

The Influence of National and International Labour Markets on HRM and IHRM Strategies

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1. Introduction

1.1The twenty-first century has seen the world become flatter in terms of globalisation, technology and people demography, and this has altered the way organisations handle people radically. The high rate of merging digital technologies, automation and global trade has increased the competition for skilled labour, and adaptive and inclusive HR strategies are mandatory in dynamic markets to survive.

1.2These global transformations have reshaped traditional Human Resource Management (HRM) and International Human Resource Management (IHRM) practices. Organisations are increasingly required to focus on flexible workforce models, continuous learning, and sustainability to remain competitive in a volatile global environment.

1.3This report discusses the consequences of changing global labour markets from four perspectives, which are technological progress, demographic and geopolitical conditions, solutions to global skills gaps, and the reflective assessment of personal fit to work abroad. Collectively, these discussions demonstrate how strategic human capital management is being constantly redefined in a globalised and fast-paced world.

2. Technological Advancements and Implications for HRM and IHRM

2.1 Introduction

Technological advances have completely changed the way organisations operate and the way employees approach work. Digitalisation, automation, and artificial intelligence (AI) are not only changing the skills in demand but also are changing how HRM designs and delivers value. Application Tracking Systems (ATS) make the recruitment process faster and more efficient, with algorithms for identifying the right person and data analytics allowing the management to evaluate performance, predict turnover, and improve reward systems (Peicheva, 2023). Likewise, AI-based training and development modules customise the learning process, enhance efficiency and memorisation. These are the technologies that pose opportunities as well as challenges to the global labour market. Although automation introduces new jobs in the data analysis sector, AI development, and digital sustainability, it also eliminates some of the routine jobs. Human resource managers should therefore manage this technological change in a strategic manner as a way of balancing innovation with workforce inclusion.

2.2 Global Technological Trends

The World Economic Forum (2023) reports that technological evolution will displace 83 million jobs globally by 2027 while creating 69 million new jobs, especially in the areas of data analysis, AI development, and sustainability. This reallocation marks a global re-skilling challenge as opposed to a net employment crisis. For instance, in the manufacturing industry, Germany has automated 35% of repetitive jobs since 2015, and digital jobs in the IT sector in India have grown by 17% per year.



Figure 1: Top Tech Trends

Source: (Fleming, 2021)

Remote work is one of the most visible effects of digitalisation. According to Statista (2024), the number of employees who work remotely at least once a week is currently at 28% of employees worldwide, compared to 9% before 2020. Technology has therefore opened access to global talent, but at the same time has eroded conventional lines of employment, resulting in gig and hybrid working models.

2.3 Impact on HRM Practices

Technology has both operational and strategic impact on HRM. Automated recruitment platforms involve the use of algorithms to assess thousands of candidates in an efficient manner, helping to reduce the time taken to hire up to 30% (CIPD, 2023). With the rise of continuous development platforms such as Coursera and LinkedIn Learning, learning management systems have made development easier. For example, 73% of UK organisations have taken some form of digital learning by 2023 (CIPD, 2023).

However, these advantages are offset by risk. Inequalities can be perpetuated by algorithmic bias, and over-automation can lead to a process of depersonalisation of HR. HRM, therefore, must structure frameworks for ethical AI application, making sure that there is diversity, transparency, and accountability for decision-making (Armstrong, 2023).

2.4 Impact on IHRM Practices

At the international level, digitalisation poses new challenges for the management of geographically spread-out employees. IHRM needs to manage multicultural virtual teams and make sure that these comply with diverse labour laws. Multinational companies like IBM and Unilever now manage workers in over 60 countries from centrally managed digital HR systems. These platforms can help in consistent performance monitoring and benefits administration, but they need an understanding of cross-border data privacy regulations, such as GDPR in Europe and CCPA in California.

The increasing rate of virtual teams has similarly altered the leadership paradigm. Cultural intelligence, digital empathy and time-zone flexibility are essential skills for global managers. According to an ILO (2024) survey, 62% of international HR leaders indicate that the major challenge to employee leadership is "virtual trust building." Hence, IHRM must balance between technological efficiency and relational management to maintain cohesion in distributed work teams.

2.5 Ethical and Strategic Considerations

The ethical management of employee information is crucial amid the introduction of technology into human resource operations. IBM (2024), in its report Data Breach, indicates that 43 per cent of all breaches in the world originated as a result of vulnerabilities in remote work, which drives the importance of cybersecurity training and excellent data protection. Moreover, HR systems based on AI should be transparent and accountable to maintain the trust of the employees. Predictive analytics is ethically applied by companies like Accenture and Siemens, which means that the attrition rate is minimised by more than 20 per cent in a year and contributes to the long-term, data-driven workforce management (IBM, 2024).

2.6 Conclusion

Technology is changing HRM and IHRM from a housekeeping to a strategic function. The trick is to ensure that automation and human creativity and empathy are a winning combination. HR professionals need to be digitally literate, embrace lifelong learning, and be professionals ethical enough to succeed in an increasingly digital world of work.

3. Demographic and Geopolitical Factors Influencing Employment Markets

3.1 Introduction

Beyond technology, demographic and geopolitical trends have a bearing on labour market composition and labour mobility. The impacts of ageing societies, migration, gender inequality and world conflict have a significant influence on the way organisations recruit and retain talent across the world.

3.2 Demographic Shifts and Ageing Populations

The world population is getting older faster than ever before. According to the United Nations (2023), by 2050, the global contribution of people over 65 years old will be 16%, while currently it is 10% (2022). Nearly a third of Japanese citizens are already over 65, putting the pressure on employers to implement retirement work and senior engagement programs. In contrast, Sub-Saharan Africa and South Asia are undergoing demographic booms with 60% of the populations being below the age of 30 (World Bank, 2023). These regions are confronted with the twin challenge of generating adequate jobs as well as providing employable skills to the youth.

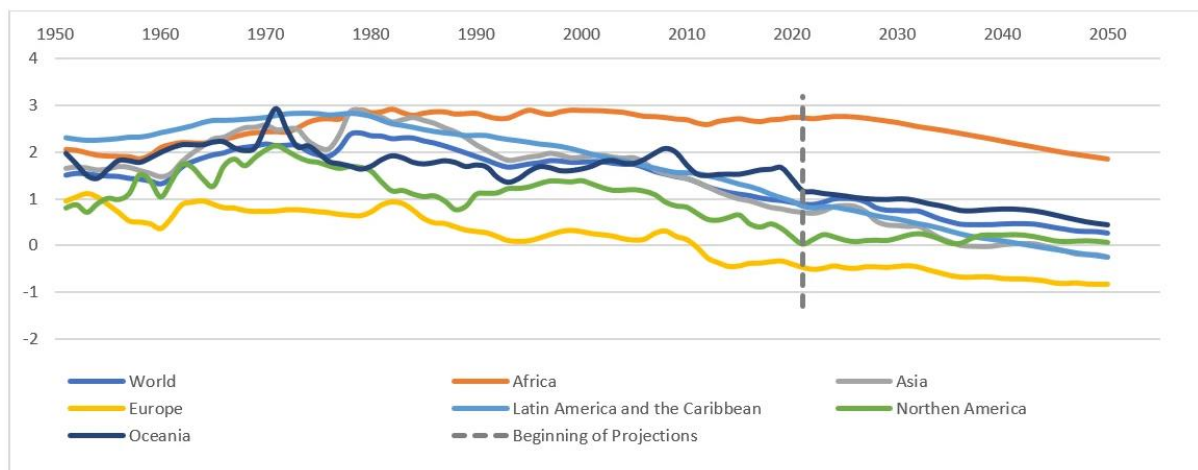


Figure 2: Demographic Changes Mean for Labour

Source: World Bank Blogs, (2024)

For HRM, the ageing populations create stress on the pension schemes and healthcare benefits, while the youthful demographic requires training and the creation of employment. Intergenerational management - a balance of experience together with innovation - has thus become a critical HR priority.

3.3 Gender and Workforce Diversity

Gender inclusion is still at the heart of sustainable labour markets. The World Bank (2023) estimates that if women were to be on equal footing with men, it would translate to an additional \$28 trillion in global GDP by 2030. Women, despite progress, account for only 28% of managerial positions in the world. Equal pay policies, childcare support, and flexible schedules are HR policies that are crucial for attracting and retaining female talent. Companies like IKEA and Deloitte have implemented a holistic diversity framework and reached gender representation of more than 45% in management positions.

Diversity also goes further than gender. HRM has now developed to include ethnicity, disability and LBQ+ inclusion as key strategic goals. Inclusive HRM policies enhance innovation, as teams with varying skills are 35% more likely to surpass homogeneous teams (McKinsey, 2023).

3.4 Migration and Global Mobility

Workforce composition is still being defined by migration patterns. The United Nations Department of Economic and Social Affairs (UN DESA) estimates that there are 281 million international migrants (3.6% of the world population). Migrant labour is used to address critical skills shortages in construction, health care and logistics. For instance, the number of migrant workers in the UK is 17% of the UK workforce, and 13% of the U.S. labour force (ONS, 2023). However, migration also leads to integration and compliance issues.

IHRM is not without its challenges, having to deal with complex visa regulations, cultural adaptation processes, and anti-discrimination measures. Increasingly, multinational companies have introduced "mobility inclusion frameworks" in which they offer cross-cultural training, mentoring, and family support to employees moving abroad.

3.5 Geopolitical Instability and Labour Dynamics

Globally, employment structures are being disrupted by geopolitical conflict, trade wars and policy uncertainty. The Russia-Ukraine conflict forced more than 10 million people from their homes (ILO, 2024), and Brexit cost the UK industries such as hospitality 17% of its EU nationals. The US-China trade tensions have sped up supply chains'

strategies to relocate to Southeast Asia, affecting the labour demand in manufacturing and logistics.

HR leaders will have to contingency plan with workforce diversification and remote models of operation. Additionally, climate migration is taking place as a defining challenge: 216 million people could be displaced by 2050 due to environmental degradation (World Bank, 2021), for which new frameworks of humanitarian employment and resettlement are needed.

3.6 Conclusion

The demographics and geopolitical tensions alter the dynamics of the workforce and are factors that make HRM and IHRM more proactive, ethical and responsive. Sustainable workforce management now requires embracing diversity, anticipating migration patterns, and maintaining stability in a world of volatility.

4. Addressing Skills Gaps and Talent Shortages through Strategic HRM

4.1 Introduction

The global skills shortage is one of the hottest issues organisations face today. Rapid technological advances have exceeded the traditional education systems to create a mismatch between supply and demand in just about every major economy.

4.2 The Global Skills Crisis

According to ManpowerGroup (2024), 75% of employers globally say that they are facing difficulty in finding skilled talent, which is the highest rate in 17 years. The facts developed by the Organisation for Economic Cooperation and Development (OECD, 2022) bring to light that 14% of jobs worldwide across advanced economies are at a high risk of being automated, while 32% will be significantly changed in terms of required skills. The shortage is especially high in digital, healthcare and green industries.

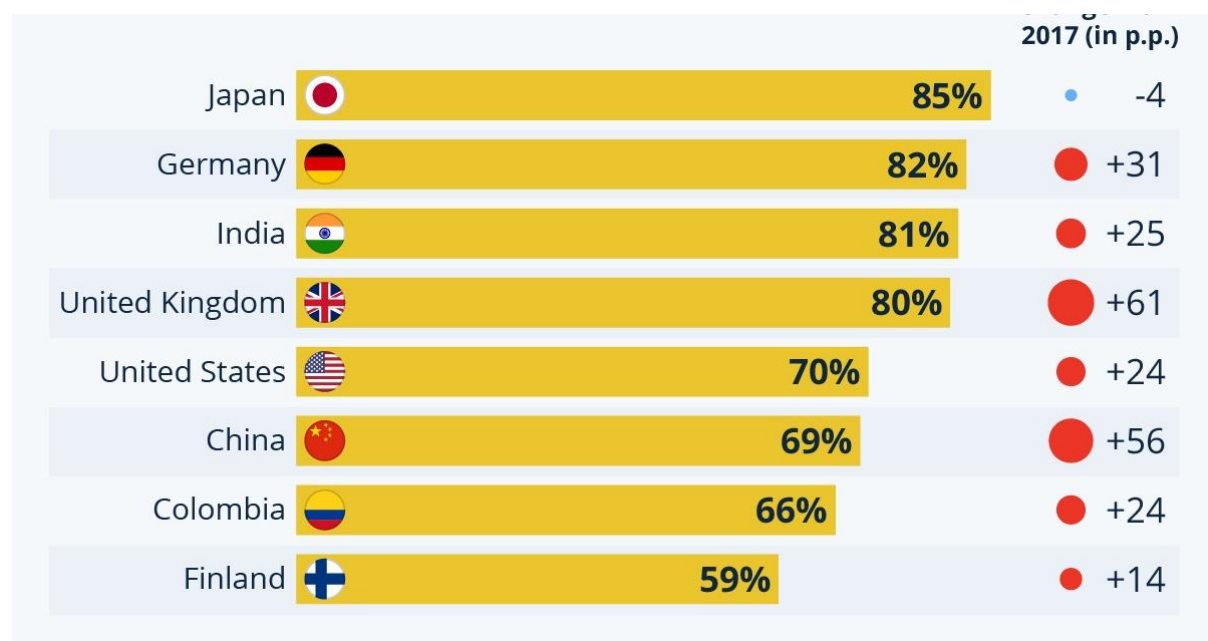


Figure 3: Global Staff Shortages

Source: (Buchholz, 2024)

The World Health Organisation (2023) estimates that the world will have a shortage of 10 million healthcare workers by 2030. In the UK, 76% of employers said they had recruitment difficulties in 2023 (CIPD, 2023), and this cost the economy \$6.5 billion a

year. This constant difference needs HRM to adopt data-driven and anticipatory approaches towards workforce planning.

4.3 Strategic HRM Solutions

Strategic Human Resource Management (SHRM) is the alignment of the management of talent with the long-term goals of the organisation. Workforce analytics has become essential when it comes to identifying gaps and predicting turnover. For example, Siemens uses predictive analytics to anticipate five years ahead technical skill shortages that cut attrition by 22%.

Learning and Development (L&D) initiatives are also highly important. Amazon spent \$1.2 billion on a global upskilling programme with the goal of training 300,000 employees by 2025, and Microsoft's "Global Skills Initiative" has trained 50 million learners since 2020. Similarly, IBM's Skills Build platform provides free AI training in 20 languages, which is a good example of how corporate-academic partnerships can reduce skill shortages.

Employer branding and employee experience are also determinants of success in competitive markets. The survey conducted by Deloitte (2023) showed that 44% of Generation Z candidates choose employers that are aligned with sustainable and social justice values. HRM must therefore communicate genuine purpose and equity in the form of brand and culture.

4.4 Collaboration and Policy Interventions

Addressing skills gaps requires cooperation between business, government and academia. The UK's "Lifelong Learning Entitlement" policy is a policy aimed at giving access to reskilling grants to every citizen by 2027. Internationally, the EU's "Pact for Skills" initiative has involved more than 2000 organisations to collectively train 6 million workers.

HR departments play a central role in the application of such frameworks as they ensure the employees continually update their competencies. Apprenticeship schemes, cross-functional mobility and micro-credential systems offer flexible pathways for reskilling.

4.5 Conclusion

Bridging the skills gap requires a holistic human resources management strategy that includes a combination of analytics, collaboration, and culture. By ensuring constant learning and inclusivity, organisations can and will not only manage to survive in an unpredictable global economy but thrive.

5. Reflective Report on Global Readiness and Professional Development

5.1 Introduction

Global employability requires cultural agility, critical thinking and reflective learning. Using Gibbs' Reflective Cycle (1988) and Bloom's Taxonomy (1956), this section provides an assessment of my professional strengths, weaknesses and development actions.

Gibbs Reflective Cycle



Figure 4: Gibbs Reflective Cycle

Source: (Simply Psychology, 2024)

5.1.1 Description

My postgraduate experience included group work with culturally diverse students using online platforms, such as Microsoft Teams and Zoom. These experiences gave me the possibility to use HRM and IHRM theories within communication, leadership and problem-solving, although at times I was at a loss for assertive leadership and effective handling of conflicting cultural views.

5.1.2 Feelings

Initially, I was excited and at the same time uncertain about working across cultures. The variety of ideas was invigorating but clashes due to working styles led at times to tension. Over the years, I learned to be patient, empathetic and respect differences of

opinion, and I know that it is through inclusivity that the collective effort is more powerful. This emotional growth gave me confidence in how I will handle the global professional environment.

5.1.3 Evaluation

Reflecting on these experiences, I identify important skills in communication, flexibility and technological capability. My presentation was good at communicating ideas, promoting online discussion, and bringing theory to practice. These strengths are aligned to Bloom's middle levels of learning - application and analysis. However, I also discovered some weaknesses, namely, strategic leadership and critical evaluation. I tended to be more harmonious than assertive, and this had some impact on the efficiency of decision-making. To progress to Bloom's higher levels (evaluation and creation), I need to acquire skills of analytical reasoning and creative problem-solving.

5.1.4 Analysis

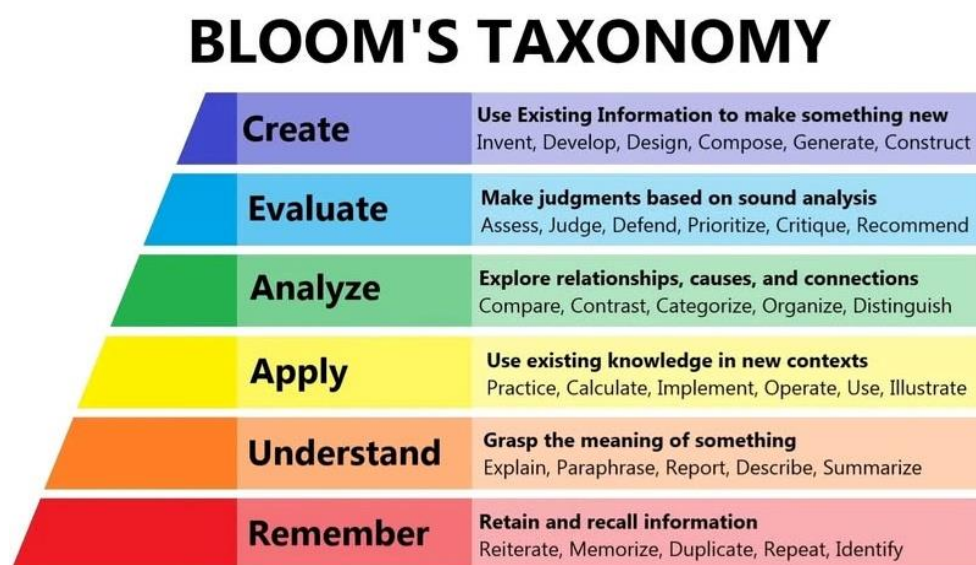


Figure 5: Bloom's Taxonomy

Source: (Simply Psychology, 2025)

Through description, reflection, evaluation, and analysis, I identified the role of independent learning and reflection in professional development. Then, at the "understand" stage of Bloom's Taxonomy, I learned theoretical knowledge about HRM concepts, such as cultural intelligence and virtual leadership. In the "apply" and "analyse" phases, I apply these theories by structuring tasks and facilitating discussions in groups. I continued the process of "evaluating" and self-assessed my

leadership style and realised that I need to be more assertive. Finally, in the 'create' level, I also began thinking about ways to make work more efficient and communicative for a team.

5.1.5 Conclusion

The reflection shows that I have several strengths which are important for global employability, such as being flexible, being technologically literate and being able to communicate in a cross-cultural way. But areas that need improvement are strategic leadership and higher-level analytical reasoning. I have moved effectively through the lower-order thinking of Bloom's Taxonomy, and now I need to focus on the higher-order skills to increase my managerial effectiveness.

5.1.6 Action Plan

My development plan includes mastering decision-making confidence with leadership training and a CIPD Level 5 Certificate in People Analytics in six months, and then the Leadership and Strategic Decision-Making Course by Harvard Online. To develop cultural intelligence and networking skills, I will also participate in multicultural workshops and international HR conferences such as the SHRM Global Talent Summit. Further, I will gain competence in HR analytics (Power BI and Tableau), complete an international HR internship and persist in reflective practice to develop adaptability, grow professionally and be prepared to achieve a successful career in global HR in a fast-changing, data-driven world.

6. Overall Conclusion

In conclusion, this report has demonstrated that the technological change, demographic changes, and geopolitical changes remake the global labour markets and shape HRM and IHRM strategies. It focused on digital competencies, lifelong learning, and intercultural sensitivity to achieve sustainability. The human resource professionals should be strategic change agents who align organisational interests with the needs of society by involving everyone in evidence-based practices that instil adaptability, leadership, and a sense of ethics in the development of the global workforce.

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