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

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Introduction

Labour markets are changing with the change in technology, demography and geopolitics. Automation, data platforms and global supply changes are changing how firms source and develop talent. These forces do not move evenly. Some sectors are affected more while others expand in response to new demands. The task for human resource management is to interpret these shifts, align workforce strategies with the organisational goals and preserve fairness across diverse settings. This report examines how technological progress changes employment and the practice of HRM and IHRM, how demographic and geopolitical pressures impact workforce design and how strategic management of skills can help in closing critical gaps. It closes with an account of capability in international work, drawing links between evidence, learning and personal development

1. Technological change, labour markets, and implications for HRM and IHRM

Technological change rarely moves in a straight line. It arrives in waves that alter tasks first and job titles later. Software tools, machine learning utilities and digital platforms now remix work content inside many occupations. Surveys of employers anticipate material reshaping of roles across the current decade, with some tasks displaced and others expanded or newly created as firms retool processes and supply chains (**World Economic Forum, 2023**). Evidence from comparative studies shows the effect is uneven. High exposure roles in information services and professional work see faster recomposition of tasks. Service work in care, hospitality and field operations changes more slowly but still absorbs digital scheduling, routing, decision support and remote assistance at growing scale (**OECD, 2023; OECD, 2024**).

For human resource management, the first and most practical response is accurate work analysis at task level. Organisations cannot treat jobs as fixed blocks. They need living maps of tasks that indicate where automation is plausible, where human work is best augmented by tools and where skill depth must increase through structured learning. A skills based approach to workforce planning provides that map. It links role families to clusters of abilities, sets transition paths and defines how internal candidates can move through adjacent skills rather than waiting for open requisitions that match perfectly with past titles (**OECD, 2024; World Economic Forum, 2023**).

The second implication centres on internal mobility. When tools change fast, the most reliable hedge against displacement is a visible and trusted internal market for opportunity. Managers should publish skill requirements, not only job titles. Employees should be able to test their current capabilities against target roles, access short pathway learning, and receive credit for project based experience. Organisations that lift

internal fill rates often see vacancy durations fall, salary pressure ease and retention improve since people do not need to quit to grow. This approach aligns with findings that adoption of intelligent tools increases demand for complementary capabilities in problem solving, data literacy and social interaction at work (OECD, 2024).

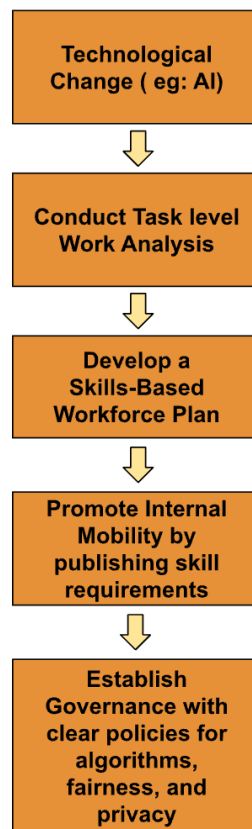


Figure 1 : HRM/IHRM Cycle of Response to Technological Change

The third implication is governance. Screening, monitoring and productivity analytics trigger fairness, privacy and consultation duties that vary by jurisdiction. Many countries now examine how algorithms influence hiring and evaluation. International groups need a policy spine that travels across borders, sets the strictest common denominator and respects social dialogue where it is part of national practice. Practitioners should keep a registry of people related algorithms, publish criteria for use, offer a human appeal route

and schedule independent review. These are simple steps yet they build legitimacy and reduce legal risk at the same time (**OECD, 2023**).

For international human resource management, distribution across countries adds another layer. Remote and platform enabled work allows firms to reach talent in more locations, but compliance becomes complex. Employment status tests, data location limits and local rules on workplace surveillance may differ widely. Sensible design begins with a compact set of global principles on data minimisation, transparency and explainability, then adds local supplements for law and culture. Training access should be equitable across sites rather than concentrated in a headquarters region. The productivity effects of new tools are real but only captured when firms invest in capability building and change support rather than treating tooling as a quick fix for cost (**McKinsey, 2023a; McKinsey, 2023b**). The priority is capability first. Redesign the work, select the technology that fits the design, then align people systems. This order avoids superficial rollouts and keeps attention on value creation and fair treatment.

2. Demographic and geopolitical forces shaping employment markets and HR challenges

Demography affects the curve of labour supply in many countries. Several advanced economies face shrinking working age populations through mid century and rising old age dependency ratios. The result is very clear. Replacement demand grows as older cohorts retire. Skill shortages in health, social care and certain technical trades become structural features rather than transitory spikes. Policy discussions often turns to migration as an offset. Movement of people can relieve shortfalls in the near term if qualification recognition, language support and integration are handled carefully. Population data shows that inflows matter most when systems help newcomers to convert skills into employability and progression (**UN DESA, 2024; OECD, 2025; IMF, 2025**).

Geopolitical shifts makes the picture complex. Supply chains now change under the pressure of resilience, national security and industrial policy. Firms re analyse location choices for manufacturing and knowledge intensive services. New hubs emerge along battery corridors, semiconductor clusters and specialist logistics routes. These moves change the local labour demand and raise questions for total rewards, learning means and union engagement. Human resource leaders need flexible reward frameworks that track local living expenses and protect the internal equity story during periods of rapid change (**World Economic Forum, 2024; OECD, 2025**).

Preferences about how and where people work have settled into new patterns after the pandemic period. Hybrid arrangements remain common in professional services while manufacturing and care work still require on site presence. The friction lies in long distance teams where expectations and legal norms differ. Some countries encourage flexible work by statute. Others place emphasis on presence. A single universal rule

from headquarters may not work always. The better path is to hold the principle of equity while adapting practice to the local context. Equity does not mean same rules. It means a clear justification for differences and a fair distribution of opportunities and tools across locations.

Youth labour markets deserve special attention. Outcomes improved from the lows of the pandemic but remain uneven. A number of regions report pockets of long term detachment from education and employment. That detachment has lasting effects on wages and wellbeing. The strongest results come when firms cooperate with local education providers, publish skills based entry standards and guarantee interviews for programme completers (**World Economic Forum, 2024**).

All of these forces makes the to do list for HR longer. Ageing requires redesign of work and workplaces. Later career employees benefit from flexible schedules and phased transitions that preserve dignity. Hybrid and flexible work require rules that manage performance and learning across distance. Shortage economies are not only about headcount. They are also about the quality of jobs and the credibility of career paths. Across borders, international HR should drop copy paste policy exportation and build context aware policy stacks that set global principles and then reflect national law, social dialogue and culture in a coherent way (**OECD, 2023; EURES, 2023; OECD, 2025**).

3. Addressing skills gaps and talent shortages through strategic HRM

Skills gaps in technology and hospitality persist because demand grew faster than training pipelines and because job quality in some roles struggled to keep up with expectations. An effective response blends demand side restructuring, supply side development and better matching. The point is not to chase the market with ever larger external hiring budgets. The point is to shape the work, widen the pool and raise throughput with evidence and care.

The first lever is redesign. Many roles combine deep specialist tasks with work that adjacent talent can learn quickly. In data work, teams can separate platform engineering, data stewardship and operations oversight so that entry routes are clear and internal progress feels real. Clear scopes of practice help in health settings. Through better design, employers expand the circle of people who can start, grow and stay. Research from employer networks shows that skills based structuring and clarity about tasks shorten time to competence and reduce vacancy duration (**World Economic Forum, 2023; OECD and ILO, 2024; WHO, 2024**).

The second lever is supply. Degree screens should fall away where they are not essential. Validated skills assessments and work samples reveal potential that formal credentials may miss. Earn and learn models accelerate throughput when they pay fairly and lead to permanent roles. Since intelligent tools increase demand for complementary human abilities, learning plans should add data literacy, tool fluency and customer interaction skills for a broad base of employees, not just specialists (**OECD, 2024**).

The third lever is matching. Labour markets waste time when information is missing or poorly structured. Public and private centres that collect skill demand, maintain common taxonomies and publish timely updates make transitions easier. Inside firms, internal

marketplaces surface projects and short roles that let employees build evidence toward new careers without leaving the organisation. The technology that supports matching needs careful governance. Bias can creep in through training data or proxies that correlate with protected characteristics. Consultation with worker representatives and clear routes to human review strengthen legitimacy and reduce the chance of harm (OECD, 2023).

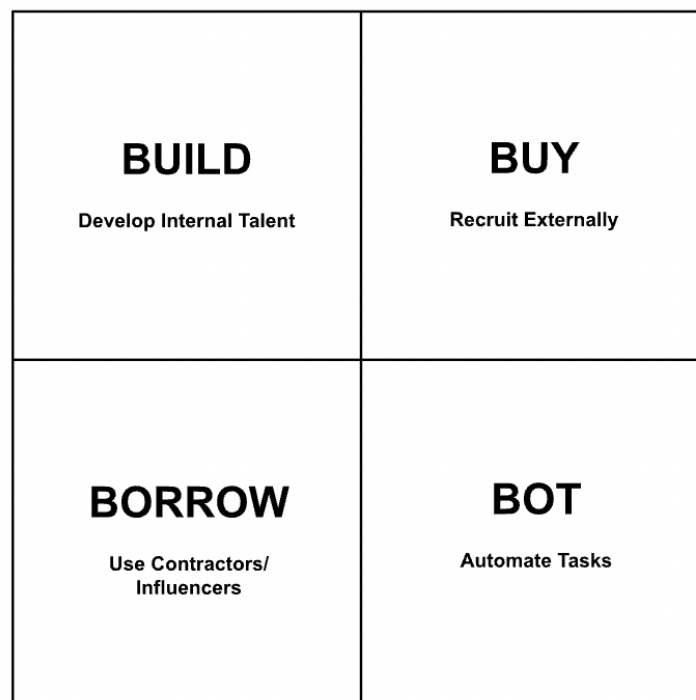


Figure 2 : Strategic Talent Sourcing Framework

Execution matters. Strategic workforce planning should move from static plans to rolling scenarios at the level of skill clusters. Plans should present build, buy, borrow and bot options with timing, risk and cost. Leading indicators such as internal fill rates, learning completion with performance lift, and early warning signals on attrition should guide rebalancing. Talent ecosystems around key sites multiply capacity. Job quality upgrades carry the best return in some shortage roles. Fair pay, secure hours, safe conditions and visible growth paths lift retention and cut hiring costs. When managers explain the purpose of the role and the path forward, applicants look beyond headline

pay and think about a future with the firm. These steps are not abstract ideals. They are practical responses that repeatedly show results across sectors and countries when pursued with consistency (**World Economic Forum, 2023; OECD, 2024; EURES, 2023; WHO, 2024**).

4. Reflective report on capability to perform effectively in an international context

My work sits close to software and data. That background makes it easier to join projects that span time zones and cultures because the tools of collaboration are familiar. Source control, issue tracking, reproducible environments and clean documentation reduce friction when colleagues cannot meet in the same room. I place evidence at the centre of decisions and try to share artefacts that others can test or extend. Two development priorities are now clear. The first is privacy and model governance across borders. I understand the broad ideas. I need deeper practice in privacy preserving analytics, safe operations for models and concise documentation of risks that business audiences can use. The second is accessibility and inclusive design for internal tools. I intend to use structured checklists during design review and include keyboard and screen reader paths in test suites. These habits align with regulatory attention to fairness and transparency in workplace technology and they improve the daily experience of colleagues who rely on assistive tools (OECD, 2023).

Distributed work succeeds when written communication is strong. I aim for short notes that state context, observation, implication and action. Decisions are recorded in places where they can be found later rather than trapped in chat history. During live sessions I keep a clear objective, invite contributions in turn and finish with owners, timing and follow up. A recurring weakness is assumed context. I sometimes skip steps that are obvious to close collaborators but unclear to a newcomer. The remedy is simple. I add a short primer to new repositories and a diagram that shows upstream and downstream teams. I also keep a brief slot in sprint meetings for basic questions so that uncertainty surfaces early rather than late. Recent peer feedback suggests these steps reduce rework.

Teams with mixed cultures need clarity about standards and safe rooms to test ideas. I try to offer both. Definitions of done are written, not implied. Interfaces between components are documented and owned. Limits on work in progress protect attention and reduce hidden queues. Feedback is prompt, about behaviour and impact, and tailored to how the other person receives information. When conflict appears, I restate the point of disagreement, identify what data might settle it and suggest a small test with a clear end date. This approach shows respect for different traditions by placing the shared project above status or habit. My growth area is boundary work between technical teams and functions such as legal or HR during international rollouts. I plan to shadow cross functional leads each quarter and take small liaison tasks, for example writing a short FAQ for non technical partners when a new internal tool is piloted. The aim is to learn their heuristics and bring them into earlier phases of design.

I adjust my style to the situation. In an incident I am directive and time bound. In building capability I coach and share context. When the team already holds the competence I delegate clearly and stay visible without micromanaging. During discovery phases I seek ideas widely and ask dissenters to share their case. Authority grows from preparation, reliability and fairness. I run reviews without blame and turn findings into checklists that prevent repeat issues. I invite quieter colleagues to speak by using round robin methods in design reviews and by leaving time for asynchronous comments across time zones. The area to improve is storytelling for senior stakeholders. Dense technical reports rarely answer the questions they care about. I now practice one page briefs that describe the problem, the options considered, the criteria used, the chosen path and the measurable outcomes with a clear residual risk. This habit supports governance in multinational settings where committees want concise and robust proposals.

I follow a quarterly cycle for learning. I pick a capability linked to current projects, choose one core text and two focused courses, build a small artefact that applies the learning and publish a short write up for colleagues. Last year the focus was

parallelisation and task level profiling. The artefacts included internal utilities that cut processing time for geometry pipelines and reduced storage overhead through better compression choices. The next cycle targets skills instrumentation. I want to help build a small skills inventory and mobility dashboard that keep planning grounded in real data. This direction matches external evidence that continuous capability building and improved matching efficiency are durable ways to ease shortages and lift productivity **(World Economic Forum, 2023; OECD, 2024)**.

Strengths include technical fluency, crisp writing, facilitative teamwork, a habit of evidence seeking and a steady focus on closure. These attributes travel well in cross border work. Weaknesses include occasional over compression of context for newcomers, limited exposure to formal social dialogue processes where works councils play a central role and incomplete mastery of privacy by design in analytics. The action plan is practical. I will complete a short programme on fairness and privacy engineering and run a reading group with colleagues from legal and HR to translate lessons into policy and process. I will shadow one collective consultation process to learn the cadence and documentation expected in those jurisdictions. I will continue to explain it for newcomers practice and add a buddy system for contributors in other time zones. I will maintain a personal skills log mapped to the organisational taxonomy so that internal mobility choices are based on verifiable experience rather than impression. These steps close gaps that matter for international work and build credibility across sites.

Conclusion

Labour markets are changing under the combined weight of technology, demography and geopolitics. The most reliable approach for HRM and IHRM is capability first. Redesign work at the level of tasks. Invest in learning that meets people where work happens. Upgrade job quality and publish real plans for mobility. Govern people facing technology with transparency and involvement. Demographic changes, new supply routes and diverse expectations about work call for context aware policy stacks rather than export of rules. With these choices, organisations protect fairness, sustain performance and create room for people to grow across borders.

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