wide gap between rhetoric and reality. Management may always start with good intentions and genuine reasons to some or all of these things, but the actual realization of the intentions and policies is often very difficult. This can be due to both contextual and process related problems such as other business priorities, lack of support from line managers, inadequate infrastructure, unavailability of resources, short-termism, lack of trust and resistance to change.

2.1.3 Characteristics of Human Resource Management

The characteristics of HRM is displayed in the form the writings and publications of pioneers and later commentators. These characteristics include:

Diverse;

Strategic, with an emphasis on integration;

Management responsibility;

Commitment oriented;

Focused on Business values;

Based on the belief that people should be treated as human capital;

Unitarist rather than pluralist, individual rather than collective, with regards to employee relationship;

A management driven activity, the delivery of human resource management is a line management responsibility.

2.1.4 Human Resource Management Models

2.1.4.1 Harvard Model

This model was postulated by Beer et al (1984) at Harvard University and they coined it the map of Human resource management territory. They developed what Boxall (1992) calls the 'Harvard Framework'. This model is based on the belief that the problems of historical human resource management can be solved only when the managers develop can develop a standard way how they wish to see their employees involved in and developed by the organization.

When human resource management clearly chooses or sets what particular policy and practice procedure or set of policies or procedures will lead to achieving the goals of the organization.

The model also states that if there is no strategic vision which can be provided by general managers, human resource management is more likely to be a set of independent activities and each of them being guided by its own practice. This model acknowledges the presence of multiple stakeholders within the organization and that these multiple stockholders include shareholders, employees, the government and the general public or the community.

This model recognizes the legitimacy of the various stakeholder groups that makes the model a neo-pluralistic model and it emphasizes that employees are just like or equal to any other stakeholder group and play a vital role in influencing the outcomes of the organization.

The model has two main characteristics figures;

Firstly, that line managers ensure the alignment of personnel policies and competitive strategy and secondly that the personnel's mission is to setup policies which will govern how personnel activities are being developed and implemented in a manner wherein it can be reinforced mutually. The Harvard Framework model is shown in the picture below.

According to Boxall (1992), some merits of this model are:

It emphasizes on strategic choice where policies are not guided by situational or environmental factors.

The model a wide range of stakeholders and their interests.

The model also recognizes the merits of any trade-off be it either implicit or an explicit one.

The Model brings out a wider picture of HRM to include not only the influence of HRM but also that of employees, the work layout and also the style or management or supervision.

The model also acknowledges a broad range of contextual influences or factors such as culture on the management's choice of strategy.

This model has generally influences the practice and applicability of the Human resource management functions placing more emphasis in the point that Human resource management should be a major concern to management in general and not only to those in the personnel management roles.

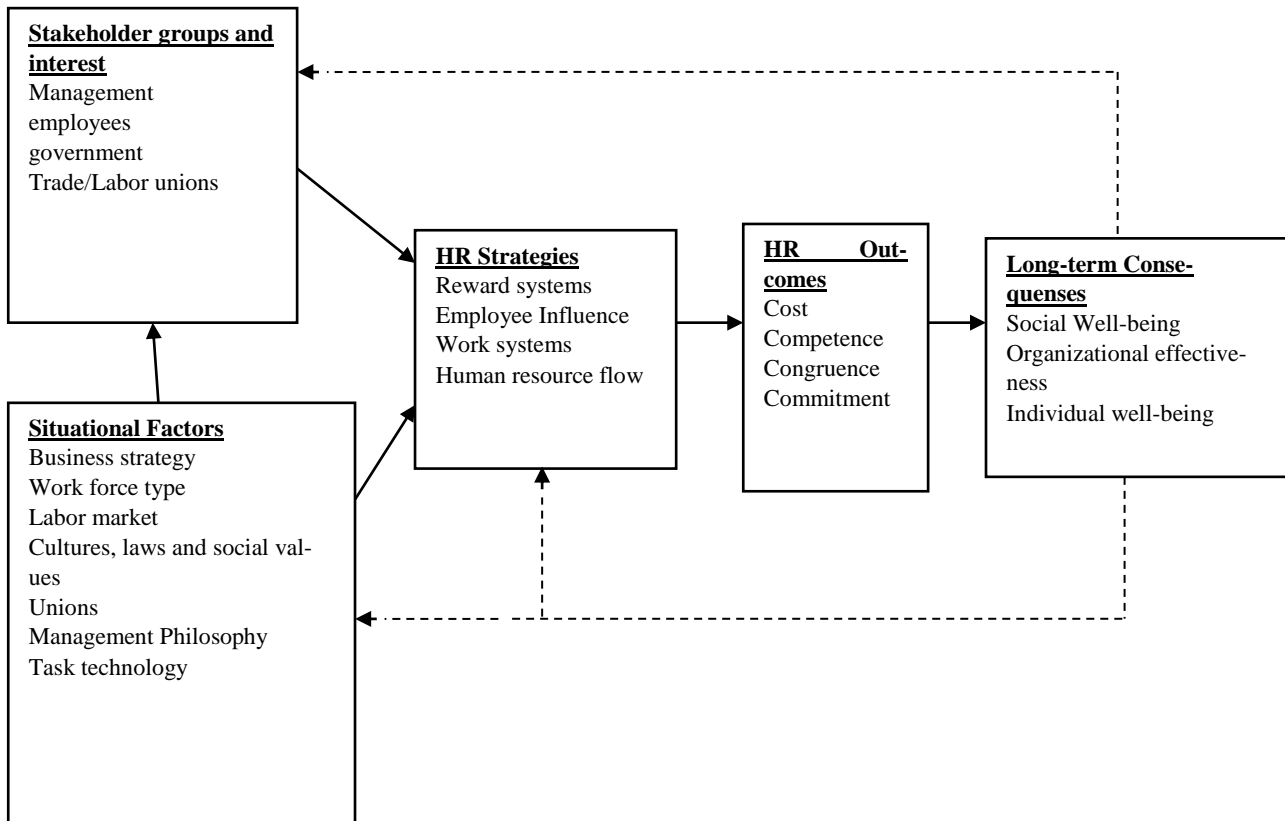


FIGURE 2. The Harvard Model of HRM (*Beer et al (1984)*)

2.1.4.2 The Matching Model of HRM

This model was propounded by Fombrun Tichy and Devanna in 1984 at the Michigan Business School and they named it the Matching Model of HRM. The model is commonly referred to as the Michigan School. They were of the opinion that the Human resource systems and the structure of the organization should be managed in a way congruent with the strategy of the organization. The Michigan school explained that there is a human resource cycle as depicted in figure 4 below which consist of four generic processes or functions performed by Human resource management in all organizations which are:

Recruitment and selection refers to the process of choosing suitable human resource for the organization and matching the right people to the available jobs.

There must be a reward for both short as well as long-term achievements, bearing in mind that all businesses must operate and be managed in a sustainable manner to ensure success today and continuity in the future, developing high-quality employees and maintaining standards and existing quality.

This model emphasizes on a ‘tight fit’ between the business strategy and the Human resource strategy and the HR strategy must be highly calculative of the required human resources to achieve the goals and objectives of the organization. The business strategy is placed on the central stage and as such, human resources are considered just like any other resource, which must be fully utilized together with others to achieve the target organizational goals.

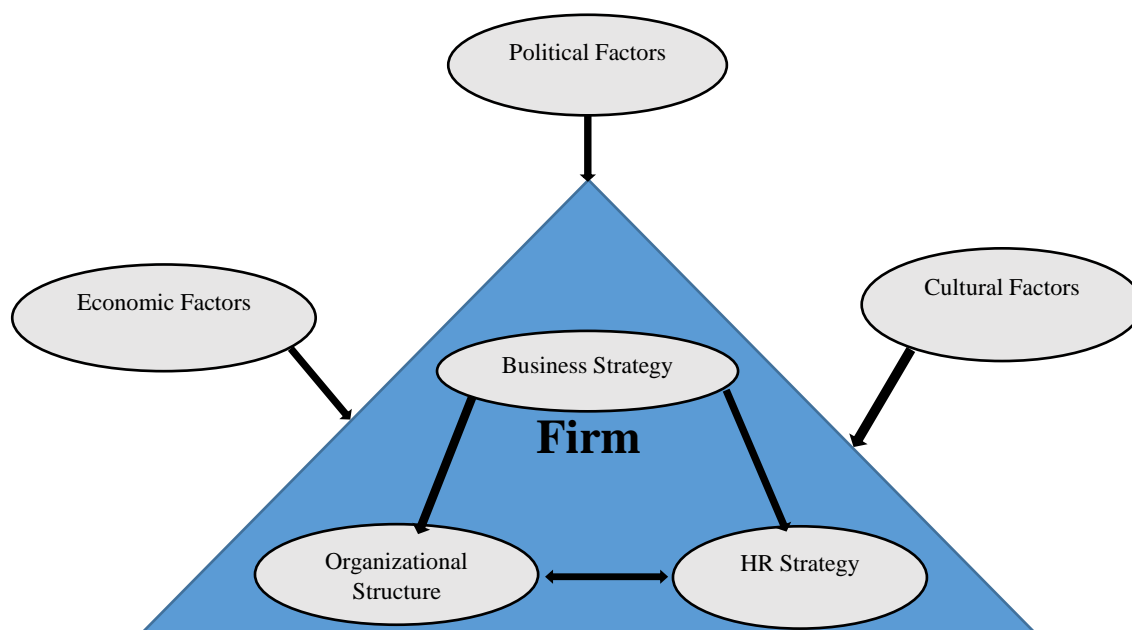


FIGURE 3. The Matching Model (*Fombrun et al (1984)*)

The starting point in the Michigan Model is the in the pre dominance of the business strategy which has to be strictly achieved with the combination of available resources. In fact, the business strategy must be achieved by means of obtaining labor at the lowest cost enhanced by the organizational structure in relation to performance appraisal and rewards as seen in the figure below of a more simplistic view of the Matching model.

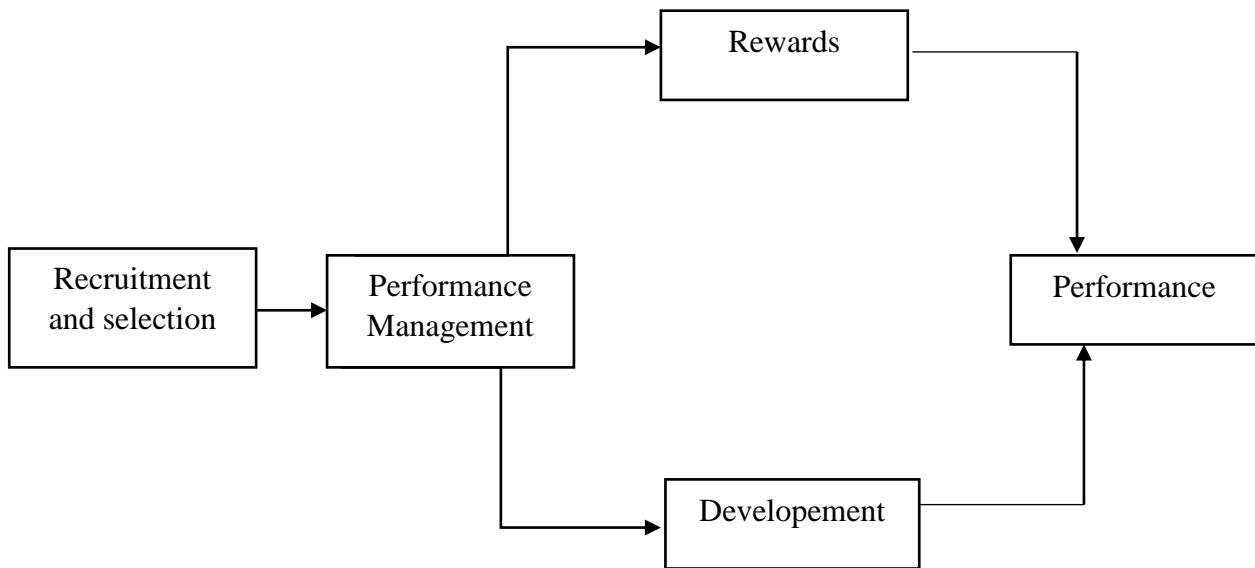


FIGURE 4. The Human Resource Cycle (Adapted from [Fombrun et al, 1984] (Michael, 2006, pp.4)

However, the Michigan model seems to be based and focused more on the product market logic, which requires that in order to gain high profit, labor, has to be obtained cheaply and used sparingly, developed and fully exploited.

2.2 Strategic Human Resource Management

Strategic human resource management (SHRM) refers to the plans of an organization and intentions how the business goals have to be achieved with the use of human resources or people. The concept of SHRM can be better understood or defined only if we start by looking at the basic propositions on which the concept is based on;

Firstly, it should be noted that the main source of competitive advantage to an organization is from human capital; secondly, the organization needs to define where it wants to go and how it intends to get there and this can be done only by first adopting a systematic approach; thirdly that every strategic plan is to be and would be implemented. SHRM is a process that use by human resource managers to

develop HRM strategies, which are integrated horizontally with other businesses and vertically with the business strategy of the organization.

2.2.1 Semantics of Strategic Human Resource Management

Purcell (1998) elaborated that SHRM tends to focus more on the actions that make a firm different from its competitors. Hendry and Pettigrew (1986) suggested that SHRM has four meanings which are:

The matching of human resource management activities and human resource management policies to explicit business strategy;

SHRM refers to a more coherent approach to the management people management and personnel management systems which is based on the workforce strategy, organizations employment policies and most often justified by a philosophy;

SHRM is all about seeing people in an organization as a strategic resource to the organization for the achievement of competitive advantage over competitors;

Hendry and Pettigrew also said SHRM means the use of planning.

SHRM tends to address changes in an organization related to changes in organizational structure, culture, organizational performance, effectiveness, matching resources to future needs, knowledge management, change management and the development of very distinctive capabilities. It is the ability to get things done effectively with a combination of human capital and the development of process capabilities.

In general, we can also look at SHRM as specialty that deals with all people related issues that affect or are affected by the organizations strategic plan or plans. ‘The very critical concerns of HRM, such as the choice of executive leadership and the formation of positive patterns or labor relations, are very strategic in any firm (Boxall, 1996).

2.2.2 Objectives of Strategic Human Resource Management

SHRM is seen as a good management style because it has been proven worth implementing a standard basis for managing people in the end. SHRM provides a very suitable alternative solution to the handling of critical success factors related to people management and a means for long-term decision making on issues related to human resources all with the aim to contribute to the overall success of the organization.

For an organization to achieve long term competitive advantage, it needs the right selection of human resources to ensure that the organization has skilled, motivated and well committed employees which are imperative if for strategic human resource management as this is the basic requirement for an organization to build and maintain its strategic capabilities necessary for the global market and for competition. SHRM more often provides a means through which employees' needs both individual and collective needs and the needs of the organization are satisfied or achieved with well developed and implemented human resource plans and policies in an unstable business environment. SHRM should be able to provide the above mentioned but it should also be able to make available a framework that is unifying and with a broad base and integrative wherein all can be properly integrated without any exclusion (Dyer & Holder, 1988).

Strategic human resource management should while considering its aims, Soft SHRM should pay greater attention on the human relation aspect while managing people with continuous development of the resources, Human resource managers should also pay attention on continuous communication, involvement of all, job security, work life balance and the quality of working life or better still working conditions. Hard SHRM on the other hand should invest more on human resources in the interest of the business to be able to increase business profitability (Storey, 1989). SHRM should therefore endeavor to achieve a balance between Soft and Hard SHRM because this will better help to achieve their purpose. In as much as all organizations exist for a purpose and they cannot achieve their objectives when they do not have the right combination required resources and when they do, the resources must be used effectively and efficiently but they need to pay more attention to Soft SHRM with all its considerations concerning the human resources even though in most cases and in most organization, more attention is focused on Hard SHRM as this comes first for business purposes. They should consider the people in the organization, their needs and aspirations while making plans for the organization (Quin Mills, 1983).

3 CULTURE

3.1 Concept of Culture

Several definitions of the word culture do exist and this is proof of the fact that researchers and scholars have attempted to define the term culture from different perspectives and from different standpoints. In so doing, some have looked at the particular in terms of the general while some have look at the general in terms of the particular, all in an effort to cover a wider scope. It is no doubt today that there exist many definitions of culture and many more are being generated.

The general ideology of culture by consensus seems too characterized by two key aspects, which are collectivism and sharing which gives the reason why culture is widely viewed a collective phenomenon shared approximately between the members of a cultural group. Some example of researchers who have contributed to this idea are Rohner, 1984 and Hofstede, 1980, 2001. What makes a group of people different from another is what they share, that is the shared components (Hofstede, 2001). Kuper (1999), from a contemporary view point says culture is not genetically linked but rather it is leaned, implying that culture is not transmitted by means of gene and so there is a possibility that a man's descendants may have a different culture from what he had. However, according to Gintis (2007), efforts have been made in a means to integrate cultural evolution to genetics. Fredrick Taylor (1865) defined culture as all those habits and capabilities learned by members of a society. Rohner (1984) also defined culture as the total equivalent and complementary meanings that have been learned and are being maintained by the human population to be later on transferred from one generation to another. Hofstede & Minkov (2010) clearly emphasizes that culture is a learned collective idea which is a derivative from the social environment where the individual finds his or her self and not genetically inherited and as such culture cannot be considered as innate. They further emphasized that every individual situates his or her self in a social environment but locates his or her self within a moral circle where he or she has learned and understood the norms and modus operandi that form the culture. Hofstede et al. (2010) said that it is very possible and most likely that a person can decide to belong to several cultural groups at any given point in time and this the person inevitably has several mindsets all corresponding separately to the various levels of cultures or groups to which they belong to Several cultural levels where an individual can belong according to according to Hofstede et al. (2010) is very eminent. The identifiable levels are, the gender based level, generation level, national Level, social Level, regional levels and finally organizational level for those who are employed.

In the 21st century world where globalization is increasing at an increasing rate and internationalization of organizations either through geographical expansion or multinational work force, every manager do not only have to know how to manage their organizations but rather there is an increasing pressure resulting from the two aforementioned situations on managers to know the different cultural factors that exist both within and out of the organization and what role it has on organizational functioning and strategic human resource practices.

From the definitions of cultures above, you can see that there exist similar and contrasting views. However, culture cannot be measured in discrete or quantitative terms and in my opinion, there is no bad or good culture but a certain culture or aspect of culture may be irrelevant to certain situations and vice versa. Lewis R (2006) said culture is a diagram with multi dimensions and so to avoid any ambiguity in the following sections of this work, I use culture as something with a shared meaning, as something, which is learned through various cultural practices such as behavioral aspects, human activities and interaction with other people and in relation to the environment. It is worthy to note that many other researchers may choose to use any definition of culture and depending on whatever definition they use, they may have to consider using different analytical methods, theories and procedures than those used in this work.

In the following sections, we shall proceed to look at Organizational culture separately and later present the Hofstede studies and Edward Hall's research. These choices are best for this work because they focus more on culture, bringing out various views, affiliations, and establishing relating aspects between culture from the one hand and strategic human resource management.

3.2 Organizational Culture

Organizational culture is not an easy concept to define. Organizational culture has a wide scope but not as wide as culture from a general point of view. Organizational culture has existed for a very long time and many scholars have attempted defining this aspect. The popularity of organizational culture increased significantly in the early 1980s giving rise to many more definitions and studies on the subject. Schein (2010) tries to establish a relationship between culture and an organization as he said that as personality is to an individual, so is culture to an organization. Schein considers lays more emphasis in the opinion that organizational culture is embedded deeply in the organization and cannot be easily changed. Schein tries to bring our clearly the problematic connection between people's behavior and

the organizational culture by use of the personality aspect of an individual wherein you can easily see the behavior of an individual but never can you see the personality aspects underneath that behavior.

The views of Schein are not the same with Stolnick's (1966) classical and unsympathetic concept of the police working personality. According to Hofstede in his multi focus model research conducted in twenty units of ten different organizations, he defined organizational culture as the manner in which the people within an organization do relate to one another, how they relate with their work and how they interact with people out of the organization which goes a long way to either hinder or facilitate human resource strategies. Organizational culture put simply can be seen as a system of shared values and beliefs (Deshphande and Webster, 1989). These shared values and beliefs can be likened to Schein's personality aspect of an individual because the beliefs and values have a very strong influence on the people within the organization and it indirectly guides the dressing mode, working attitude and how the people act. You can see that organizational behavior is determined more by organizational culture.

3.3 Geert Hofstede's Research on Dimensions of National Culture

Geert Hofstede, one of the most influential writer on culture with a variety of culturally related articles and publications. He developed the first ever model on dimensions of national culture and later a model on organizational cultures. Hofstede no doubt is one of the leading experts in intercultural studies, reason why his findings and publications are used worldwide in the field of intercultural management. In this research, he defines culture as the collective programming of the mind, distinguishing members of one group from those of another. In this research, Professor Hofstede outlines six key dimensions of national cultures, which represent different independent preferences of one state of affairs over another that marks the difference between countries and not individuals. Because all humans are unique, so as countries turn to have different ratings for each of the six dimensions and thus making the scores relatively different from one country to another. It is this relative difference that makes it possible to study and compare cultures because any cultural study can only make sense when there is a means of relative comparism and some tools facilitating comparism such as the six dimensions of the Hofstede study which are, Individualism versus Collectivism, Uncertainty avoidance Index, Masculinity versus Femininity, Power distance Index, Indulgence versus Restraint and Long term orientation versus Short term orientation.

3.3.1 Individualism versus Collectivism

Individualism in this context can be defined as the high preference for a loosely-knit social framework wherein individuals are expected to take care only of themselves and their immediate families. In this case, people focus on their own personal interest, values and rely on individual effort and there are less social groups. The individuals pay more time emphasizing on one's self and every individual works hard, trying to do better always and may someday become the best with the existence of a very high and very strong upward mobility in a nation where individualism is the leading factor while Collectivism on the other hand can be identified to a more tightly knit framework in the society wherein people expect either their family members or members of a group to look after them in exchange for an unquestionable loyalty and the people turn to love their groups just as they love themselves and there are many more social groups or organizations and people are ready to make sacrifices for others. you can determine the position of a country with this dimension as it is easily reflected in people's decisions and whether their decisions are based on a "I" or "We" basis.

In a Collectivist nation, people most often easily ignore their own personal efforts as they tend to rely more on others and lose confidence in personal abilities and skills and as such, there is a weaker upward mobility (Hofstede, 2012). Under the findings of Hofstede, The United States of America has the highest score for individualism while Guatemala has the lowest individualism Score meaning that the United States is an Individualism country while Guatemala is a Collectivist Nation.

3.3.2 Uncertainty avoidance Index

The Uncertainty avoidance index the Uncertainty Avoidance Index is used to measure the degree to which people in a given country or community do express how uncomfortable they feel with ambiguity and uncertainty and how they feel about the future and deal with it given that the future can never be known. Do they have to wait for the future to be deterministic on what they do by letting things happen the way they happen or should they try to control the future. Nations with a high UAI have a more rigid code of belief and behavior and they are intolerant of any kind of unorthodox behavior and ideas while Nations with a weaker UAI have more relaxed attitudes and practices are more valuable or count more than principles (Hofstede, 2012).

3.3.3 Masculinity versus Femininity

Masculinity refers to priority a society gives to achievement, heroism, assertiveness and material rewards for success and a masculine society is more competitive than its opposite, femininity, which refers to a society that shows preference for cooperation, modesty, caring for the weak and the quality of life. A society characterized by femininity is more consensus-oriented. In the general business life, we can refer to masculinity versus femininity in simple “terms as tough versus tender” cultures (Hofstede, 2012).

3.3.4 Power distance Index

The Power Distance Index measures distribution of power and authority in a society. With this tool, it analyses the degree to which the less powerful in the society accept the unequal power distribution and to what level do they expect that power be distributed equally or unequally distributed. The basic fundamental issue concerned with this tool is how a given nation handles issues of inequality among people within the communities. In a Nation with a high power difference index , they accept hierarchical structures, institutions, and everyone had a place where they belong and they generally require no justification for inequalities in power distribution. In a Low power difference society, each and every one strive and wish for a more equalized distribution of power and request for justification always for any power inequality (Hofstede, 2012).

3.3.5 Indulgence versus Restraint

Indulgence refers to a nation or society wherein relatively free gratification of natural and basic human drives related to the enjoyment of live and to have fun are allowed while Restraint refers to a society wherein all these gratification of needs is suppressed and there is regulation of the way of life of the people by strict social norms in society (Hofstede, 2012).

3.3.6 Long term orientation versus Short term orientation

Most societies and nations relate the past with the present and link it differently to the future. Countries prioritize either the past, present or future or a combination of two or all three existential goals in different way. Countries with low score, sometimes prefer to maintain time honored norm and traditions of the past and looking at changes in the society with suspicion. People in such societies have high

respect for traditions with a normative way of thinking and doing things and they tend to have a very low tendency to save for the future. On the other hand, nations or communities with a high score tend to use a more pragmatic approach by encouraging change, thriftiness and emphasizes the role modern education can play to the future (Hofstede, 2012).

3.4 Edward Hall's Research

Hall's research was conducted to look into culture from a very different perspective from earlier researchers and to attempt to define culture in a manner not so different from the word culture but not using the same words that have been used by former researchers. Culture according to Hall has many definitions and is very broad in scope and sphere, such that sometimes what is done for example in the USA, is sometimes seen by people out of the USA or foreigners as distorting to the very values that acts as foundations for their livelihood. This was a major concern to Hall, and the way people in various countries and locations within a country do look at certain things, talk about similar events in different ways and how they interpret the actions and words of one another. In His book titled *The Silent Language* (1959), Hall sees communication as an integral part of every society and such that he argues that culture is more about communication, because of the indispensable role of communication in culture of a people, nation, society, or business.

Hall (1959) emphasizes the role of time as an indispensable factor to reckon with. It is hard to imagine that time can talk, but according to Hall, time speaks and it speaks so loud for all to hear and very clear for all to understand when it speaks even though people of various locations see time differently and they also attached certain values to time. Time is always very honest when it speaks as time cannot be manipulated in any way and it tends to speak less consciously such that what it speaks is more of reality and relative truth. The time systems for international businesses around the world are mostly the monochronic and polychronic times with each having respective features and are applicable to different cultures.

The monochronic time permits one person to do a given task at a time and monochronic people hate being interrupted while polychronic times permits one person being involved in several tasks or doing more than one thing at a time with its key focus not on respecting time or a given schedule but rather completing human activities or interactions. Polychronic people are not so time conscious, they can easily change plans and time, and they are indifferent to distraction or disturbance. An example of a monochronic nation is the United Kingdom while Latin American countries and Mediterranean regions

are some examples of polychronic nations. “Culture is communication” (Hall, 1959) and communication can be divided into either words or spoken communication, behavior or communication by action and material things or communication by way of possessions or wealth. Words communication refers to the medium of businesses and politics; Behavior refers to the feedback about others and from others, which helps to clarify many things and avoid any form of confrontations and lastly material things only, indicate the status and power of the people or person concerned. Hall, after studying culture and communication, points out that, there is a very vast and wide region of the human behaviors which has been hidden and lies at the back of human consciousness or awareness that cannot be recognize consciously but it speaks out in such a way that people can barely understand or listen to, “the silent Language”. This is one of the main concepts of Hall’s research. He reveres to a coupled of evolutionary practices, and problem solutions al rooted in the much shared experience of ordinary people and is conveyed silently and unconsciously. In as much as it is hard to study one’s own culture, it is even more nerve breaking to study another person’s culture.

4 CROSS CULTURAL HUMAN RESOURCE MANAGEMENT

Dealing with people from different countries, different linguistic backgrounds is a very interesting and fascinating experience. Working in an environment with many cultures is most often an advantage to every work environment with Human resource managers at the center, to make sure that there is a perfect blend and inter relation of all the cultures and cultural aspects to make the environment a pluralistic one. How can we therefore explain the reason for the differences in the output of workers and the variation in attitude of employees with different cultural backgrounds? Can the non-isomorphic behavior and attitude of employees be linked to the national culture, the culture in which individual is located or to individual level?

In order for you to really get a better understanding of the concept of cross cultural Human resource management, you need to start by looking at this as separate concepts first and later put together. Cross culture is a concept that from the broadest definition is all about dealing and interacting with people across cultures or with different cultural backgrounds. It may also be seen at as the movement from one culture to another or the interrelation of different cultures.

Culture has a major influence on the behavior and attitude of individuals as reflected in their daily lives and as such influences the individual's behavior within an organization. In an environment where there are people with different cultures, they all bring a piece of their respective cultures into the organization and this changes the general culture of an organization. Hofstede (1980) findings shows that Malaysia has a mixture of people from different cultures (27% are Chinese, 60% are Malays and 7% Indians). However, Hofstede pointed out that Malaysians share common and similar cultural values but the people originate from different ethnic groups. Ethnicity and culture are two separate and distinctly different concepts with some few similarities (Fontaine, 2004, 2007). In most cross-cultural literature, the stereotyping concept is rarely seen unlike in psychology where you can see that relationships between different cultural groups or people is influence in one way by cognitive biases of different forms. It is sometimes considered that stereotyping and ignorance about other cultures is most often the cause for cultural differences and not really the actual difference in the cultures. Cultural differences really based on the unknown about others and other cultures more that the known things (Jongeward, 1999). Hewstone (2003), any friendship between people from different cultural groups leads to the revaluation of negative stereotype by the other group members of those groups to which the individuals belong.

Every country, organization and group of people have their culture, which most often looks similar but yet different both in form and in content. A majority of which we cannot see physically (about 90%) includes such things as values, ways of thinking and beliefs while a minority can be clearly seen physically (about 10%) and this include aspects like the behavior of people, their eating and dressing habits and their language (McClelland, 1973). A couple of years back, the aspect of cross culture could only be visible in international or Multinational organizations with a pool of employees from different countries. The situation is no longer the same now, globalization is spreading like wild fire and many company now operate multi locations at the same time and some operate in a single location but penetrating several markets across the world and there is an aspect of cross culture in their everyday business from planning to realization. The issue is even more the responsibility of Human resource managers because they have to deal with people from different cultures and so they have to ensure that there is respect for all cultures not at the detriment of the cooperate culture. It is an interwoven web in which HRM have to work with. This makes the job of HRM so demanding and strategic as their actions are interpreted in as many different ways as there are different cultures in the workplace.

4.1 Cross Cultural Approach

A cross-cultural approach to SHRM is very necessary when HRM have to deal with resources originating from diverse cultural backgrounds. Human resources have to be well coordinated, controlled and there is need for consistent and coherent goals directed toward the achievement of the business goals or organizational objectives. Human resource managers therefore need to employ a cross-cultural approach to dealing with these challenging situations and in the discharge of managerial functions.

A cross cultural approach entails a lot more than just people from different cultures and proper knowledge of other cultures but rather is entails a mixture of various cultural aspects.

A proper cross-cultural approach to SHRM is very necessary for overall organizations success. Overall organizational success includes but not limited to constructs such as; organizations profitability, increased shareholder dividends, employee job satisfaction, better customer experience, improved output and the organizations competitive advantages. The world on a global scale seems to be experiencing a culture web wherein, cultures are interwoven. National cultures, organizational culture, business culture crisscrossing each other at several point of intersection and with every intersection having a unique experience and distinctive features.

Human resource managers need to be able to identify the actual culture that already exists in the organization in order to be able to make informed choices for policy implementations, change management and cross cultural managerial approach. The following four stages would very important to note by HRM in the implementation of a cross-cultural approach;

Firstly, human resource management needs to set out a clear and very simple organizational desired culture. The desired culture needs to be defined so that it will guide other managerial executives in their decision and strategy development and implementation.

Secondly, there is need to identify all existing cultures in the organization and make clear distinctions of the various types of national cultures existing in the organization and make clear distinction on how they are displayed, in what way they are being displayed and their role in the organization. They need to define the desired culture of the organization, which in most cases organizational cultures is defined by the organizational mission, vision and goals.

Thirdly, Human resource management needs to carry out a proper evaluation of human resource strategies and policies to ensure that the policies and strategies are coherent with the desired culture of the organization. Human resource management needs to be able to keep an eye or monitor the cultural evolution or cultural changes in the organization to ensure that actual culture is the same or working towards desired culture. This involves a monitoring and feedback mechanism so as to get the actual reason for any gaps between actual and desired culture.

Fourthly, after a proper evaluation and assessment of the actual culture and reasons for disparities, if any between actual culture and desired culture. Human resource management have to take all measure to ensure that the actual culture moves towards desired culture and this will require more training, workshops and sensitization campaigns within the organization for a well understood desired culture because an unclear plan will give more room for ambiguity and the results will be nothing less than undesirable and unsatisfactory.

4.2 Systems Approach

Cross-cultural approach in strategic human resources is about dealing with a number of cultures and aspects of different cultures as though you are dealing with one single culture. A cross-cultural ap-

proach is best at the intersection point in diverse cultural web where various aspects different cultures converge.

Talking of a cultural web with reference to Gerry, Johnson and Kevan Scholes in 1992 who made tremendous contribution in developing a cultural web but they focused only on organizational culture and how to long organizational culture with organizational strategies. They identified various aspects that can influence organizational culture, what makes corporate culture effective and non-effective and how to change a non-working culture.

A much better cross-cultural approach operates more or less as an open system where there are inputs from within the organization and out of the organization, processes and outputs. The System approach to cross cultural management can be effective when the organization has or is recruiting a multicultural work force and when the Human resources possess different aspects of culture to make the organization rich in its cultural pool.

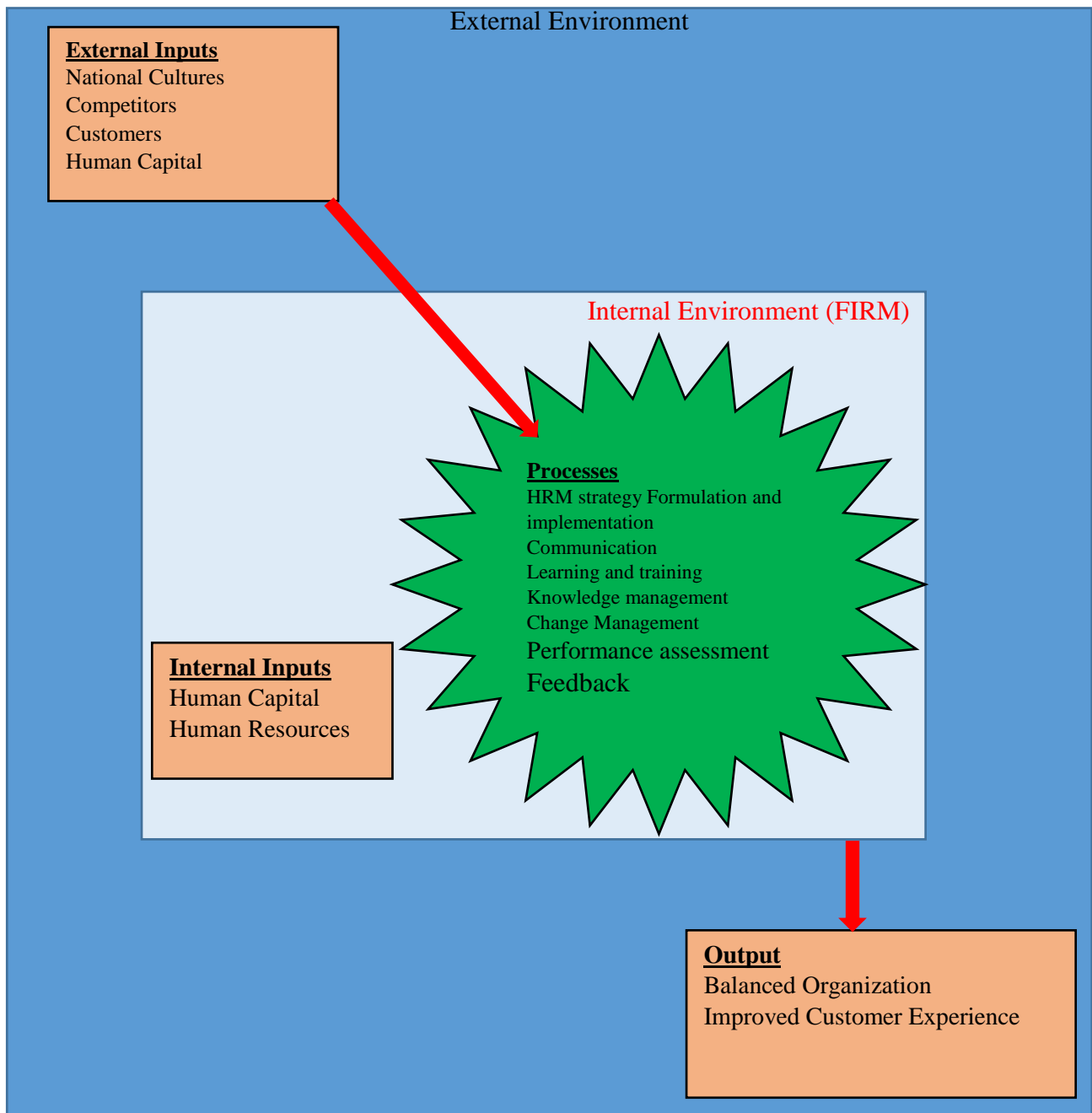


FIGURE 5. System approach to cross culture management

4.2.1 INPUTS

The inputs into the system come from both within and out of the organization and as such are divided into internal and external inputs as seen on figure 5.

In most Multinational organizations, there is a pool of workers from several countries and nationalities and also for companies wanting to go international, they need to have a multinational work force and this is one major input into the organizations.

The people will certainly have characteristics features of the culture of their various countries, which may include aspects such as language, communication style, way of reasoning, and natural country specific abilities.

The organization needs to attract human capital with the right skills needed and with the ability to grow within the organization for the benefit. Human capital is intangible because it deals with the human brain, which is one of the most complex things to deal with, and it is observable in terms of results and output.

Human capital is a major input to an organization, and can be obtained from outside the organization, and this consist one of the external inputs of the system as shown on figure 5 above.

Customers constitute a major input in determining the culture of the organization. The organization needs to consider their customers and the culture of the customers or majority of customers to be able to provide best customer experience with respect of the culture and believes of the customers. For example, customers would certainly feel much more satisfied if they are attended to in their mother tongue.

Competitors play a major role cross-cultural management because every organization needs to have an eye and keep on the cultural management style of competitors because cross cultural management increases customer satisfaction and helps to retain loyal customers.

The two main inputs in to the open system approach to cross-cultural human resource management are human capital and human resources. There is just a thin line between human capital and human resource but I will make the difference clear.

Resources are meant to be utilized and utility is derived from the usage of resources so it is more like an equipment. Capital on the other hand is to be grown, developed, and improved and to increase.

Human resources and human capital are two sides of the same coin where the difference between both is just a Mindset.

Human resources within an organization are the people in the organization and they constitute a major input into the system while human capital with the organization include the thoughts, beliefs and perceptions of the people, emotional intelligence, personal and professional values within the organization, different layers and different types of cultures and a higher sense of purpose in the organization.

4.2.2 Outputs

The organization will be more balance and fair when the open systems cross-cultural approach is implemented and there will be equal mixtures of cultures, values and norms in line with the Business culture. It will be balanced in in both communication and operations.

An organization is not balanced when there is improper or ineffective communication as a result of cultural differences acting as a barrier to a balanced organization.

An implementation of a systematic approach to cross cultural human resource management will lead to increased learning within the organization through workshops, seminars and training sessions organized by human resource management.

There will be increased and improved customer experience and customer satisfaction with the implementation of the open systems cross cultural approach because it ensures that all Human resources within the organization be trained, through training and this will empower them with more multicultural skills and a cross cultural mentality and approach to customer reception and serving the customers.

4.2.3 Processes

The processes within the organization are those set of activities that contribute to the quality and value of cross-cultural management and the processes can be seen on figure 5 above.

The strategies of HRM within the organization works with the system because it helps to put and direct the inputs into use for expected output. The goals and objectives of the organization have to be well displayed through strategies and policies of HRM. These policies and strategies have to be clear and understandable for everyone to understand and for a sustainable culture in the organization. The manner of implementation of these strategies will either enhance or hinder cultural mix or people and their cultures working to achieve a common stated objective.

The process of communication within the organization should be such that all cultures within the organization are heard and given the right and chance to be expressed. The language of communication should be harmonizing to avoid any cultural bias. Communication is on a very important component in

the system and a major process that help to transform the organization and all goals and objectives have to be well communicated. Customers have to be communicating with the company in a very fluent manner and in their most convenient language. The ability of an organization to have people with the ability to communicate in various languages makes it more multicultural and there is easy integration of cultures.

Change is very constant and cultural values keep changing, people keep changing and some aspects of national cultures keep changing such that every organization needs to be able to easily manage and adapt to any cultural changes within the shortest possible time. A change management process needs to be more proactive and needs to ensure that the change process is effective in all sectors within the organization.

Knowledge management process is very imperative in the system for better and consistent cross-cultural management through continuous learning, training sessions and workshops to enhance the cross-cultural interactive capacity of personnel in an organization.

The 21st century is no longer a production era just like it was in the past. We are in a global knowledge where many companies around the world are facing problems of culture, cross-culture problems economy, employee engagement issues and a war for talents as they get more involved in the transformation of emotions, cultural values, feelings, different cultural layers and transformation of perceptions into actions and behaviors (professional and social behaviors) for effective results through decision making, the ability to see how things work and react to them on time, value judgement and conceptual thinking. Knowledge management is therefore an imperative idea in this process for cross-cultural management to be more efficient. Employees need to continuously learn about other cultures and changes to national cultures (learning of foreign cultures into the organization for local employees, and learning of local culture by expatriates), organizational culture and business culture.

4.3 The Impact of culture on HRM and SHRM

Almost all aspects of human resource practices and processes, from recruitment and selection, controlling, planning, organizing, coaching, feedback and evaluation. Human resource managers need to acquaint themselves with the various cultural differences, the norms and basic good to know things of every culture represented in the organization by the employees. The manner in which an organization is managed is highly determined by both internal and external factors such as the environment in

which the organization exists and the organizational culture (Saffold, 1988:547). There is however a strong inter relation between human resource management practices and policies and organizational culture enable employees to better adapt to the situation in the organization and also to changes within and out of the organization easily if human resource management can make all policies and issues relating the organizational culture very clear, concise and well communicated to employees to adhere to. There is no such thing as a universal human resource available to all countries or nations but rather human resources are universally adaptable and can be used in most nation. For example, a motivation of employees in Latin America with a free holiday trip to their preferred destination may not always motivate employees in Italy or another country. So human resource management has the challenge to constantly develop a custom-based approach considering the aspects like National culture of the country.

Proper management of cultural values and norms will aid HRM to better understand employee behavior and understand the employees better for the inability of HRM to understand and know their employees and their cultural values can lead to employee dissatisfaction and reduced productivity if the employees might not be well motivated. Human resource management strategic decision making is greatly influenced by the national culture [Schneider & De Meyer, 1991:308] (Suhomomo-Diponegoro, 2009:4). Human resource management will have to set its employee appraisal methods based on the national culture. For example, in a country with high power distance and where there is a very high respect for elders and seniors, HRM will have to carry out appraisal based on employee behavior rather than the traditional and commonly used output based or result based or output (Suhomomo-Diponegoro, 2009:3).

Most companies are going abroad and becoming Multi-National companies or transnational and so there is a need to readjust their laws and mode of operation given that various countries have unique cultural characteristics and laws which may not be favorable if the companies comes with same policies and strategies used in the home country. A good example is the company employment terms which in Japan is very common to have people with a lifetime employment contracts or policies but which are very unpopular in other countries such as the United Kingdom. In this situation, HRM needs to change their operational policies. There is an ever-increasing need of organizations to get the best choices of well talented, educated and qualified human resource who can come from different cultural backgrounds. Human resource managers have to be able to recruit and select just what is needed and maintain the employees for what makes an organization different from competitors lies in the quality and quantity of human resources. National culture of a country can greatly influence HRM for exam-

ple, in Germany, there is a more centralized decision making system than in Britain [Laurent, 1983: 75] (Suhamomo-Diponegoro, 2009:3). Culture do vary from one country to another and from one regions to the country to another. National cultures have existed for a very long time and people can easily be identified from their either language, accent, manner of behavior and lifestyle. Some cultures are hereditary and can be associated to the arts of history and managers tend to behave and make some decisions based on their cultural heritage and historical origin. This is sometimes a major problem when the manager is not fully aware of the cultural differences that exist between his origin and his work location. This is usually a major problem faced by multinational co-operations. The poor mastery of the different cultures or cultural changes by HRM may cause chaos within an organization with a multicultural work force and poor strategic decision making by HRM as their strategic view is greatly limited or influenced by these cultural aspects.

Strategic human resource management may focus more on cooperate culture and business culture paying less attention on the existence of distinctive national culture in various countries and unique cultural characteristics in a given country. This not only limits the applicability of strategic implementation plans but can influence the business strategies as well. Cooperate culture of an organization may be influence by the national culture of the country where is located and this makes the understanding culture even more complicated and complex. In a multinational cooperation, where the cooperate cultures is a web of interwoven cultures that reflects the various nationalities of employees within the cooperation to enhance a very rich and diverse multicultural work environment.

Human resource managers have to continuously learn and upgrade their understanding of a unified culturally diverse environment, and ensure the business culture does not favor certain cultures but act as a pivotal point on which the cultures intersect and spread in the form of organizational output and service to customers. Human resource managers have to ensure the pivot is strong enough to support all cultures and this can only be possible when there is a strong cooperate cultures that is non-bias, tolerant and all-inclusive. This is a very big challenge to HRM because human beings by nature seem to have a strong link to certain cultural values that they sometimes consciously and unconsciously see it as the best way and should reflect in their daily activities and interaction within the organization. This however can be minimized by proper learning and increasing cultural awareness within the organization and address various aspects of culture more specifically.

5 CONCLUSION

The aspect of multiculturalism is an inevitable issue in the society today. Many more businesses are going global, communities and cities are outgrowing and becoming a cultural heaven. Cultures keep going across borders through either people or goods and services in a world with a very high level of trade and exchange transactions and the movement of people. This thesis clearly shows that it is very impossible to avoid multiculturalism in a world of increasing internationalization of people, businesses, countries and governments. The thesis also shows that it can be very challenging to deal with different cultures and various aspects of similar cultures. The thesis also shows that it is however very interesting working with different cultures and across cultures and how vital this is to an organization.

The concept of cross-cultural human resource management has to be practically implemented for a more successful and resourceful business and corporate strategy outcome. In everyday business life, it is unavoidable to interact with people from different cultures, different nationalities, and different values and with different skills and abilities. Learning other cultures and a continuous readiness to change and adapt to situations relating to cultural changes or cultural demands. It is even more challenging in multinational corporations, transnational corporations and organizations with a multicultural team but even more challenging for human resource management in the discharge of their duties and especially in strategic human resource management as they endeavor to engage all employees into common multicultural or cross-cultural organizational strategies. The benefits of a highly multicultural world must not be underestimated to an organization, countries and all stakeholders. A multicultural world involves learning other cultures, languages, skills and tolerating aspects of different cultures. Multiculturalism empowers people with the ability to interact and live in any society and reduce the possibility of any ambiguity.

Some corporations still have homogeneous teams, work places and single culture oriented strategies. This does not mean that they are bound to fail because of the strategies of human resource management. The choice of having a heterogeneous or homogeneous cultural organization is dependent on many factors such as; goal of an organization, size of an organization, sphere of operation and the human capital requirement of an organization. Most homogeneous culturally oriented organizations will gradually embrace a heterogeneous cultural approach and a cross-cultural managerial approach with the advancement of globalization and the increasing mobility of labor.

I do recommend that organizations can implement the systems approach to cross-cultural management. In addition, I do recommend further research be carried out on the system approach to cross-cultural management in practice because this research was based primarily on secondary data and so the findings may be limited in its applicability and scope.

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