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## THE IMPACT OF GLOBALIZATION ON DEVELOPING HR LEADERSHIP SKILLS

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**ABSTRACT:** *The aim of this paper is to explore the required e-skill qualities for global HR leaders in emerging markets. The paper will analyze the impact of globalization on e-leadership skills, and will serve as the foundations for curriculum development, courses, workshops, and business practices related to leadership and human development. Secondary resources and research findings will be the main sources of data collection and analysis that determines the most important qualities and skills of e-leadership. The paper explores the most recent academic research on globalization and its impact on organization competitiveness in global environment. Globalization has a significant effect on economic volatility, culture, technology, and brings the biggest opportunities and challenges facing HR leaders in a multicultural environment. Global companies need to develop competencies framework and awareness of the new technology and social media to increase their competitive advantage through human capital.*

**KEYWORDS:** HR e-skills, HR Managers, e-leadership, Globalization.

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### INTRODUCTION

“Globalization” is continued to be a controversial issue in the world. However, most researchers agree on the influence of globalization on economy, culture and politics. As far as the effect is concerned, debate on globalization extended to include social media and networking as one of the most effective tools to reach customers across the board. No doubt that the increasing numbers of multinational companies demand e-skills in HR leaders and a know-how in information technology, social media, and the crucial role of recruitment and business expansion. E-leaders in the HR department should have deep knowledge and expertise in information technology, science, in addition to negotiation skills, critical thinking, as well as analytical and problem solving. E-skills demanded for effectively manage a business and survive in the market place. However, the requirements for e-skills depend on the type of business and the organization size. In general, each set of competencies demand an understanding of strategic management and a set of competencies related to practical skills. In other words, the future e-leaders should acquire both technology and management savvy.

The new pattern opens the door for tremendous opportunities, such as the advantage to communicate directly to potential candidates, customers and employees. The opportunities to cut the overhead costs enrich knowledge management and improve the overall organization performance, which will eventually strengthen the company’s competitive advantage. Nevertheless, HR e-leaders will face many challenges. Examples being, but are not limited to:

how to communicate effectively with employees, how to inspire and build trust and from long-distance, how to encourage employee involvement and communicate the vision and how to overcome the cultural differences.

E-leadership pattern has become quite popular after a decade or so. Researchers in this field highlighted the differences and similarities between e-leadership and other forms. Challenges and opportunities and the e-skills required for successful e-leaders and how the leadership theories applied in this form of leadership.

Multinational companies in all industries demand e-leaders to be top decision makers and seek competitive advantages of business opportunities throughout the globe. This requires a well-defined business structure and a highly qualified staff, as well as well-designed educational programs to close the gap of “supply” and “demand” of e-skill leaders. Educational institutions all over the world should design Information Technology Programs to enable the use of technology, in order to lead their organizations successfully and enhance the quality in their products and services.

This paper will review the academic literature review on globalization, e-leadership and e-skills. This paper will also present the variety of e-skills required for success and the technology that supports HR e-leaders.

## **LITERATURE REVIEW**

### **Globalization**

There are many different scopes of globalization; however our focus will be on economic globalization. The concept of globalization has been flourished in compass with the technological developments and has increased across the border through international trade. It's centered on the integration of international trade of goods, technology, services and finance.

This integration has a significant influence on the role of multinational companies in terms of consumption and production. The role is to gain competitive advantages over competitors in the global market. On the other hand, globalization may have a negative effect on the domestic economy, particularly through inflation and its effect on exchange rate (Fisher, Richard, 2005).

### **E-Leadership**

Researchers in the field of leadership agreed that the role of leaders have not changed, however, the new e-leaders should have e-skills in order to communicate their vision through the internet. What exactly has changed is that the leaders may never physically meet one or more of the followers, as the meetings are usually communicated through the internet. Communication and interaction rely solely on technological communication through virtual mediums, and through this paper, several of the aspects of this technology usage shall be examined.

Zigurs (2003) implied that, leadership is shown through technology and leaders must be acquainted on the use of such technological devices. Then choosing the appropriate media to communicate would improve or enhance performance in virtual teams, while also classifying media richness in terms of personal selection, language and feedback that are required to be sent. This would increase the richness of the virtual medium the more those characteristics are achieved and implemented. Zigurs claims that “leadership in the age of technology is different”. He also claimed that team leaders have a “different role to play in promoting and affecting how well teams work”. Zigurs argued that “communication technology can be an equalizer and provide the opportunity of participation of every team member”.

Zaccaro (2003) reasons that business leaders in this era have to cope with consistent forces. Firstly, leadership and organization work has grown increasingly in global environment. It is obvious for an organization’s subunits, customers, stakeholder, suppliers, and divisions to extend worldwide. Secondly, “the interactions with co-workers, subordinates, and supervisors that are spread out in different locations have a stronger communication frequency due to an increase in efficient technology”. He then states that multinationals companies have begun to refer to “e-leadership”, which includes leaders that conduct their leadership through electronic channels.

Bishop et al (2010) discusses email networks which “increases efficiency and improves a manager’s ability to understand how work is accomplished in a global collective environment”. This particular network can be “analyzed to comprehend aspects such as volumes, response time, individuals that an employee frequently interacts with cultural influences in the job of an employee, emotion, and team cooperation”.

Hüsing et al (2013) proposed a model for e-leadership (T-shaped portfolio of skills), that consist of three e-skills that leaders should acquire to be effective: Information and communication technology, business knowledge, and strategic leadership. The Authors classified e-leadership skills into three categories: “strategic management skills, hybrid market-IT skills and industry specific skills”.

### **E-Skills**

It’s the internet business skills needed by leaders to manage and inspire people effectively and efficiently to achieve the organization’s goals and objectives. New business models have been created through network based information flow and has unlocked new business opportunities for those who are acquainted with e-skills. In this section, we are going to highlight the most important e-skills that are required in order to remain competitive and innovative in the global business environment. According to the European Commission and the European Parliament and the Council (2006), “the e-skills involve the confident and critical use of Information Society Technology (IST) for work, leisure and communication, strengthened by basic skills in Information Communication Technology (ICT)”. The European Commission defines ICT as “the use of computers to retrieve, assess, store, produce, present and exchange in collaborative networks via the Internet”.

Therefore, the “digital competence” is composed by a set of hard and soft skills. Welsum and Lanvin (2012) research was proposed for the European Commission’s Directorate General Enterprise and Industry in support of the “European Union regarding e-skills demand and supply in Europe by the year of 2020”. The research supports competitiveness, innovation and employment among young Europeans through maintaining high-tech industries and information technologies. The research focuses on the importance of addressing e-leadership skills that are required by global competitive economies and closes the gap in Europe’s leadership e-skills. The report proposed a model of e-skills as follows:

- Basic skills: it includes the basic skills and knowledge that people should have such as writing, reading and IT.
- Occupational skills: The skills needed to accomplish an occupation and can be acquired through educational degree in colleges and universities such as business administration, engineers, law....etc.
- Global knowledge economy talents: the skills needed to lead and manage global businesses, multicultural and virtual teams and information technology.

El-Bakry and Hamada (2008), acknowledge the importance of technology to analyze biological issues. Both authors emphasize the need of e-skills in management, teamwork, communication and the need for change, respect of privacy, comply with legality and awareness of ethical and environmental issues. Nowadays, sustainability is the focus of business development in all countries in the world. Leadership in multinational companies should acknowledge sustainability and plan for the next generation.

## **DISCUSSION**

Stakeholders and departments within multinational companies should work together to develop the competencies needed for HR e-leaders. Chief Information Officers (CIO) must plan strategically with the human resource department, to determine the e-skills required HR leaders. Other departments should be involved in the process as well. The results will enrich the development of HR e-leadership framework to identify key skills in order to achieve their strategic goals and objectives. Other stakeholders should be involved in HR e-leadership development such as educational institutions, workshops and seminars. All authors and researchers in the field of human recourses and leadership are invited to write about the necessary e- skills required in this field. Government agencies and legislators should also be engaged in the process of HR e-leadership development by establishing key performance indicators and benchmarks against other states and countries.

## **IMPLICATION TO RESEARCH AND PRACTICE**

Global companies need to develop competencies framework and awareness of the new technology and social media to increase their competitive advantage through human capital.

Stakeholders such as educational institutions and multinational corporations, with the support of legislators, have to engage in the process of HR e-leadership development.

## CONCLUSION

Economic Globalization has brought many business models through technology. Thus, multinational companies should take this opportunity to gain a competitive advantage over new rivals in a global business environment.

E-leadership is becoming the most important issue of HR leadership, as virtual teams are distributed around a room in order to communicate electronically through the use of computers, in which those in charge speak with their followers through this virtual medium. New opportunities rise, as well as some obstacles.

Stakeholders such as educational institutions and multinational corporations, with the support of legislators, have to engage in the process of HR e-leadership development to remain competitive and innovative in a global business environment.

## FUTURE RESEARCH

E-skills are crucial nowadays in using the internet, social media and other communication technology to help HR e-leaders in managing people effectively and efficiently while in different locations.

More researches in the field of e-leadership is needed in the future as the technology is changing dramatically in very corner in the world. More courses and new models in the field of e-leadership is needed as well.

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