



Prifysgol Cymru
Y Drindod Dewi Sant
University of Wales
Trinity Saint David

Name: Kamrul Islam Bayazid

Student ID: 2506580

Module Name: Human Capital Management

Module Code: LCMB7023

Lecturer's Name: Dr. Gladius Kulothungan (London)

Word Count: 2603

Table of Contents

1. Executive Summary.....	3
2. Introduction.....	4
3. Main Body.....	5
3.1 Technology: A Driver of Both Integration and Fragmentation.....	5
Integration through digital platforms.....	5
Fragmentation through digital sovereignty.....	5
Technology and global labour-market dynamics.....	6
IHRM's balancing act.....	6
3.2 Macro-Factors and the Shifting I-R Balance.....	7
Demographics and cultural/economic distances.....	7
Geopolitics and fragmentation.....	7
IHRM as environmental scanner.....	8
3.3 “Glocal” Talent Management to Close Skills Gaps.....	9
Balancing global and local talent pools.....	9
Global standards, locally applied.....	10
IHRM as connective tissue.....	10
3.4 Reflective Report: Developing a “Glocal” Mindset using Gibbs’ Cycle.....	12
Introduction.....	12
Applying Gibbs’ reflective cycle.....	12
4. Conclusion.....	15
5. Reference list.....	16
6. Appendix.....	19

1. Executive Summary

Multinational corporations increasingly navigate labour markets characterised by rapid digital connectivity, uneven demographic transitions and rising geopolitical fragmentation. Within this environment, International Human Resource Management occupies a pivotal position because it must reconcile two competing strategic imperatives: the construction of globally coherent people systems and the need to adapt those systems to the cultural, institutional and regulatory conditions of each host market (Bartlett & Ghoshal, 1989; Ghemawat, 2001). Drawing on the CAGE Distance framework and the Integration–Responsiveness perspective, this report examines how macro-level forces, technological change and persistent skills shortages are reshaping international employment markets and, consequently, the design of IHRM strategies. Nestlé provides the principal case example, demonstrating how a structured global identity can coexist with substantial local discretion. Brief comparisons with organisations such as SAP in the technology sector and Marriott in hospitality show how global HR architectures are adjusted in practice. The report concludes by applying Gibbs’ (1988) reflective cycle to consider my development as an MBA student and the gradual formation of a “glocal” mindset capable of balancing standardisation with sensitivity to local contexts

2. Introduction

Labour markets today display a dual character. On one hand, digital technologies, cross-border mobility and integrated supply networks enable firms to operate at a scale and pace that favour global alignment of HR systems. On the other, persistent institutional differences, demographic divergence and political fragmentation anchor organisations within the specificities of national environments. This report advances the view that IHRM is the function best positioned to manage this tension. Using Ghemawat's CAGE framework and the Integration–Responsiveness model, it explores how global people systems are designed to ensure coherence across borders while accommodating the requirements of distinct labour-market settings (Ghemawat, 2001; Bartlett & Ghoshal, 1989). Nestlé's approach offers a central reference point, supplemented by sectoral examples and a concluding reflection on how these ideas inform my own professional development.

3. Main Body

3.1 Technology: A Driver of Both Integration and Fragmentation

The advent of digital technologies has altered labor markets. It enabled global recruitment, virtual collaboration, and platform based labor. While it has also increased regulatory and political friction. Therefore, for IHRM; Technology is an integration factor, and at the same time a new distance in the form of CAGE distances.

Integration through digital platforms.

Global Human Resources Information Systems (HRIS) and e-Recruitment Tools, as well as Collaboration Platforms allow Multinational Corporations (MNCs) to establish standardized basic HR Processes—Job Architectures, Performance Cycles, Learning Catalogues—and to push their organization toward the "Global Integration" Pole of the I-R Framework (Bartlett & Ghoshal, 1989). For example, SAP offers Cloud-based Human Capital Solutions that integrate Common Processes for Payroll, Time, Attendance and Talent Management across Countries (SAP, 2023a). Country Versions for local statutory requirements, however, do not affect the Global Logic or Data Structures of these Solutions (SAP, 2023b). The Systems enable worldwide Reporting of Headcount, Skills and Diversity, allowing Central Oversight of Labor-Market Conditions, and Rapid Redeployment of Talent.

Nestle's HR Policy emphasizes common Principles—Respect, Non-Discrimination and People Development—which are applied throughout the Organization (Nestle, 2023a); Group-Wide Systems support Succession Planning and Leadership Pipelines (Nestle, 2023a). As such, Digital HR Platforms offer the Infrastructure which enables Nestle to Monitor Global Talent Flows, Track Critical Roles and Ensure Minimum Standards in Selection and Development.

Fragmentation through digital sovereignty.

Alongside these integrative capabilities, technology amplifies administrative and geographic divides. Regulations such as the GDPR and the spread of data-localisation requirements oblige organisations to store and process HR data within national boundaries and to manage differing

rules on consent and access. SAP's localisation materials set out varied payroll, tax and compliance needs across jurisdictions, underscoring how sharply legal regimes diverge (SAP, 2023a; SAP, 2023b). As a result, even standardised platforms must be configured into federated systems—global in structure but differentiated in compliance.

Technology and global labour-market dynamics.

Expanded remote and hybrid working has widened recruitment geographies. According to CIPD's 2024 Resourcing and Talent Planning survey, organisations offering such flexibility reported stronger attraction and retention outcomes, with many now advertising roles without fixed location requirements (CIPD, 2024). This broadens access to talent pools but simultaneously exposes employers to global competition for specialised skills.

IHRM's balancing act.

IHRM teams must apply the I-R framework to determine which processes can remain globally coherent—such as leadership capability models—and which need local calibration in response to regulatory or cultural variation, including working-time rules or background-screening practices. Ghemawat's CAGE framework provides a way to trace technology-sensitive distances, including administrative constraints around data privacy, cultural expectations regarding monitoring, and economic differences in digital infrastructure and wage structures (Ghemawat, 2001). In practice, IHRM becomes responsible for constructing digital HR ecosystems that preserve global oversight and analytical capacity while staying adaptable to local legal and labour-market demands.

3.2 Macro-Factors and the Shifting I-R Balance

Macro-level demographic and geopolitical shifts are reshaping national and international labour markets, continuously altering the optimal balance between global integration and local responsiveness.

Demographics and cultural/economic distances.

UN-based data show that the global median age has risen from just over 20 years in 1970 to above 30 in 2022, driven largely by ageing in Europe and East Asia, while many African and some Asian countries retain very youthful populations (United Nations, 2024; World Population Review, 2025). This creates stark cultural and economic distances: European labour markets face shortages in nursing, engineering and skilled trades, whereas many African markets face underemployment among well-qualified youth. CIPD's 2024 survey highlights that a majority of UK organisations report intensified competition for well-qualified talent and widespread retention difficulties (CIPD, 2024).

For Nestlé, this demographic divergence means that HR strategies in Germany or Switzerland prioritise retaining older workers, flexible retirement and knowledge transfer, while in Nigeria or Côte d'Ivoire the emphasis is on graduate recruitment, career acceleration and employability partnerships with universities (Nestlé, 2023b; Nestlé Trinidad and Tobago, 2024). The same global competency frameworks and leadership values are therefore interpreted differently to align with local labour-market demographics, exemplifying “glocalisation” in IHRM.

Geopolitics and fragmentation.

Geopolitical tensions, sanctions and trade disputes have increased administrative and geographic distances between blocs. IMF analysis warns that geoeconomic fragmentation could reduce cross-border investment and slow productivity growth as firms reconfigure supply chains along political lines (International Monetary Fund, 2023). These shifts affect labour markets through more restrictive migration, tighter work-visa regimes and pressures to localise employment.

Research shows that HR practices in MNC subsidiaries tend to converge towards host-country norms, underlining the power of local institutional pressures (Rosenzweig and Nohria, 1994).

More recent work demonstrates that MNCs deploy different integration mechanisms—centralisation, formalisation, information and people-based approaches—across HR practices rather than choosing pure standardisation or localisation (Belizón, Morley and Gunnigle, 2016). Chung and Sparrow (2024) find that international HRM strategies often involve complex configurations that pursue integration and responsiveness simultaneously across different HR domains.

IHRM as environmental scanner.

In this volatile environment, IHRM must act as an “early warning system” that reads macro trends and translates them into talent strategies (Chung and Sparrow, 2024). Practically, this means:

- Anticipating demographic change and planning reskilling and workforce redesign rather than relying on global recruitment alone.
- Adjusting the expatriate/local staffing mix in line with rising administrative and geopolitical distance.
- Revising mobility and remote-work policies as migration and data-transfer rules tighten.

Macro-factors continually move the organisation’s position on the I-R continuum. IHRM’s strategic role is to detect these shifts early and reconfigure global and local HR architectures accordingly, drawing on frameworks such as CAGE and empirical insights from MNC practice (Ghemawat, 2001; Belizón, Morley and Gunnigle, 2016).

3.3 “Glocal” Talent Management to Close Skills Gaps

The paradox of globalization is very evident in labor markets due to persistent skill shortages. According to a 2024 report from ManpowerGroup about 75% of employers worldwide experience difficulties when filling job openings; this includes extreme shortages of engineers, information technology professionals, and healthcare workers (ManpowerGroup, 2024). The 2024 CIPD research indicates that most organizations recruiting within the past year experienced recruitment challenges and developed solutions through internal development opportunities and flexible working options (CIPD, 2024). Global research on talent trends conducted by Michael Page identify an "expectation gap" between what employees expect for flexibility, professional development, and purpose compared to what most employers are providing (Michael Page, 2024).

Balancing global and local talent pools.

A “glocal” approach positions talent management as a two-layered system. At its centre is a comparatively small group of internationally mobile leaders and specialists who act as carriers of corporate culture, technical standards and organisational values, reinforcing integration across dispersed units (Bartlett and Ghoshal, 1989). Nestlé’s practices illustrate this clearly: the company deploys international assignees across multiple markets and anchors their development through shared leadership frameworks and group-level succession mechanisms (Nestlé, 2023a). Alongside this global cadre, substantial attention is directed toward cultivating national talent pools through apprenticeships, graduate schemes and collaborations with local universities. These initiatives help the firm align with domestic labour-market dynamics, including the priorities of younger professionals in emerging markets, where accelerated advancement and international mobility remain highly attractive (Nestlé, 2023b; Nestlé Trinidad and Tobago, 2024).

Another example can be seen with Marriott's Talent Model within the Hospitality Industry. Marriott uses Global Leadership Expectations as well as Brand Standards to help keep their practices consistent around the world; however, for the organization to operate effectively from a daily basis, they require the ability to recruit and train locally responsive employees, as well as

provide the capability to communicate with guests in the languages preferred by each region. (Marriott International, 2023) This balance between the need for a common approach throughout the world while being sensitive to local preferences in a service encounter industry such as Hospitality is critical in maintaining brand credibility while meeting regional guest behavior.

Global standards, locally applied.

Structured approaches to addressing skills shortages require organisations to define global competency models for critical roles—whether cybersecurity engineers, implementation consultants or general managers—while varying how those competencies are nurtured and rewarded in each market. SAP illustrates this approach in the technology sector. Its consulting and implementation arms depend on deep global expertise in the organisation’s platforms, yet local project teams adjust delivery methods to accommodate national culture, client expectations, regulatory rules and language needs (SAP, 2023a; SAP, 2023b). The result reinforces Ghemawat’s (2001) argument that multinational firms must recognise and work with “distance” rather than assume uniform global deployment.

IHRM as connective tissue.

Conceptually, the CAGE framework reminds IHRM that skills gaps are not purely technical deficits but are mediated by cultural expectations of careers, administrative rules on certification and migration, geographic constraints on commuting or relocation, and economic realities of local wage levels (Ghemawat, 2001). IHRM therefore acts as the connective tissue linking global centres of expertise and local business units by:

- Facilitating cross-border knowledge sharing and communities of practice.
- Designing mobility programmes (including short-term and virtual assignments) that respect administrative and geographic constraints.
- Using HRIS data to identify where skills gaps are structural and require reskilling versus where they can be addressed by global sourcing.

Ultimately, closing skills gaps in a globalised labour market is less about choosing global *or* local strategies and more about orchestrating a portfolio of glocal interventions informed by distance and integration–responsiveness trade-offs.

3.4 Reflective Report: Developing a “Glocal” Mindset using Gibbs’ Cycle

Introduction

Working effectively in international labour markets requires a mindset that can hold global principles and local nuance in balance. Developing this “glocal” orientation involves learning not just from theory but from practical experience. Gibbs’ (1988) reflective cycle offers a structured way to examine such learning through six interconnected stages: description, feelings, evaluation, analysis, conclusion and action planning. I apply this model to a multicultural MBA group project that, in practice, revealed how the integration–responsiveness paradox plays out at an interpersonal level.

Applying Gibbs’ reflective cycle

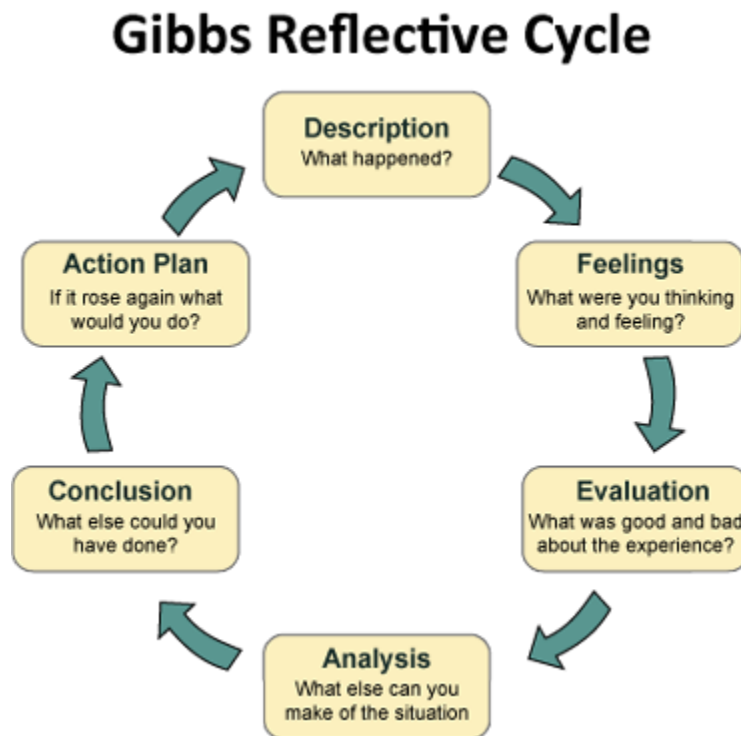


Image: Gibbs Reflective Cycle (Gibbs, 1988)

Description.

During a undergrad extra curricular project, I collaborated with classmates from Europe, East Asia and the Middle East on a consultancy-style project. At the outset, I suggested a strongly standardised working structure: fixed weekly meetings, uniform templates and a single communication channel that everyone would use consistently. The group accepted the proposal readily, and I assumed the coordinating role. Within two weeks, however, we experienced operational friction. Deadlines seemed to carry different meanings, contributions in online discussions dropped and underlying tensions emerged about responsibilities and decision-making authority.

Feelings.

Initially I felt confident, even proud, that we had an efficient plan. As participation declined, I became frustrated and subtly defensive, interpreting missed deadlines as a lack of commitment. When one teammate privately explained that the schedule clashed with caring responsibilities and that the communication style felt too blunt, I was surprised and slightly embarrassed that I had not anticipated these issues.

Evaluation.

There were positives: the team had a clear objective, and our documentation ultimately supported a strong final report. However, important negatives dominated the mid-phase: uneven workload distribution, unvoiced resentment and limited input from quieter members. We nearly missed a milestone because two teammates, uncomfortable challenging the agreed schedule, simply worked around it on their own.

Analysis.

Using the CAGE lens, I realised that our team replicated the global integration bias of many MNCs. I had treated my own preferred working style as a neutral “best practice”, overlooking cultural distance in communication norms and attitudes to hierarchy and geographic distance in time-zone constraints. In terms of the I-R framework, we over-emphasised integration (one standard process) and neglected responsiveness (adapting to team members’ constraints).

Research on international HRM shows that high-performing MNCs deliberately pursue both global consistency and local sensitivity rather than assuming a single best way (Belizón, Morley and Gunnigle, 2016; Chung and Sparrow, 2024). I had unintentionally imposed a “headquarters logic” on a diverse team, mirroring common expatriate mistakes in global firms.

Conclusion and action plan.

I concluded that productive global collaboration depends on establishing shared rules that recognise the “distance” present within the team itself. Rather than introducing a fully formed plan, a more inclusive approach would have involved opening a conversation about communication preferences, decision-making styles and feasible meeting schedules, and creating space for constructive challenge. To improve future teamwork, I intend to adopt four deliberate practices: beginning each project with a short CAGE-informed reflection on differences within the group; jointly developing a team charter that clarifies expectations and workload; setting mid-point reviews to adjust our working process; and inviting continuous feedback on my leadership approach. Taken together, these steps translate Gibbs’ (1988) reflective model into action and support the development of the glocal mindset that effective IHRM practice requires (Bartlett & Ghoshal, 1989).

4. Conclusion

This report suggests that the paradox of globalization — requiring both global integration and local responsiveness — characterizes the strategic environment for contemporary IHRM. Technology at the same time unites and divides labor markets; Demographic divergence and political instability redefine the institutional context; and long-standing skill shortages will necessitate the implementation of advanced glocal talent management strategies to attract and retain talent. The use of the CAGE and I-R frameworks, with reference to Nestle's practices, illustrated how IHRM designates, through the development of federated systems, a commonality in areas where global scale creates value and adapts in areas where local conditions create an imperative for adaptation. Sector-based examples of how this balance is achieved in technology labor market and hospitality labor market are provided through case studies of SAP and Marriott. The reflective application of Gibbs' cycle illustrates that similar challenges arise in MBA teamwork and developing a glocal mindset is as much a personal challenge as it is organizational challenge. Overall, IHRM's unique contributions lie in creating a balance between the global and local dimensions and transforming the tensions created by these competing demands into a source of resilience and competitive advantage.

5. Reference list

Bartlett, C.A. and Ghoshal, S. (1989) *Managing across borders: The transnational solution*. 2nd edn. Boston, MA: Harvard Business School Press.

Belizón, M.J., Morley, M.J. and Gunnigle, P. (2016) ‘Modes of integration of human resource management practices in multinationals’, *Personnel Review*, 45(3), pp. 539–556. Available at: <https://doi.org/10.1108/PR-09-2014-0207> (Accessed: 13 November 2025).

Chung, C. and Sparrow, P. (2024) ‘Exploring the configuration of international HRM strategies for global integration and local responsiveness in MNEs’, *The International Journal of Human Resource Management*, 35(11), pp. 1943–1969. Available at: <https://www.tandfonline.com/doi/full/10.1080/09585192.2023.2200955> (Accessed: 13 November 2025).

CIPD (Hogarth, A. and McCartney, C.) (2024) *Resourcing and talent planning report 2024*. London: Chartered Institute of Personnel and Development. Available at: <https://www.cipd.org/globalassets/media/knowledge/knowledge-hub/reports/2024-pdfs/8662-resource-and-talent-planning-2024-report-web.pdf> (Accessed: 13 November 2025).

Ghemawat, P. (2001) ‘Distance still matters: The hard reality of global expansion’, *Harvard Business Review*, 79(8), pp. 137–147. Available at: <https://hbr.org/2001/09/distance-still-matters-the-hard-reality-of-global-expansion> (Accessed: 13 November 2025).

Gibbs, G. (1988) *Learning by doing: A guide to teaching and learning methods*. Oxford: Oxford Polytechnic, Further Education Unit. Summary available at: <https://dsdweb.co.uk/wp-content/uploads/2021/10/learning-by-doing-graham-gibbs.pdf> (Accessed: 13 November 2025).

International Monetary Fund (2023) *Goeconomic fragmentation and the future of multilateralism*. IMF Staff Discussion Note SDN/2023/01. Washington, DC: IMF. Available at: <https://www.imf.org/en/Publications/Staff-Discussion-Notes/Issues/2023/01/15/Goeconomic-Fragmentation-and-the-Future-of-Multilateralism-527190> (Accessed: 13 November 2025).

ManpowerGroup (2024) *The talent shortage: 2024 trends*. Milwaukee, WI: ManpowerGroup. Available at: <https://go.manpowergroup.com/talent-shortage> (Accessed: 13 November 2025).

Marriott International (2023) 'Access to opportunity and welcoming all'. Available at: <https://www.marriott.com/culture-and-values/diversity-and-inclusion.mi> (Accessed: 13 November 2025).

Michael Page (2024) *Talent trends 2024: The expectation gap*. London: Michael Page. Available at: https://www.michaelpage.com/sites/michaelpage.com/files/protected-documents/2024-05/talent_trends_2024_global_report.pdf (Accessed: 13 November 2025).

Nestlé (2023a) *Nestlé human resources policy*. Vevey: Nestlé S.A. Available at: <https://www.nestle.com/sites/default/files/2023-04/nestle-human-resources-policy-en.pdf> (Accessed: 13 November 2025).

Nestlé (2023b) 'Our people – Central & West Africa Region'. Available at: <https://www.nestle-cwa.com/en/our-people> (Accessed: 13 November 2025).

Nestlé Trinidad and Tobago (Hamilton-Davis, R.) (2024) 'Nestlé goes “glocal”: Global standards, local heritage', *Newsday*, 18 July. Available at: <https://newsday.co.tt/2024/07/18/nestle-goes-glocal-global-standards-local-heritage> (Accessed: 13 November 2025).

Rosenzweig, P. and Nohria, N. (1994) 'Influences on human resource management practices in multinational corporations', *Journal of International Business Studies*, 25(2), pp. 229–251. Available at: <https://link.springer.com/article/10.1057/palgrave.jibs.8490199> (Accessed: 13 November 2025).

SAP (2023a) 'Country/region-specific features for SAP SuccessFactors Employee Central Payroll'. SAP Help Portal. Available at: https://help.sap.com/docs/SAP_SUCCESSFACTORS_EMPLOYEE_CENTRAL_PAYROLL (Accessed: 13 November 2025).

SAP (2023b) 'SAP solutions for localizations: Embedded localization'. Available at: <https://www.sap.com/products/localization.html> (Accessed: 13 November 2025).

United Nations (2024) 'World population prospects 2024 – data and insights'. In: Ritchie, H. and Roser, M. *Age structure*. Our World in Data. Available at: <https://ourworldindata.org/age-structure> (Accessed: 13 November 2025).

World Population Review (2025) 'Age structure by country 2025'. Available at: <https://worldpopulationreview.com/country-rankings/age-structure-by-country> (Accessed: 13 November 2025).

6. Appendix

CAGE Distance Analysis for a Global Performance Management System (PMS) in Japan

CAGE dimension	Key distance factors (HQ in Western Europe → Japan)	Implications for PMS design	IHRM adaptation
Cultural	High-context communication; greater formality; higher power distance; strong seniority norms	Direct rating feedback and forced ranking may be perceived as confrontational; employees may avoid openly challenging managers	Provide manager training on developmental feedback; allow more narrative evaluations; emphasise team goals; use calibration meetings that respect hierarchy
Administrative	Distinct labour law protections; role of lifetime employment norms in some firms; robust data-privacy rules	Global PMS timelines and documentation may conflict with local procedures and expectations of social partners	Align appraisal cycles with local contract and bonus structures; consult legal and employee representatives; localise data-retention and access policies
Geographic	Significant time-zone difference; limited in-person visits from HQ; travel costs	HQ-led workshops and live calibration may be hard to schedule; risk of HQ dominance in virtual sessions	Use asynchronous digital learning; rotate meeting times; empower local HR as PMS champions rather than relying on expatriate facilitators
Economic	Different salary structures, bonus norms and cost of living; tight labour market for bilingual professionals	Global rating distributions tied to standard bonus matrices may under- or over-reward Japanese employees relative to local norms	Benchmark local reward levels; allow limited localisation of bonus ranges; ensure high performers in Japan receive competitive outcomes relative to local labour market