

Impact of Globalization on Human Resources Management in Africa: Evidence from Nigeria

Vincent A. Onodugo, PhD, FCAI, FIIA, MNIM

Department of Management, University of Nigeria, Enugu Campus, Enugu, Nigeria

vincent.onodugo@unn.edu.ng or vincentonodugo@yahoo.com +234-8035-487-972

Abstract

This study assessed the impact of globalization on key areas of human resources management among Nigerian organizations. The need for this study arose as a result of paucity of empirical studies that sought to assess the impact of globalization on human resource management in Nigeria. The background rationale for the study was further highlighted by the consensus among Nigerian scholars that if Nigerian organizations must keep pace with competition which a globalized world has made more complex, they must properly manage their key area of comparative resource strength which is human resources. In the light of the above, this study specifically investigated the impact of globalization on the changes in HR policies of Nigerian organizations; its impact on the mobility of skilled staff and its relationship with income and compensation structure of Nigerian organizations. A sample size of 385 personnel was determined from the total population of 13,446 of the selected 8 multinational firms from oil, banking and manufacturing sectors. Survey design method was used and data were collected using questionnaire and structured interview. The analysis of data and interpretation of results yielded the following findings: Many Nigerian organizations have changed their HR policies as a result of global factors; most highly skilled staff have left Nigerian organizations in search of greener pastures overseas and most Nigerian organizations, within the sectors investigated have reviewed their income and compensation structure upward so as to retain their staff and cope with the scramble for few existing skilled personnel.

Key Words: Globalization, Human Resources Policy, Labor Mobility, Compensation

1.1 Background of the Study

In the last few decades, the world has witnessed an unprecedented interdependence among the various economies of the world in a phenomenon called Globalisation or simply “global village”. This trend in global change is being driven and facilitated by radical changes in information and communication technology. This trend has resulted in increased flow of resources across the various regions of the world. It is such that with a click of the button, money, and in some cases, products are transferred from one country to another. There is a consensus among scholars that technological changes and globalization are forces that have and will continue to transform the economic and social fabrics of the various nations (Chaykowski, 2002: 81; Ohamea, 1990:1; Lipsey, 1993:3-17 and Thurow, 1999: 20) and for the most part is irreversible. (Adei, 2004:6; Wolfensohn, 2001: 8).

There is also convergence among scholars and practitioners as well, on the importance of human resources as a key to future national economic and social prosperity (Porter, 1991; Czenter, 2002:6; Amiuwu, 2004:18). It is generally seen as a critical source for competitive and strategic advantage (Appelbaum and Batt, 1994; Bae and Rowley, 2002:402; and Locke and Kochan, 1995:359). A major premise in focusing on Human Resources Management (HRM) is that in the face of expansion of economic activity and diffusion of knowledge and technology, strategies that focus on natural and technological resources will certainly be unsustainable. This leaves the burden on human resources (Chaykowski, 2002:83). Pfeffer in Bernadine (2003:3) notes that “traditional sources of success (e.g. speed to market, financial, technological) can still provide competitive leverage, but to a lesser degree now than in the past, leaving organizational culture and capabilities, derived from how people are managed, as comparatively more vital”

The criticality of human resources in national and organizational development is not far fetched. It is the human resource that will utilize other resource inputs like capital and technology in the complex and dynamic process of production. At the other end of the production continuum, human resources constitute the market for the produced goods and services and as such the *raison d'être* for the production exercise. Further, it is only the human resource that reacts to issues and responds to the way it is being treated. This is more aptly put by Aimuiwu (2004:18) who remarks that:

HR is the only resource that is capable of conceptualizing and that can distinguish between, what is, what can be, and what should be. People dream dreams, have hopes, aspirations, fears and worries. ...managers seem to forget that markets, organizations, societies are made of not abstract geographic, demographics, or even psychographics, but REAL PEOPLE.

An analysis of most nations that moved up fast in the ladder of development shows that they were able to do that on the basis of human resources strategy. One good case is that of Japan. With less than 10% endowment of natural resources, it is the philosophy of "people are a castle" that provided the needed economic miracle (Sano, 1998: 404). The same goes for Singapore. Soludo (2007:15) citing the leader that laid the foundation of the modern Singapore on the key factor of success said:

A united and determined group of leaders backed by a practical and hardworking people who trusted them, made it possible...Singaporeans will have to be nimble in adopting and adapting these new discoveries to play a role in disseminating them...The future is full of promise as it is fraught with uncertainty. The industrial society is giving way to the one based on knowledge. The new divide in the world will be between those with knowledge and those without.

In developing countries in general and Nigeria in particular, the need for more empirical studies of the impact of globalization on HRM is even more compelling. For one, the global division of labour as espoused in the much debated theory of comparative advantage, the resource strength of most developing economies lies in their human resources, while the developed nations rely on capital and technology (Akinjide, 2007:46; Berry, 1970:275). In spite of the perceived marginalization in the theory undertone, the fact that a country like Nigeria which is the most populous black nation with a population of over 140 million people, should consider HRM-based strategy as a key to economic development may not be contested. History and even current evidence show that the bulk of the development in the developed nations is being facilitated by the human resources from developing nations (Rodney, 1972).

Complimentary to the above scenario is the available global statistics on the increase in the movement of human resource from developing to developed countries, and the perceived negative impact on economic development of the former. For instance, the survey conducted by Stillwell, et al (2004:595) reveals the following findings:

In 2000, almost 175 million people, or 2.9% of the world's population, were living outside their country of birth for longer than one year. Of these 65 million are economically active. ...Nevertheless the rise in the number of the people migrating is significant for many resource-poor countries because they are losing their better-educated nationals to richer countries: around 65% of all the economically active migrants who have moved to developed countries are classified as 'highly skilled.'

With reference to Nigeria, Soludo (2007:19) states that "estimated 17 million Nigerians are in diaspora...of which 26,000 of them are medical doctors in United States alone. Nurses are more in number." Some of the main reasons for

this increased migration of people are in search of higher pay and better working conditions (Buchan and May, 1999:199).

It is pertinent however, to state that while there is growing appreciation of the critical nature of human resources in national development, there are few empirical studies aimed at examining the impact of globalization on human resource management in Nigeria. The paucity of empirically based studies on the impact of globalization on HRM in developing countries has led many of them to depend on the research findings that were carried out elsewhere. This trend unfortunately coincides with the disposition in the literature, that due to the overwhelming influence of the world-wide impact of globalization, the policy options and preferences tend to favour for the most part convergence rather than nation specific responses (see the works of Kerr et al, 1962; Peters and Waterman, 1982; Womack et al, 1990). In most cases proponents tend to prescribe transfer of HRM policies regarded as best practices without recourse to the peculiarities of the adopting nations. Zcenter (2002:6) and Bae and Rowley (2002:407) however, argue that there are countervailing forces against such universalistic propositions. There are unique histo-cultural and institutional forces that will render this practice problematic. Nations and people differ and so are the policies that will seek to manage them (Ewurum, 1999).

Following from the foregoing, there is need for scholars and leaders of developing countries to shift from taking a premature critical stance that globalization is evil meant to promote the interest of the global west at the detriment of the rest of the world, to taking an empirical assessment of the various implications of globalization. This will increase chances of selecting relevant policies that will either maximize the opportunities it presents or minimize the challenges and threats that flow from it.

It is against this background that this study, which is aimed at investigating the impact of globalization on HRM in Nigeria, finds its relevance. It is believed that its findings will facilitate policy options that will help the nation to be competitive.

1.2 Objectives of the Study

This study seeks to generally assess the impact of globalization on the human resource management in Nigeria, with particular empirical assessment of the key sectors of oil, finance and manufacturing.

The study will pursue the following specific objectives:

1. To determine the extent to which business organisations operating in Nigeria have changed their human resources policies as a result of globalisation.
2. To examine the extent, and in which direction, highly skilled staff have emigrated following globalisation
3. To assess the influence of globalisation on the methods of human resources skill development
4. To determine the likely changes in income and compensation structure as a result of globalisation forces

1.3 Research Hypotheses

To effectively guide and direct this study and facilitate data gathering the following hypotheses are postulated:

1. Many business organisations in Nigeria have significantly changed their human resources policies in response to the influence of globalisation.
2. There has been significant relationship between number of skilled personnel emigrating out of Nigerian organizations and increased opportunities offered by global economic forces.
3. Globalization factors do have strong influence on methods of human resources skill development
4. There are significant changes in the income and compensation structure as a result of globalization.

1.4 Brief Review of the Literature and Theoretical Framework

The two variables that are the central focus of this study- Globalization and Human Resources Management- are topical and enjoy robust discussion in the literature. Globalization is comparatively newer than human resources management yet it has not received less attention in the literature. To contextualize this review and make it relevant to this study, we shall take the concepts one after the other.

The Concept and Approaches to Globalization

There is huge literature on the subject of globalization and its attendant implications on the socio-economic and political welfare of nation states. In the same vein, there is a convergence among scholars that the concept is not new (Farazmand, 1999:510; Knor, 2003:1; Held et al, 1999:5). What is “new is the magnitude of globalization and its impact on social welfare, environmental sustainability and international trade” (Steers and Nardon, 2000:21).

Generally globalization is a broad term that elicits different meanings depending on the context (Adei, 2004:3; Chaykowaski, 2002:82; Farazmand, 1999:511). The term is mostly seen in terms of economic and technological forces at work with ripple effects on the social and political sphere (Rosecrance, 1996:45; Ostry, 1997:81; Aimiuwu, 2004:19). This submission is relevant in that it shows the multidimensional and far-reaching consequences of what is otherwise purely economic. This is more succinctly put by Ohmae (1995:67), who observes that “economic activity is what defines the landscape on which all other institutions, including political institutions, must operate. Business and governments are just beginning to live with its consequences.” This claim of primacy of economics over other social-political institutions has been the underlying theoretical framework of analysis for leftist scholars of the Marxist tradition. They claim that economics presents the substructure upon which others referred to as superstructure derive their form, function and relevance. It seems that this analytical premise is relevant in understanding the impact of globalization on various aspects of a nation’s and organization’s life.

This challenge notwithstanding, various attempts have been made at a straight definition. Held et al (1999:16) define globalization as the:

Process (or a set of processes) which embodies a transformation in the spatial organization of social relations and transactions—assessed in terms of their extensity, intensity, velocity and impact—generating transcontinental or interregional flows and networks of activity, interaction, and exercise of power.

Implicit in this definition is that globalization is a process not a static condition; which is not only on-going but is progressively impacting on the flow (which according to the authors refer to movement of physical artifacts, people, symbols, tokens and information) and network (which is defined to mean regularized and patterned interactions between independent agents and units) of activities across nations and regions. In their arguments the authors provide analytical framework for understanding various forms and dispensations of globalizations (Tikly, 2001:156). Four eras emerged from their calibrations denominated in terms of extensity, intensity, velocity and impact of the flows and networks. They are pre-modern, early modern, modern and contemporary periods. Contrasting the contemporary era with the previous dispensations in terms of the earlier stated criteria; the author has this to say:

Empires, once the principal form of political rule and political organization, had given way to a worldwide system of nation states, overlaid by multilateral, regional and global systems of regulation and governance. Moreover, whereas previous epochs were denominated by collective or divided hegemony of western powers, the contemporary era can claim to have only single potential hegemonic power: the United States...whose enormous structural power has remained deeply inscribed in the nature and the functioning of the present world order.

Globalization Models and Approaches

There are basically three main models and approaches in understanding the dynamics and growing influence of globalization especially in developing countries (Tickly, 2001:153-154). A brief discussion of these models and approaches shall be made below:

Hyper-globalistic Approach

The proponents of this school of thought are (Ohomea, 1995; Strange, 1996; Donald 1992; Usher and Edwards, 1994). The central thesis of this approach is that we are entering into a truly global age with distinctively new forms of global culture, governance and civil society. They believe that this new state will overrun and supplant the national education and creating of national culture. In its full operation the traditional schooling methods will give way to virtual and high tech learning methods.

Critics dismiss this school's postulation as being preposterous. For one, most postcolonial governments see education as an instrument of national unity and common citizenship and as such are more inclined to strengthen hold on education rather than loose grip on it. Secondly, in most low income countries of the world, access to computers and the information superhighway is limited to postcolonial elites who through access to prestigious schools and international educational experiences are linked to the information revolution whilst the majority of the learners are not (Kenway, 1996: 217).

The Skeptical Approach

The key proponent of this approach to understanding the impact of globalization is Green (1997). The central thesis of this approach is that even though that globalization has led to increased regionalization, the earlier trading blocs formed during the height of European Imperialism, have been weakened. In other words, they believe that what has happened is nothing more than partial internationalization. In particular, this view believes that global Capitalism has led to greater polarization between the developed and developing countries (see Pleskovic and Stern 2002); a situation which has heightened the significant need for nation states to manage the deepening crisis which are attendant to growth in capitalistic system. In other words, instead of acquiescing to the sweeping influences of globalization, this approach sees the response of nation states in the direction of more controls in a bid to stem the tide of the consequences of globalized economy.

The major shortcoming of this view is that it has little relevance in understanding the situation in sub-Saharan Africa, as its focus and data were more on the advanced countries of the global West and the Pacific Rim.

The Transformationalistic Approach

This approach tries to integrate the views of the first two approaches and tries to fill the gaps identified in the process. Like the hyperglobalists, the transformationalists believe that the world is indeed experiencing an unprecedented level of global interconnectedness. But unlike the hyperglobalists they do not agree that it is an entirely new global age of socio-economic and political order. Instead, they believe it is an outflow of a long continuum of historical activities replete with contradictions. For instance, while it is true that globalization is leading to an increased integration of nations in some aspects of the economy, politics and culture; it is on the other hand leading to increased polarization and fragmentation where some states are more deeply entrenched in the system while others are heavily marginalized.

Proponents of this school believe that there is a rearrangement in the poverty-wealth divide. It is no longer restricted to nations but involves new social relationships that transcend and cut across national boundaries. For instance the 'Core' of the world economy now includes not only the wealthy nations but elites in the poorer nations as well. Conversely the world 'Periphery' now includes the poor and socially deprived in the more affluent nations.

Again within the thinking mold of this approach, the role of state is transformed. While in principle it (nation state) still maintains control over what happens in its territory, this control is influenced by the multilateral institutions which drive the process of globalization. This approach routes for a shift from national groupings to international ethnicities that cut across nations. From fixed to fluid cultural boundaries.

Within the context of this study and the emerging trend globally, the views and submissions of the transformationalists provide a better analytical framework than the other schools in understanding the impact of globalization on various aspects in developing countries.

Concept and Model of Human Resources Management

To fully appreciate the definition of HRM, we must first appreciate the fact that it is a sub-process of the entire management process. Traditionally, managers group organization resources into the popular 3Ms-men material and money (Akpala, 1990:3). There are however, more recent categorizations which include men, materials, machines, money, market and methodologies (technology) (Ocheoha, 2009). Using the traditional classification it is noted that the management of each of these resources constitutes a sub-process in the entire management function. Consequently, the management of money is what is called **Financial Management**. The management of material is called **Production Management**. While the management of human beings in the organization is what is called **Human Resources Management**

Bernadine (2003:26) identifies four possible models/ strategic approaches in international HRM. They shall briefly be discussed below:

Ethnocentric model: This model works within the assumption that management and human resource practices are critical core competence to a firm's competitive advantage and as such should not be trifled with nor compromised (Bird et al, 1998:159). Under this model, the foreign subsidiaries tend to have little autonomy and operations and decisions are typically centralized at the headquarters. The bulk of the management staffs are usually sent from the headquarters and comprise mainly the Parent Company National (PCNs). Most Japanese and American organizations are known to use this approach in recruiting and deploying international staff. There is usually pay disparity between the management staff which are paid in foreign currency and the rest of the staff usually members of the Host Country National (HCNs) that receive their pay in local currency and according to local market trend. This could be problematic if not properly managed. Firms that use this model usually have the onerous task of ensuring that local personnel acquire the necessary competencies and skills to help them perform optimally.

Polycentric Model: This is at the polar end of the continuum when compared to ethnocentric model. This model treats subsidiary as a distinct entity with some level of decision making authority. The essential thrust of this model is that international subsidiaries operate in a different environment (legal, socio-economic, political and cultural) conditions from that of the parent company and as such should be allowed to evolve its own HR management systems unique to it. Under this model both the management and the supporting staff are usually selected competitively from the local labor market. The only challenge is that in most cases, these local personnel are hardly ever promoted to work outside their local environment either in other countries where the company has subsidiaries or in the headquarters. This model is cheaper in addition to being more adaptable to local conditions.

Geocentric Model: This model tries to remove the boundaries and separating lines between the parent company and the subsidiaries scattered all over the globe. It strives to integrate its businesses with the relationships based on collaboration and mutual reciprocity. Under this model, the organization begin to see itself as having a global workforce that can be deployed and utilized in a variety of ways throughout the world. Key positions tend to be filled by the most qualified individuals regardless of nationality. For cost effective purposes, among others, most of the lower and middle level personnel could be sourced from the HCN, key management positions are sourced from anywhere-PCNs, HCNs and Third-Country National (TCNs). Staff remunerations in companies that are geocentric are generally based on global market rates and standards. Pay and work considerations are solely based on individual contributions to the organization rather than country of origin.

Regiocentric Model: This is a modified version of geocentric model. The main difference is in scope; while the latter is global in scope the former is regional. In other words, African subsidiaries will be managed by Africans, just as European subsidiaries will be managed by Europeans. To function properly, there is usually a strong regional headquarters that is vested with the power and authority to manage its operations in the particular region. These regional headquarters integrate and collaboratively manage the subsidiaries within its region. The only challenge is that

there is usually limited flow between the regions and the global headquarters. In some cases some use this model as a prelude and preparation to full-scale geocentric model.

It is important to note that within the contextual needs of developing countries any model chosen must strike a balance between maximizing its huge labor potential and providing opportunities for technology transfer. A critical look at the models presented above shows a clear trade-off between the twin goals of maximizing labor potentials of the host countries and technology transfer. For instance, ethnocentric and geocentric models increases the chances of technology transfer while minimizing the chances of utilizing local labor. While the regiocentric and polycentric models maximize the use of labor and reduce chances of technology transfer. The best strategy is for developing countries to initiate policies that will achieve a proper mix between the two goals.

Another important lesson for developing countries could be gleaned from the growth strategy of most Asian economies. Nissanke and Thorbecke (2008:12) note that the “growth –accompanied by a substantial reduction of abject poverty –in East Asia can be explained in terms of the region-wide comparative advantage recycling in the production of labor-intensive goods. The process involves a strong demand for unskilled and semi-skilled labor, driven by exporting labor intensive goods and pro-trade FDI through effective knowledge skill transfer.”

1.4 Methodology

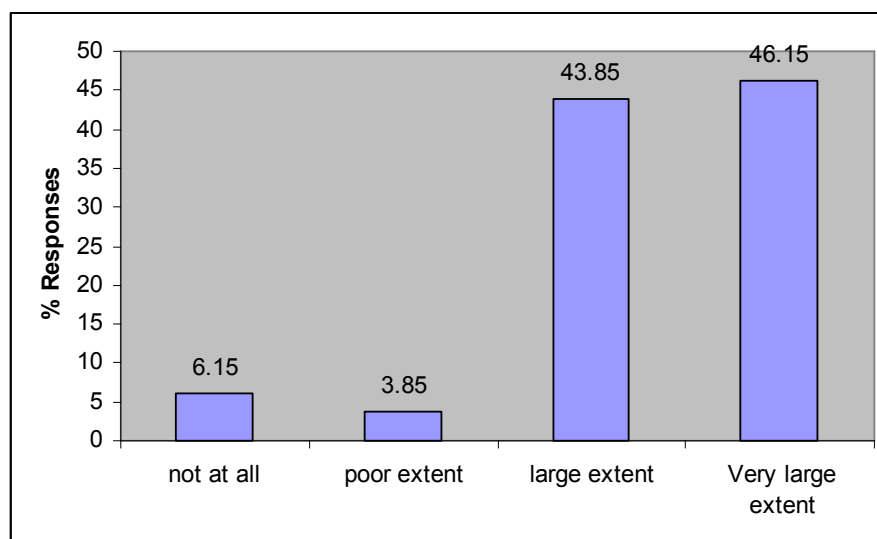
Data for this study was sourced from both primary and secondary sources. Personnel (especially those from the human resources department) from the sampled firms were the major source of primary data while reports of previous studies and literature were the source of secondary data.

A sample size of 385 personnel was derived from the total population of 13,446 of the selected 8 multinational firms from oil, banking and manufacturing sectors. Survey method of design was used and data were collected using questionnaire and interview. The interview was mainly carried out on the human resources managers of these organizations. The analysis of data, interpretation and test of hypotheses was done with SPSS.

1.5 Results and Findings

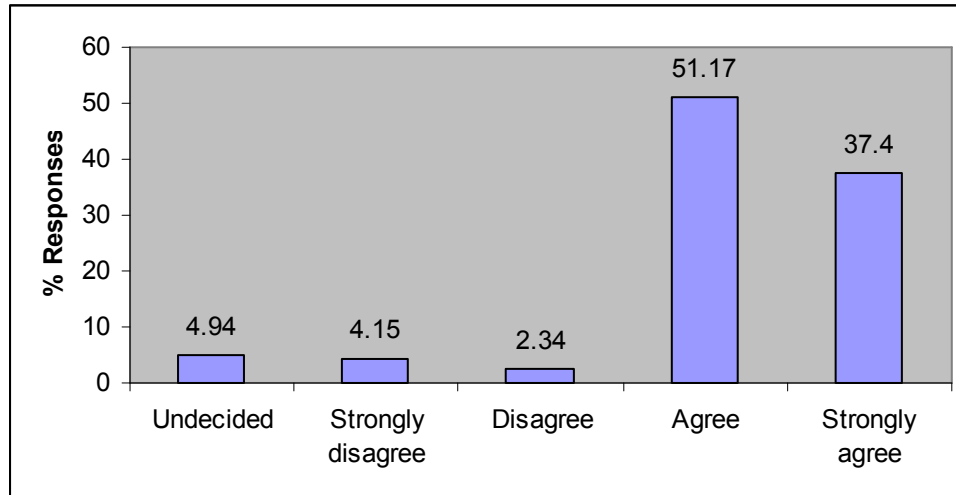
Study Objective1: To determine, if any, the extent to which Nigerian business organisations have changed their human resources policies as a result of globalization

Fig 4.1: Extent of Policy Change in Human resources Policies



Source: Field data

Fig 4.2: The Impact of Globalization on HR Policies of Organisations

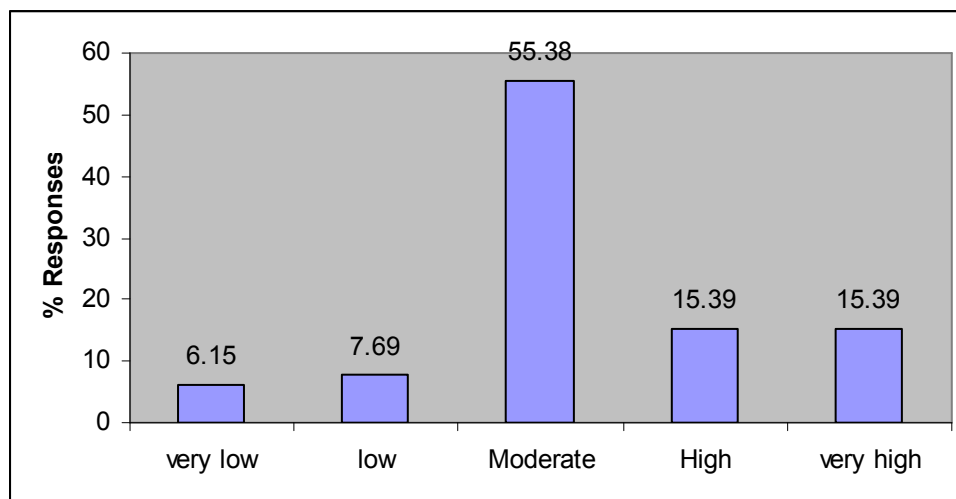


Source: Field data

The data in figures 4.1 and 4.2 above clearly show that there has been a major human policy change in Nigerian organizations as a result of globalization. Exactly 90% of the respondents agree that their HR policies have changes, while 89% agreed that globalization has led to HR policy changes in the organizations investigated.

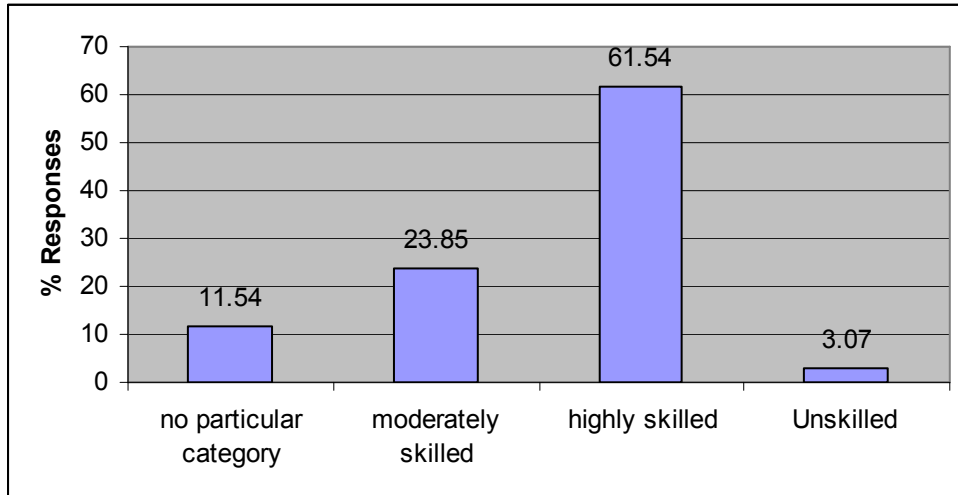
Study objective2: To examine the extent and in which direction, highly skilled staff have migrated following globalization.

Fig 4.3: The Extent of Employee Mobility



Source: Field data

Fig 4.4: Category of Staff Involved in Job Movement

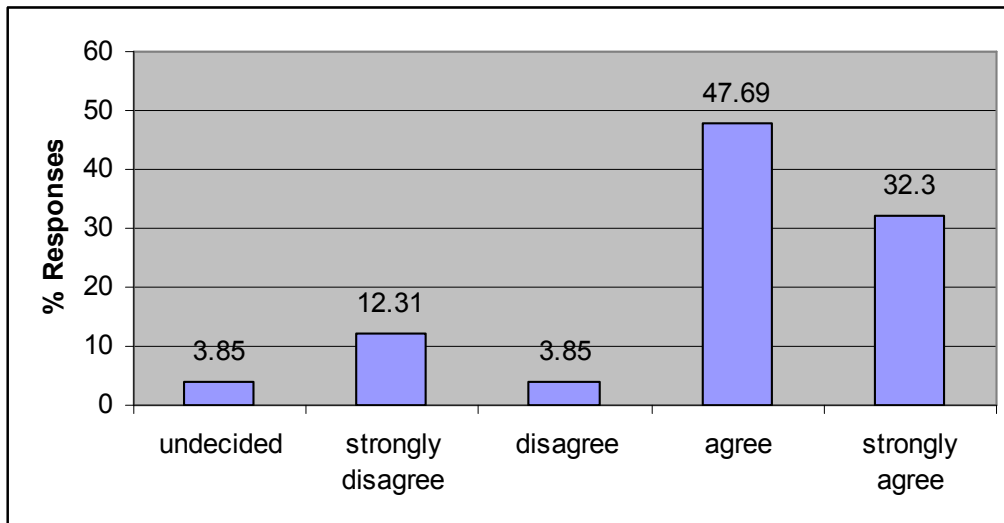


Source: Field data

Figures 4.3 and 4.4 reveal that staff mobility across the various organizations investigated is moderately high and the category of staff involved are the highly skilled ones. About 86% agreed that staff mobility is moderately high or very high, while 14% agree that it is low or very low. On the other hand, approximate 62% of the total respondents agreed that the employees involved in this movement are the highly skilled staff. About 24% believe that it is the moderately skilled staff that moves most, while about 12% believe that there is no category of staff involved in the movement and 3% say that it is the unskilled staffs that move.

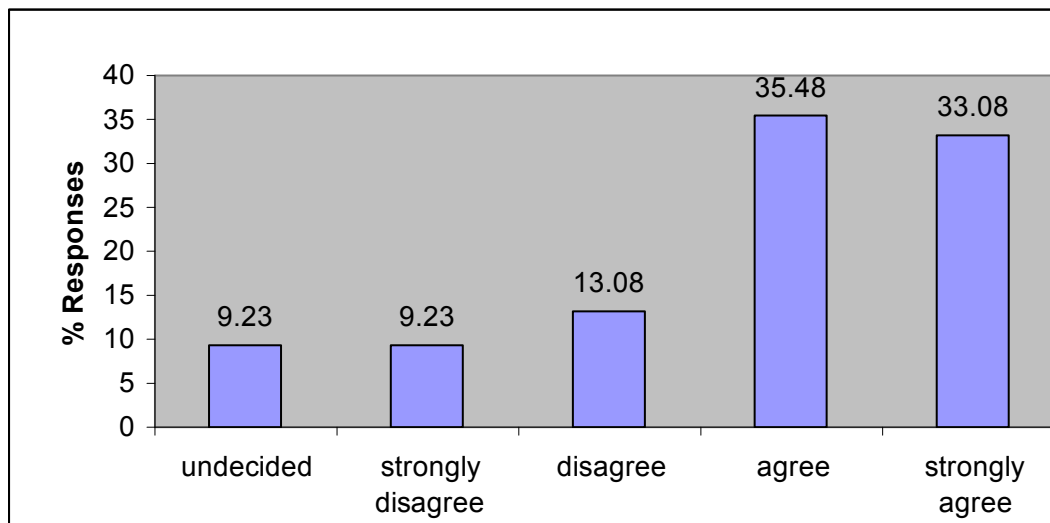
Study Objective3: To determine the likely changes in income and compensation structure as a result of globalisation forces.

Fig. 4:6 Recent Changes in Income and Compensation Structure of Nigerian Organisations



Source: Field data

Figure4:7 Income Changes and Staff Retention and Increase in Productivity



Source: Field data

Data in Figure 4:6 show that there are changes in the income and compensation structure of the investigated Nigerian organizations. Approximately 80% agreed or strongly agreed, 16% disagreed or strongly disagreed and about 4% were undecided. Figure 4:7 show that increases in income helped to retain and increase the productivity of staff. This is supported by approximately 69% of the respondents; about 21% disagreed while about 9% were undecided.

1.6 Test of Hypotheses

This section explains the outcome of statistical tests employed for testing the hypotheses stated in chapter one.

Hypothesis 1:

H1: Most organisations in Nigeria have significantly changed their human resources policies in response to the influence of globalisation.

We can state the null hypothesis thus:

H0: Most Nigerian organisations have not changed their human resources policies in response to globalisation.

The data for this test of hypothesis is drawn from the responses on questions 7 and 25a as shown in tables 4.7 and 4.9 in the previous section. Non parametric chi-square was used in testing this hypothesis. Responses on the five point scale were collapsed into two, to form a dichotomous variable. The formed variable was analyzed using non-parametric chi-square. The result of analysis for this hypothesis is shown in Table 4.31 below. A chi-square value of 32 was obtained at 129 degrees of freedom, giving rise to P-value of 0.00. This leads to a rejection of the null and acceptance of the alternate for the hypothesis under consideration. The outcome of the test, therefore, reveals *that globalization influence has led most Nigerian organizations to significantly change their human resources policies.*

Table 4.31: Chi-square value for test of Hypothesis One

Responses	Observed N	Expected N	Residual	Chi-value	D of Freedom	Sig
Disagree	13	65	-52	32	129	0.00
Agree	117	65	52			
Total	130					

Source: Field Survey, 2008

Hypothesis 2

H1: There has been significant relationship between rate of mobility and increased opportunities offered by global economic forces.

The null hypothesis can be stated below as follows:

H0: There is no significant relationship between the rate of mobility and increased opportunities offered by global economic forces.

The pertinent data for the testing of this hypothesis were the responses for questions 10 and 25b and shown in tables 4.10 and 25b in section 4.2.3. A contingency chi-square was used in testing this hypothesis. This was done by cross tabulating the variable on rate of mobility with number of employee going abroad. The result of analysis for this hypothesis is shown in Table 4.32 below. A chi-square value of 5.14 was obtained with a P-value of 0.0, thus, leading to the acceptance of the alternate hypothesis. The outcome of the test reveals ***a strong statistical relationship between rate of mobility and increased opportunity offered by globalization.***

Table 4.32: Cross Tabulation of the Rate of Mobility by Globalisation

Rate of mobility Globalisation	Agree	Disagree	Total
Low	29 (33)	58 (67)	87
High	4(8)	40(92)	43
Total	29(22)	101(78)	130

Chi-Square Tests	Df	Asymp. Sig. (2-sided)
5.142857	1	0.023342

Source: Field data

Hypothesis 3

H1: There are significant changes in the income and compensation structure as a result of globalization.

The null hypothesis is stated thus:

H0: There are no significant changes in the income and compensation structure as a result of globalization.

Data for the test of this hypothesis is obtained from the responses on questions 14 and 25e of the questionnaire presented in tables 14 and 25e in section 4.2.5. T-test and correlation analyses were used to test this hypothesis. The obtained t-values as contained in Table 4.36 below reveal the existence of significant changes in the income and compensation structure on one hand and general changes in personnel emolument on the other hand. A correlation analysis was further employed to ascertain the existence of significant relationship on the two variables chosen for this hypothesis. The result shows a correlation value of 0.65, which is significant at ($P \leq 0.05$) level. Given this result we reject the null and accept the alternate hypothesis meaning that ***there are significant changes in the income and compensation structure as a result of globalization.***

Table 4.36: T and Correlation values for Hypothesis 3

Question item	Mean	Std. Deviation	T	Sig. (2-tailed)	correlation	Sig.
Has there been major in changes in salary	3.918367	1.114988	6.80353	4.85E-10	0.65	0.00
Globalization has led to significant changes in personnel emolument and conditions of work	3.604167	1.039222	4.78804	3.18E-06		

1.7 Summary of Findings, Conclusions and Recommendations

The analysis of data and interpretation of results yielded the following findings:

1. That most Nigerian organisations have changed their HR policies as a result of global factors.
2. Most highly skilled employees have left Nigerian organisations in search of greener pastures overseas. These movements have been facilitated through the opportunities provided by the internet, cross-country posting of personnel by global firms and desire to live abroad where supposedly ‘things work’.
3. Nigerian organisations, within the sectors under investigation, have reviewed their income and compensation structure upward so as to retain their staff and cope with the scramble for few existing skilled personnel amidst global competition. This upward review has led to few skilled Nigerians coming back to take up some top banking jobs.

Conclusion

This research effort sought to investigate the impact of globalization on the management of human resources in Nigeria. The underlying theoretical assumptions for this study are: that globalization as a world-wide phenomenon has come to stay and has far reaching implications in almost all spheres of life; that the competitive cutting edge for African countries Nigeria inclusive are its human resources; it therefore makes academic sense to examine the relationship between the two of them.

Contrary to the prevailing perception among Nigerian scholars that globalization is an extension of global imperialism and as such portends only negative consequences, this study findings show that globalization has impacted on human resources management in both positive and negative ways. In particular, globalization has brought about rapid changes in the HR policies of most organizations and has led to upward review of the income and compensation structure of most Nigerian organizations. The downside of globalization with respect to HRM is that it has led to the movement of highly skilled staff overseas.

Recommendations

Based on the findings of this study the following recommendations are therefore proposed:

1. It is now clear that the global environment changes very frequently and as such most organisations should maintain flexible human resource policies so as to reflect the changes in the global and local labour market. The era of reviewing HR policies within a rigidly stipulated long term period (say for instance, every 5years or 10 years) is over. It is essentially the dynamics of global forces that determines the frequency of such changes.
2. Nigerian organisations should pay competitive wages so as to reduce the exodus of skilled staff. The Nigerian government should step up its infrastructural development so as to ensure a conducive and safe environment for peaceful co-existence requisite for pursuit of personal and collective socio-economic objectives.
3. There is need to initiate policies aimed at encouraging Nigerians overseas to repatriate their earnings in form of foreign direct investment and/or help facilitate technology transfer. This is especially the case in the banking industry where most Nigerian banks are going global.

References

- Adei, S. (2004). "Impact of Globalisation on Management the African Perspective," *Management in Nigeria*, Oct 2003-March 2004, Vol. 39/40.
- Alchan, A. A. (1950). Uncertainty, evaluation, and economic Theory, *Journal of Political Economy*, 58,
- Aldrich, H. E., & Pfeffer J. (1976). Environment of Organizations, in Inkeles, A. (Ed.) *Annual review of sociology* Vol.2.
- Aimiwu, I.E.A. (2004). "Globalisation- The Human Resource Challenge," *Management in Nigeria*, Oct 2003-March 2004, Vol. 39/40.
- Akinjide, O. (2007). "Globalisation of Legal Services-Fears of African Countries," *The Vanguard*, September, 21.
- Akpala, A. (1990). *Management: An Introduction and the Nigerian Perspective*, Enugu: Department of Management, University of Nigeria, Enugu Campus.
- Appelbaum, E, and Batt, R. (1994). *The New American Workplace: Transforming Work Systems in the United States*, Ithaca: ILR Press
- Bae, J and Rowley, C. (2002). "The Impact of Globalisation on HRM," *Journal of World Business Review*, 36(4).
- Becker, G.S. (1964). *Human Capital: A Theoretical and Empirical Analysis, with Special Reference to Education*, New York: National Bureau of Economic Research.
- Berry, S. (1970) "Economic Development with Surplus Labour: Further Complications Suggested by Contemporary African Experience" *Oxford Economic Papers new Series, Vol. 22, No.2 pp.*
- Bernardin, H. J. (2003). *Human Resources management An Experiential Approach*, New York: MacGraw- Hill Incorporation.
- Bird, A., Taylor, S. and Beechler, S. (1998). "A typology of human resource management in Japanese multinational corporations: Organizational Implications," *Human Resources Management*, 37(2).
- Blunkett, D. (2000). "Greenwich Speech," Department for Education and Employment at: <http://cms.gre.ac.uk/dfec/#speech>
- Baird, L., & Meshoulam, I. (1988). Managing Two Fits of Strategic Human Resources Management, *The Academy of Management Review*, Vol, 13, No 1, January.
- Brewster, C. (1995). "Towards a 'European Model' of Human Resource Management," *Journal of International Business*, Vol. 26, No.1.
- Buchan, J. and O'May, F. (1999). "Globalization and Healthcare labour Markets: A case Study from the United Kingdom," *Human Resources for Health Development Journal (HRDJ)*, Vol.3 No.3 September-December.
- Chaykowski, R.P. (2002). "Globalisation and Canadian Labour Policy," *Canadian Public Policy*, Vol. 28, No 1.
- Chukwuemeka, E.E. (2002). *Research Methods and Thesis Writing: A Multidisciplinary Approach*, Enugu: HRV Publishers.
- Clegg, S., Hudson, A. and Steel, J. (2003). "The Emperor's New Clothes: Globalisation and e-learning in Higher Education," *British Journal of Sociology of Education*, Vol.24.No. 1. February.
- Docquier, F. and Marfouk, A. (2004). Measuring the international migration of skilled workers (1999-2000), in Rosenzweig, M. (2005). *Consequences of Migration for Developing Countries*, New York: Population Division, Department of Economic and Social Affairs, UN Secretariat.
- Donald, J. (1992). *Sentimental Education*, London: Verso.
- Eric E. and Agu, C. (2007), *Business Environment and Competitiveness Across Nigerian States (BECANS) Report*, Enugu: African Institute for Applied Economics.
- Ewurum, U.J.F (1999) Management and Organisational Performance in Igbo Cultural Perspective; Enugu: IDS University of Nigeria, Enugu Campus.

- Falk, R. (1997). "States Seige: Will Globalization Win Out?" *International Affairs*, 73 January.
- Farazmand, A. (1999). "Globalization and Public Administration," *Public Administration Review*, Vol. 59, No.6 (Nov.-Dec).
- Feenstra, R.C. and Hanson, G.H. (1996). "Foreign Investment, Outsourcing and Relative Wages," in Robert, C et al eds., *The Political Economy of Trade Policy: Papers in Honour of Jagdish Bhagwat*, Cambridge, Mass: MIT Press
- Flippo, E.B. (1984). *Personnel Management Sixth Edition*, Singapore: Mc-Graw- Hill Book Company.
- Green, A. (1997). *Education, Globalization and the Nation State*, Basingstoke: Macmillan.
- Held, D., McGrew, A., Goldblatt, D. and Perraton, J. (1999). *Global transformations: politics, economics, and culture*, Cambridge: Cambridge Polity Press.
- Ikeagwu, E.K. (1998). *Groundwork of Research Methods and Procedures*, Enugu: IDS. University of Nigeria, Enugu Campus.
- Ilon, L. (1994). "Structural adjustment programme and education: adapting to a growing global market," *International journal of Educational development*, 14.
- Jones, C. (1983). *An introduction to the Study of public Policy , third edition* Monterey Canada: Brooks/Cole.
- Kanbur, R. (1999). "Income Distribution Implication of Globalisation and Liberalization in Africa." NewYork: Ithaca, Department of Economics, Cornell University.
- Kenway, J. (1996). "The information super-highway and post-modernity: the social promise and the social price," *Comparative Education*, 32.
- Kerr, C., Dunlop, J., Harbison, E. H., and Myers, E. (1962). *Industrialism and Industrial man*, London: Heinemann.
- Khor, M. (2003). *Globalisation and the South, Some Critical Issues*, Ibadan: Spectrum Books Limited.
- Laroche, M; Mérette, M; and Ruggeri, G. C. (1999). Concept and Dimensions of Human Capital in a Knowledge-Based Economy Context, *Canadian Public Policy / Analyse de Politiques*, Vol. 25, No. 1.
- Lipsey, R. (1993). "Globalisation, Technological Change and Economic Change," *Canadian Business Economics*, 2(1).
- Locke, J.R. and Kochan, T. (1995). Conclusion: The transformation of Industrial revolution in Bae, J and Rowley, C. 2002 *Journal of World Business Review*, 36(4).
- Makunike, C. (2008), "Nigeria Targets \$600 billion in Foreign Direct Investment by 2020", *Business Day*, Friday August 22
- Matamni, S. (1998). "Industrial Relations in Developing Countries," in Poole and Warner Ed *The IEBM Handbook Of Human Resources Management*, England: TJ International Limited.
- Morse, W.J (1973) A Note on the Relationship between Human Assets and Human Capital, *The Accounting Review*, Vol. 48, No. 3. July.
- National Economic Empowerment and Development Strategy (NEEDS), Document (2004), National Planning Commission, Abuja
- Nissanke, M. and Thorbecke, E. (2008). *Globalisation-Poverty Channels and Case Studies from Sub-Saharan Africa*, Oxford: Blackwell Publishing Ltd.
- Ohamae, K. (1996). "Putting Global Logic First," *Annual Editions: International Business 96/97*.
- Ohamae, K. (1990). *The Borderless World*, New York: Harper Business.
- Oladipupo, A.O. (2000). Globalisation of the Economy and its Understanding of Foreign Exchange, *Benin Journal of Social Science* Vol 8&9 Nos. 1&2.
- Onodugo, V. A. (2000). *Management Fundamentals Concept, Principles and Practices*, Enugu: Eldmark Publishers.
- O'Rourke, K.H. (2002). "Globalisation and Inequality: Historical Trends," *Annual World Bank Conference on Development Economics*, New York: Oxford University Press.

- Ostry, S. (1997). "Globalisation and the Nation State," in Chaykowaski (2002). *Canadian Public Policy* Vol.28, No.1.
- Peters, T., and Waterman, R. (1982). *In search of excellence: Lessons from America's best run companies*, London: Harper and Row.
- Pleskovic, B. and Stern, N. (2002). *Annual World Bank Conference on Development Economics 2001/2002*, New York: Oxford University Press
- Polit, D. and Hungler, B. (1978). *Nursing Research: Principles and Methods*, Philadelphia: J.B Lippincott Co.
- Rosecrance, R. (1996). "The rise of the virtual state," *Foreign Affairs*, 75(4).
- Thurow L. (1992) *Head to Head*. New York: William Morrow
- Tickly, L. (2001). "Globalisation and Education in the Postcolonial World: towards a conceptual framework," *Comparative Education*, Vol. 37 No. 2.
- Tung, R.L. (1998). "Human Resources Management, International," in *The IEBM Handbook of Human Resource Management* Ed by Michael Poole and Malcolm Warner, Cambridge: Thomson Learning.
- Sano, Y. (2000). "Human resources Management in Japan" in Poole and Warner Ed *The IEBM Handbook Of Human Resources Management*. London: TJ International Limited.
- Scholte, J.A. (1997). "Global Capitalism and the State," *International affairs*, 73(3).
- Schuler, R. S. (1998). "Human Resource Management," in *The IEBM Handbook of Human Resource Management*, ed by Michael Poole and Malcolm Warner, Cambridge: Thomson Learning.
- Schultz, T.W. (1961), "Investment in Human Capital," *The American Economic Review*, 51 (1).
- Soludo, C.C. (2007). "Law, Institutions and Nigeria's Quest to join the First World Economy," *Law and Investment Journal*, Vol.1 No1 January-March.
- Soludo, C.C. (2008), *Financial Globalisation and Domestic Monetary Policy: Whither the Economics for the 21st Century?* 40th Inaugural Lecture of the University of Nigeria; October 30th.
- Steers, R.M. and Nardon, L. (2006). *Managing in the Global Economy*, New Delhi: Prentice-Hall of India Private limited.
- Stilwell, B., Khassoum, D., Zurn, P., Vujicic, M., Adams, O. and Dal Poz, M. (2004). "Migration of health workers from developing Countries: strategic approaches to its management" *Bulletin of World health organization*, August, 82(8).
- Strange, S. (1996). *The retreat of the State: Diffusion of Power in the World Economy*, Cambridge University Press.
- Usher, R. and Edwards, R. (1994). *Postmodernism and Education: different voices, different worlds*, London: Routledge.
- Uzoagulu, A.E. (1998). *Practical Guide to Writing Project Reports in Tertiary Institutions*, Enugu: John Jacob's Classic publishers Ltd.
- Werther, W.B. and Davies, K. (1989). *Human Resources and Personnel Management Third Edition*, Singapore: McGraw-Hill International Editions.
- Wolfensohn, J.D. (2002). "Opening Address," *Annual World Bank Conference on Development Economics 2001/2002*; New York: Oxford University Press.
- Womack, J., Jones, D., and Roos, D. (1990). *The machine that changed the world*, New York: Rawson Associates.
- World Bank, (2000), *Can Africa Claim The 21st Century?* Washington D.C: The International Bank for Reconstruction and Development.
- World Bank and International Finance Corporation, (2008), *Doing Business in Nigeria*, NW: The International Bank for Reconstruction and Development/World Bank.
- Zlotnik, H. (1999). "Trends of International Migration since 1965: What Existing Data Reveal," *International Migration*, 37(1).