### Anastasia Kuznets

Bachelor student of Linguistics ORCID ID: 0000-0003-1141-9731

National Technical University of Ukraine "Igor Sikorsky Kyiv Polytechnic Institute"

# FACTORS OF HUMAN RESOURCES MANAGEMENT IN TRANSNATIONAL CORPORATIONS

## ФАКТОРИ УПРАВЛІННЯ ЛЮДСЬКИМИ РЕСУРСАМИ В ТРАНСНАЦІОНАЛЬНИХ КОРПОРАЦІЯХ

## ФАКТОРЫ УПРАВЛЕНИЯ ЧЕЛОВЕЧЕСКИМИ РЕСУРСАМИ В ТРАНСНАЦИОНАЛЬНЫХ КОРПОРАЦИЯХ

The article covers theoretical issues and practical aspects of the study of personnel management processes in transnational companies. Definition the essence of of transnational corporations. Features and functions of management and control in transnational corporations. The basic organizational structure of transnational companies. A generalized definition of the content of personnel management process, shown the typology of transnational structures and their comparison. By the example of Google Inc. illustrated the current applications of human resource management principles. In accordance with this article fleshed out the negative and positive consequences of the impact of human resource management system in transnational corporations. Developed provisions shall improve the stability of the company functionality. Exactly these provisions were aimed at improving precisely such tasks as: improving creation and motivation of staff, identification of problems in personnel management, improve the management structure, improvement of technical progress, and others.

**Keywords:** personnel management system in TNK, transnational corporations, the principles of human resource management, HR mechanism in transnational structure

Стаття охоплює теоретичні питання та практичні аспекти дослідження процесів транснаціональних управління персоналом  $\nu$ компаніях. Визначення транснаціональних корпорацій. Особливості та функції менеджменту та управління в транснаціональних корпораціях. Основна організаційна структура транснаціональних компаній. Узагальнено визначення змісту процесу управління персоналу, наведено типологію транснаціональних структур та їх порівняння. На прикладі компанії Google Inc. показано поточні способи застосування принципів управління людськими ресурсами. Відповідно до иього у статті конкретизовано негативні та позитивні наслідки впливу системи управління персоналом в міжнародних корпораціях. Розроблені положення будуть підвищувати стійкість функціональності компаній. Саме ці положення були направлені на підвищення саме таких завдань як: підвищення та створення мотивації персоналу, виявлення проблем в

управлінні персоналом, вдосконалення структури менеджменту, вдосконалення технічного прогресу та ін.

**Ключові слова:** системи управління персоналом у ТНК, транснаціональні корпорації, принципи управління людськими ресурсами, механізм управління персоналом у транснаціональній структурі

Статья охватывает теоретические вопросы и практические аспекты исследования процессов управления персоналом в транснациональных компаниях. Определение и суть транснациональных корпораций. Особенности и функции менеджмента и управления в транснациональных корпорациях. Основная организационная структура транснациональных компаний. Обобщенное определение содержания процесса управления персоналом, приведено типологию транснациональных структур и их сопоставление. На примере компании Google Inc. показано текущие способы применения принципов управления человеческими ресурсами. В соответствии с этим в статье конкретизированы негативные и позитивные последствия влияния системы управления персоналом в международных корпорациях. Разработанные положения будут повышать устойчивость функциональности компаний. Именно эти положения были направлены на повышение именно таких задач как: повышение и создание мотивации персонала, выявление проблем в управлении персоналом, совершенствование структуры управления, совершенствование технического прогресса и др.

**Ключевые слова**: системы управления персоналом в ТНК, транснациональные корпорации, принципы управления человеческими ресурсами, механизм управления персоналом в транснациональной структуре

**Introduction.** The basic structure of the world economy and leading forces of most countries are transnational corporations. TNC turned out to objects of international policy, and actively participate in all global processes occurring in the world. In the near future we can predict the possibility of TNC through acquisitions, mergers, union largest companies.

Not the least role in global processes in the world play the US multinationals, the nature and scope of trade and investment ahead of the expansion of industrial and financial companies in other countries. A common type of social system is a system of personnel management in transnational corporations, which is a set of controls subsystems and their relationship naturally connected in a single unit that demarcate the management staff at different levels [8]. The research issues of international scientific and technological cooperation is devoted many articles and other publications of Ukrainian and foreign scientists. In particular, significant contributions to the clarification of these issues have authors: Rokocha V.V. [11], Voitko S.V. [9], Rahul Kumar [5], Larry Bossidy, Rem Charan [9].

Formulation of the problem. The purpose of research is estimation of the current state of human resources management in transnational companies and

demonstration of new methods of human resource management in TNC by the example of Google Inc.

**Research methodology.** The methodological principles are the basis of dialectical logic and systematic approach to the study of human resource management processes. The authors used methods of comparison, generalization, induction and classification.

**Results of research.** Activity of HR Management is focused on the impact on the human, focused on the harmonizing the capacity of staff and objectives, strategies, conditions for the development of the organization. Furthermore, HR Management is divided into the following areas: search and adaptation of personnel, operational work with the personnel and the strategic work with the staff [10, p.192].

The basic principles of HRM (human resource management) in transnational corporations are demonstrated on Fig.

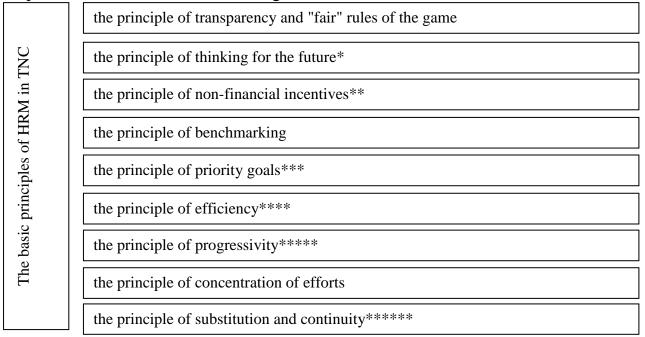


Fig. The basic principles of HRM (human resource management) in transnational corporations [11]

- \* corporations implement programs gradual involvement of students in their activities;
- \*\* systematization training, encourages career growth;
- \*\*\* HR objectives are derived corporate objectives;
- \*\*\*\* effective management of personnel at optimal costs;
- \*\*\*\*\* association of advanced scientific approach domestic and international experience in personnel management;
- \*\*\*\*\*\*based on continuity and rhythm of all units of service personnel management with a view providing effective administrative influence at all international staff company.

The main advantages of the system of personnel management in the transnational corporations like network structure are: 1) adaptability to changing conditions; 2) fast response to changing conditions; 3) concentration on staff in accordance with the priority areas of specialization; 4) unique processes; 5) efficient use of staff (low levels of employment, exclusion duplicate use of skilled labor); 6) engage in cooperative activities within the network of the best partners; 7) use exclusion second-class performers [13].

The main disadvantages of the system of personnel management in TNC are: 1) Specialization and focus on core competencies staff is specialization (system "narrow corridor") that limits rapid response to changes in any process of the organization, while the modern trends of companies require multifaceted qualified personnel; 2) Excessive dependence results from the staff of the (growing risks associated with staff turnover); 3) High level of complexity, heterogeneity due to staff opacity relations, scope of the corporation, dynamics self-uncertainty in planning as personnel policy and in of the corporation as a whole staff of network management system staff [13].

The presence of an established system of international personnel management company, its supply everything needed depends on the structure and type of TNC author summarized in the table [12]:

Comparative characteristics of the types of TNC [12, p.7]

**Table** 

Criteria	Types of TNC			
	Ethnocentric	Polycentric	Geocentric	
1. The criterion of leadership	Centralized (single point of control)	(Provides partial self- management corporation undercontrol separate divisions of the parent company)	Independent (highly decentralized) (Includes self-management separate divisions of the corporation for a coherent policy on the control center)	
2. The criterion of awareness	Unilateral (parent company - subsidiary)	Low awareness (parent company - affiliate - the parent company, branch - branch)	High exchange of information (parent company - affiliate - the parent company, branch - branch)	
3. The criterion of correlation domestic and foreign markets	The benefits of the internal market on the outside	The advantage internal over external	Interest is of the world.	
4. The criterion of control	Strong control by the parent company.	Branch - independent	Branch – independent	

5. The criterion of international post	The concentration of production in the home country, the use of host countries as a basis for providing resources or as markets for products	The main concentration of various areas (industrial, commercial, financial, Research) in the markets of the host	Consolidation activities carried out in different countries.
		markets of the host countries	

Modern HR-manager is a strategic manager and responsibilities included the formation of the personnel policy of the corporation, which includes the development of personnel training system, maintaining a normal psychological climate in team and, of course, the motivation. HR Managers is classified as leaders. Their main task is to ensure the efficiency of the human resource. From the activity of HR-manager it depends largely on the success of the corporation. In large companies there are entire departments or departments of Personnel Management, which employs several employees. Each specialist its specific objectives: recruiting, outsourcing, training, etc. Usually headed by HR service HR-director or HR Director [11].

We make a conclusion concerning the features of human resource management in TNC and that is primarily a significant difference of labor markets in the country based and host countries, by moving production or organizational needs of employees between units in different countries (that is mean, mobility), the difference in managing human resources in various departments, regional orientation of personnel from account of ethnic, religious, cultural, especially due to language problems and complications of monitoring implementation of projects [9].

Naturally, the managers of international companies need not only knowledge of other cultures (including language), but other qualities. Furthermore, seldom successful manager of the national company is as successful as in transnational companies [1].

The requirements for really capable managers in international business a little bit different from the main criteria for extremely successful manager. That's why, in decision-making is a common to use some facts and information more precisely. The international business is more secure and experienced.

As an example of TNC, we took Google Inc. This company is a public transnational corporation that is in the holding Alphabet. Therefore, Google maintains not only a numbers of Internet services, but also products; they are investing in Internet search, cloud computing, and advertising technologies and, as a result, profit from advertising through its program AdWord [2]. Besides, Google's HR managers support a strong strategy and also a development of career policy. This kind of strategy helps employees to be higher qualifying. Since, Google's career programs sure that their

employees are given task to grow (not only in the company sphere). So then, the combinations of the compensation strategy and holistic development in career programs have the most successful development. The company's performance in these aspects of HRM points to high-quality and effective HR managers. Google serves as an example of how competitive compensation combined with holistic career development and also boosts human resource performance.

HR Strategy of Google is to maintain that employees are encouraged and consecrated on their works and have responsibilities on the company. In addition to this, HR department should reflect as the service provider for all staffs and they ought to be treated in the same way with the customers. In this way, the entire standard of the customer satisfaction including the delivery will become simple to adopt and adjust.

Recruitment and Hiring Process in Google are the foremost phase in whole procedures. Since this company is not the last in the world, so there more than 1,300 resumes sent to the Google's HR department every day. Hiring the most important applicants is the main philosophy of the department of HR. In this case, Google hosts are different outdoor activities that shows combined outstanding recruitment practices and the awareness about interior. This company is determined to look for the people who would be successful.

Training and Improvement Opportunities for Google Employees. The employees are offered opportunities in which they will learn and develop some skills. In fact, these opportunities that offered to employees, maintain presentations in which you increase skills in business writing, management and other. There are also free classes for languages (Spanish, French and East languages) [3].

The proposed mechanism of personnel management in corporations aimed at achieving long-term success and its augmentation and is active as a relatively stable environment, and at a variable [4].

Summarizing all requirements provided management features. Personnel in multinational corporations, it should be noted that the method of their formation is based.

On the one hand, the scientific principles of management, on the other – takes into account the specificity of transnational production in modern conditions, providing constant guidance a parent company for its subsidiaries in different countries and at the same time giving them autonomy in decision-making, taking into account the particularities of the market and according to the laws of the host country and the home country [6].

**Conclusions**. Carried out research makes it possible to conclude that at this time the system of personnel management in international corporations consists of systems such as: planning, search, selection and recruitment, and also adapting staff

development and motivation. The structure of the HR International Corp. includes the main holding company and organization departments. The structure of the HR in the structural units include tactical subsystem, which is responsible for recruitment of manpower, training, retraining and skills development, organization of distribution, transfer, promotion, dismissal of employees; evaluating and making recommendations on their future career; current accounting and planning staffing needs and strategic subsystem that is focused on the development of human resources policy by analyzing the structure of staff, efficiency of work, forecasts for production, employment, corporate strategy [9].

### **References:**

- 1. Criticism of Google [Electronic resource]. Access mode: http://wpedia.goo.ne.jp/enwiki/Criticism\_of\_Google.
  - 2. Google [Electronic resource]. Access mode: http://www.dailymotion.com/hub/xid\_google;
- 3. Google's HRM: Compensation, Career Development [Electronic resource]. Access mode: http://panmore.com/google-hrm-compensation-career-development.
- 4. Human Resource Strategy of Google [Electronic resource]. Access mode: http://marketinghrdpresentation.com/apps25/2013/06/15/human-resource-strategy-of-google/.
- 5. Rahul Kumar/ HR Executive/ Apple [Electronic resource]. Access mode: http://www.slideshare.net/rahulmanojkumar/apple-35740461.
- 6. Schermerhorn, John R. (2009). Exploring management. John Wiley and Sons. p. 387. ISBN 0-470-16964-8.
- 7. UKessays https://www.ukessays.com/ [Electronic resource]. Access mode: https://www.ukessays.com/essays/business/googles-rapid-growth-since-its-incorporation-has-triggered-a-chain-of-products-business-essay.php.
- 8. World Investment Report 2007: Transnational Corporations, Extractive Industries and Development. UNCTAD, United Nations. New York and Geneva, 2007.
- 9. http://pidruchniki.com/17110302/ekonomika/transnatsionalni\_korporatsiyi\_sut\_kriteriyi\_evo lyutsiya.
- 10. Войтко С. В., Гавриш О. А., Корогодова О. О., Моісеєнко Т. Є. "Транснаціональні корпорації": навч. посібник / С. В. Войтко, О. А. Гавриш, О. О. Корогодова, Т. Є. Моісеєнко. Київ : НТУУ «КПІ», 2016.
- 208 с. Бібліогр.: с. 180.
- 11. Ларри Боссиди, Рэм Чаран. Исполнение. Система достижения целей = Execution: The Discipline of Getting Things Done. М.: «Альпина Паблишер», 2012. 328 с. ISBN 978-5-9614-1980-1. с 192.
- 12. Менеджер по персоналу [Electronic resource]. Access mode: http://www.profguide.ru/professions/hr-manager.html.
- 13. Рокоча В. В. Транснаціональні корпорації : Навч. посіб. з норматив. навч. дисципліни «Транснаціонал. Корпорації» / В.В. Рокоча, О.В. Плотніков, В.Є. Новицький, Л.П. Кудирко, О.О. Сльозко. К. : Таксон, 2001. 304 с.

14. Транснаціональні корпорації: суть, критерії та еволюція [Electronic resource] Acces mode:http://pidruchniki.com/17110302/ekonomika/transnatsionalni_korporatsiyi_sut_kriteriyi_evoly utsiya#44.	S