THE TRANSFORMATION OF HUMAN RESOURCE MANAGEMENT IN FACING THE CHALLENGES OF GLOBALIZATION

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Abstract

Globalization has brought about significant transformations that have fundamentally altered the business and organizational environment. In the present context, Human Resource Management (HRM) is situated in an important position, confronted with the imperative to adjust and get transformation to sustain its relevance and efficacy. This study aims to examine the evolution of HR Management in response to the demands of globalization, specifically by analyzing the strategies employed to enhance the calibre of HR. Through the methodology of a literature review, this study investigates how the traditional idea of HR Management has been affected by the alterations that have occurred in the global business environment. These findings provide in-depth insights into organisations' strategies to improve HR quality. This research indicates that HR Management requires a transformation to adapt to the era of globalization. This transformation must involve some strategic steps. First, adjusting one's values and culture to those of international business is essential. Second, cultivating the ability to work across cultural boundaries becomes the foundation for international cooperation. Third, there is an emphasis placed on the development of global leadership to ensure the existence of leaders who can successfully manage diversity and complexity. In the fourth place, increased digital competence is incorporated to meet the technological challenges of an increasingly connected work world.

Keywords: HRM, Globalization, Quality Improvement, Management Innovation

INTRODUCTION

The human resources of a nation play a very important part in the progression of that nation's overall state of affairs. The standard of the nation's human resources has an unavoidable and direct bearing on that nation's overall development rate. Appropriately qualified human resources have the potential to generate creative and innovative solutions that contribute to the growth of the government. There are a variety of different indicators that can be used to evaluate the standard of the human resources available in a country. One of these factors is the typical level of education held by community residents and the quality of the education these people have received. In this context, Indonesia faces challenges because the quality of human resources still needs to catch up compared to developments in other countries, even with neighbouring countries.

When compared to other ASEAN member countries like Malaysia, Singapore, Thailand, Brunei Darussalam, and the Philippines, Indonesia lands in a lower position on the human resource development index. Indonesia is falling further and further behind countries such as Vietnam, which has only relatively recently managed to pull itself up from a difficult situation.

The quality of human resources has a significant impact on the company's business development, both in the short and long term. The existence of quality human resources is a key factor that directs the company towards success. One approach that can be used to maintain and improve human resource performance quality is training and development, especially in today's digital era. The importance of human resource training and development has been recognized and discussed by Mangkunegara (2012). Companies in the digital age need to be flexible to keep up with the rapid pace of technological change and shifts in consumer preferences. Here and now, by providing training and development to each employee, companies can improve their ability to face challenges related to digital transformation. It not only affects the performance of the individual, but it also affects the overall progression of the company. Therefore, investing in the training and development of human resources is an important step to take to deal with changes in an environment that is dynamic for business.

Human resource development has become the core of company activities that must be addressed. Work harmony between employees and the company creates the foundation for the company's sustainability. Human resource development strategies vary according to each company's unique conditions and needs. Taking this approach involves enhancing employees' skills through training and coaching and growing their knowledge through educational opportunities. Human resource development improves employees' skills through education, training, and continuous development, enabling them to carry out their company-member roles. Human resource development can also be referred to as HRD. This view has a long-term dimension, which leads employees to be more skilled and competent over time (Mangkunegara, 2016). This development generally includes increasing the intellectual and emotional skills needed to perform job tasks better.

Synchronising an individual's progress with the requirements of an organization is one of the most vital aspects of human resource development. The company's workforce quality is improved by workers who continue to cultivate their skills through ongoing education and training. These developments allow businesses to remain relevant and adapt to the changing requirements of an environment characterized by rapid change. The development of human resources is an important foundation considering the needs of individual employees in acquiring knowledge, skills and developing capabilities so that they can contribute optimally. The main pillars of this development are education, training and career development. With this foundation, the authors feel interested in reviewing strategies that support improving the company's human resource management quality (Handoko,2017).

Human resource development encourages maximum performance by taking an all-encompassing approach to the problem. Education lays a strong theoretical groundwork, whereas training paves the way for the practical application of knowledge in various settings, including the workplace. On the other hand, career development provides a long-term direction for the growth of individuals and their contribution to the organization.

Referring to Handoko (2017), research focuses on strategies to improve corporate human resource management. The importance of having a targeted strategy is to ensure that development is not just

random but according to the vision and needs of the company. This strategy may involve determining the most important skills required, developing efficient training programmes, and outlining distinct career paths for employees. An organization that is committed to the development of its human resources will be dynamic and flexible. Employees who have more knowledge due to their education, training, and career advancement are more skilled and competitive. This strategy is essential for achieving long-term success in an era in which business is constantly undergoing change.

The research focused on human resources in Indonesia uncovers some crucial issues. An essential aspect to consider is the educational level of the human resources available in Indonesia. The high unemployment rate indicates the difficulties associated with integrating human resources into the labour market. This challenge is becoming increasingly difficult in this age of globalization as global competition increases.

The significance of international competition in the employment sector highlights the importance of ensuring that Indonesia's human resources are highly competitive. As a result of shifts in the dynamics of global business, individuals are required to equip themselves with the relevant skills and knowledge. In this manner, Indonesian human resources will be able to compete successfully in the international arena and make significant contributions. One of the primary focuses is on cultivating human resources that have character and culture. Strengthening character and culture in developing human resources not only increases technical competency but also forms ethical and ethical individuals. It has a positive impact on sustainable development.

It is necessary to take strategic steps in order to attain quality human resources that are also competitive on a global scale. It includes addressing the issue of unemployment by ensuring that education and training programmes are tailored to meet the labour market requirements. Strengthening character and culture also needs to be emphasized so that Indonesia's human resources are superior in the technical field and become valuable assets in nation-building.

LITERATURE REVIEWS

Human Resource Management

The term "human resources" (HR) refers to an aspect of an organization that is both indispensable and inseparable. Institutions and businesses alike have HR departments. When it comes to determining the growth and progression of an organization, HR plays a pivotal role. In essence, HR represents the individuals who work in the organization, acting as a driving force, thinker, and planner to achieve the organisation's goals. The micro view of HR refers to individuals who are part of a company or institution. They can have various designations, such as employees, labourers, and workers. The macro view of human resources refers to a country's population that has reached the workforce age, including those who are already working and those who are not.

In general, a human resources (HR) professional acts as the organization's primary motivator, whether a company or an institution. They are invaluable assets that contribute significantly to the organization's progress and success in a significant way. However, training and capacity building are necessary to make the most of their role. Related to this, Hassan's view (2014) states that HR are individuals who work in organizations, both as employees and in other roles. HR should be considered an investment that must be increased through training and development. Thus, this article underscores the importance of HR development as a strategy for achieving organizational goals and adapting to ongoing changes.

Human resources are considered a unique resource in an organizational context. They have complex thinking abilities, feelings, motivations, skills, knowledge, and drives. This potential, summarized in the concept of "ratio, taste, and intention" (ratio represents reason, feeling represents feeling, and intention represents desire and work), significantly impacts performance and achievement of organizational goals.

With the support of their human resources, organizations will be able to achieve their goals. Although technology has advanced, information is developing quickly, capital is available, and materials are sufficient. Human resources are the main driving element that adds value and influences various aspects of the organization. Organizational success depends on how the potential and quality of human resources are utilized and developed. According to Edy Sutrisno's (2010) point of view, human resources play an essential part in accomplishing organizational goals and are an indispensable component that cannot be replaced. Resources such as technology, capital, and others may play a role, but human resources will always be the most important factor in an organization's ability to achieve its goals effectively.

Indonesian Human Resources Education Factors with Unemployment Rates

Education plays a significant part in the realization of individual potential and qualifications, in the formation of individuals into qualified individuals, and continues throughout one's life. This process indirectly prepares students to develop and maximize their potential while maintaining the distinctive qualities inherent to each individual. In a country with a population of more than 200 million people, the education system must be carefully designed so that the Human Resources (HR) it produces can compete at the global level while considering the complexity and competition in the globalization era.

Only through quality education that is also of a superior standard can high-calibre human resources be produced. A superior culture and a generation that is of high quality will emerge from an education system that is of high quality. However, globalization also brings new challenges to the world of education. This challenge arises because, on the one hand, the education system must prioritize the formation of nationalism in students so that they have an identity and loyalty to their country. However, on the other hand, education must also meet the needs of the global community in order to equip

graduates with the skills necessary to actively participate in a global society that is becoming increasingly interconnected (Nurani Soyomukti, 2019).

Challenges of Indonesian Human Resources (HR) in the Era of Globalization

Alvin Tofler, a prominent futurologist, is the one who came up with the term "future shock" to describe the condition in which humans experience intense stress and become disoriented as a result of too many changes occurring in a short time. He did so in order to describe the condition that he described. This idea describes the circumstance in which an individual is confronted with a shocking change and feels disoriented due to the change occurring too quickly and being too significant. This phenomenon also reflects the condition of the Indonesian nation, characterized by significant and rapid changes that are occasionally met with a slow response.

Regarding education, Indonesia is lagging significantly compared to other Asian countries. Countries such as Malaysia, Vietnam and India had a better education quality than Indonesia even a few years earlier. This phenomenon reflects the challenges faced by the Indonesian education system in dealing with global changes and international competition. This challenge requires a fast response and the right strategy so that education in Indonesia can improve its quality and align with future needs (Nurani Soyomukti, 2019).

As the trend of life in the 21st century has shown, humans need to have qualities that cover both aspects, namely morale and productivity, to thrive in this era of globalization. During this time, religious practice and intellectual pursuits became more intertwined. An individual who is productive by mastering science and technology to improve the quality of life is the ideal human concept because this individual upholds religious values and beliefs while improving the quality of life. Life in the era of globalization shows that morals and ethics cannot be separated from advances in technology and science. Not only a person's material accomplishments but also their strong personal and moral integrity are indicators of that person's level of success. In keeping with technological advances, people have strong moral qualities and a commitment to the religious values of their culture.

METHODS

This investigation makes use of a qualitative research approach, the purpose of which is to make the gathering and examination of pertinent data during the writing process easier and more effective. This type of research is known as descriptive research, and it relies on both a theoretical analysis and a review of the relevant literature. By understanding the pertinent literature and theory, the purpose of this study is to provide a detailed description of the topic that is the focus of the study. This qualitative research emphasizes description, where the data collected is in words rather than numbers. Although there may be numbers, they are only used as support. A qualitative approach emphasizes meaning, where the research focus is directly connected to the problems of human life (Sudarwin, 2010).

When conducting this kind of research, the researcher will investigate the sources related to the goals of Islamic education and human relations. The data that was collected will be analyzed by determining the patterns of meaning and interpretation that emerge from the texts, as well as the significant aspects that emerge from them. This qualitative research method offers flexibility and depth in exploring the meaning behind the collected data, ultimately providing deeper insights related to the subject matter being researched.

RESULTS AND DISCUSSION

Indonesian Human Resources Competition In Global Workforce

Suppose a person wants to live a life free from the effects of globalization. In that case, they must actively restrict themselves and avoid engaging in conversation and other forms of social interaction with other people. Even if a person does nothing more than read newspapers, watch television, or use other tools, including the internet, he still participates in the process and model of global association.

The idea of globalization can be understood either as a practical tool or as an ideological framework. Globalization is a tool that reflects technological advancements, particularly in communication. When considered in the context of a tool, globalization is objectively neutral. It indicates that there are advantages to be gained from the practice of globalization so long as it is directed towards desirable ends. On the other hand, if it is used in harmful ways, it may have the opposite effect and a negative impact. It is important to remember that the meaning of globalization depends on its users, their intended use and the resulting impact. Globalization has the potential to provide benefits if it is used positively, but it can also cause negative impacts if it is used in negative ways. Thus, the impact of globalization will depend on who uses it, for what purposes, and the direction it is intended to pursue. Therefore, globalization, if considered as a tool, has the potential to provide both benefits and risks or harms.

The era of globalization can be interpreted as a period in which various aspects such as politics, economics, society, culture, science, technology, and information unification occurred throughout the world, but without eliminating the unique identity of each entity. This unification took place during the globalization process. This unification occurred thanks to advances in information technology, which can connect issues from one country to another (Abuddin Nata, 2012). Various issues such as patents, royalties, business ethics, pollution-free environment, and others also affect today's business world. Business people need to be responsive and wise in dealing with these issues.

Flexibility and continuous learning are important characteristics that business people must own to face increasingly competitive competition due to globalization. Developing superior services for customers, product innovation, employee commitment, cooperation in managing change, and thinking globally and acting locally are the necessary strategies to win global competition.

However, the definition of globalization as an ideology has a more complex and less neutral connotation. Therefore, many reject it. It is not uncommon for conflicting values to occur between the

ideology of globalization and religious values. When viewed as an ideology, globalization brings with it some challenges that must be answered by various religions in order to deal with newly emerging issues. However, globalisation presents some threats and challenges depending on how it is utilized and its effects. While globalization does offer many opportunities, it also offers several threats and challenges.

The Direction of human resources development to global Competitiveness

The term "globalization" refers to a phenomenon understood as the ever-increasing openness between countries and groups of people. This results in the convergence of many different aspects of life worldwide. According to Emha Ainun Nadjib (2013), globalization is the process of people from different places interacting with one another so that they can learn from one another, share their experiences, and influence one another. These interactions are facilitated by various means of communication and information. Globalization enables the exchange of experiences, knowledge and contributions from different cultures and peoples.

When discussing Human Resources (HR), it is necessary to look at the progress Muslim society has made in the past. It is done not only to reflect on the difficulties that were encountered but also to instil confidence that forward movement can be resumed at some point.

Human Resources (HR) quality can be measured through factors such as the level of creativity and productivity, which is reflected in the work of individuals or groups. One of the issues that arises is the low quality of human resources, which can be overcome by ensuring that work results are produced productively based on the knowledge, skills and abilities acquired through education. Therefore, education has an important role in improving the quality of human resources and providing relevant knowledge and skills. Education has the potential to be a solution to overcome the problem of low-quality human resources.

Competition models have significant value in training and development. First, these models help identify the behaviours needed for effective job performance. They also provide tools to assess current expertise and identify needs that need to be met. Second, the competition model provides a framework for designing appropriate training programs and provides valuable feedback for developing individual roles and responsibilities (Chris Rowley & Keith Jackson, 2012). By comparing individual competitions, areas of competition that need improvement can be identified, and the necessary actions can be selected to improve these competencies. Thus, competition models are important in individual development and performance improvement.

The character and cultural development of human resources

Due to the interaction between a global economy and a very broad market, there is a high level of competition in working together with individuals with different traditions, values, assumptions, and

beliefs. Within this framework, competition is an essential component in the process of achieving the desired levels of success and goals. Developing personal skills that encourage desired achievement and meeting desired standards is essential to succeeding in competitive situations. Not only is competition a form of motivation, but it can also take the form of an individual's characteristics, internalized concepts, attributes, values, knowledge content, and cognitive skills, all of which affect behaviour.

As general competencies become increasingly important, skills, abilities, and competencies are unique across cultures. It is essential to appropriately respond to people from various cultural, linguistic, social-class, ethnic, religious, and other backgrounds. Being culturally competent has been given a concrete form by being operationalized as the process of assimilating and adapting one's knowledge of individuals or groups hailing from various cultural backgrounds into particular norms, policies, practises, and attitudes. The purpose of this idea is to use knowledge appropriate to various cultures to enhance the quality of service, which will ultimately result in improved outcomes.

CONCLUSION

In this era of globalization and free trade, characterized by intense competition, access to high-quality human resources is the primary key to success. As a result, there is an ongoing need to improve the quality of the available human resources. It is very important to regulate the use of science and technology in order to achieve goals that contribute to the general welfare of society, and one way to do this is to ensure that the development of science and technology (IPTEK), which is carried out while taking into account religious and cultural values.

Higher education institutions play an important part in the effort to produce high-quality human resources. In this effort, they play a role. Because there will be a need for workers in the not-too-distant future, professional education is the best option for enhancing the level of human resources available to meet the requirements of work in the not-too-distant future. This action will contribute to the overall improvement and development of the potential of the available human resources.

ACKNOWLEDGEMENTS

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