Fachhochschule Osnabrück
University of Applied Science

Buckinghamshire Chilterns
U N I V E R S I T Y   C O L L E G E

Master **B**usiness **A**dministration

Dissertation

Impact of Globalisation

on daily working life

Frank Brüggemann
Freiherr-vom-Stein-Strasse 41
D-63303 Dreieich-Sprendlingen
FH OSNA191289
BCUC 80004985

Contents

0   Acknowledgements

I w o u l d l i k e t o t h a n k

my friends for their patience during this study,

that they did not give up on our friendship

when I was so busy with this study.

I would also like to thank Mrs. Karin Fackler,

the secretary of this course in Osnabrueck,

for her "motherly" encouragement and kindness,

as well as to Prof. Volker Gehmlich for his keen "vision"

for each and every one of his students,

not forgetting of course all the other British and German teachers

for their continual engagement in this MBA course,

which really changed the view of my daily job.

I would like to give thanks especially to

JESUS CHRIST

my Lord and Saviour for his grace,

mercy, and never-ending love!

Supervisor: Prof. Volker Gehmlich

1 Introduction

1.1 Background

A lot of companies expand their business into international markets. In most cases, the motive is a search for improved cost efficiency or looking for the chance to expand and achieve growth. Today, companies are able to respond rapidly to many foreign sales opportunities; this is made easier by technological, governmental, and institutional developments. They can shift production quickly among countries because of their experience in foreign markets and because goods can be transported efficiently from most places. Companies can also distribute component and/or product manufacturing among countries to take advantage of cost differences. Once a few companies respond to foreign market and production opportunities, others may see that there are foreign opportunities for them as well. All this is a part of the so called "globalisation".

In operating globally, a company has to consider what the company will seek to do and become over the long term (mission), its specific performance targets to fulfil its mission (objectives), and the means to reach its targets (strategy). There are many factors that may influence companies to succeed in doing global business and remaining competitive in the global arena.

Many companies are riding on the wave of globalisation; some of their employees might get tangled up in the flow of the wave with more and more personal involvement as the borders between the working day and the private life become "grey". They are challenged with a multi-lingual working environment, exposure to different cultures, an increase of pace and stress, they must adapt in order to succeed.

The job profiles and working conditions of an international company are nowadays aligned to totally different factors as possibly to a decade ago. The markets are not limited anymore to the exclusive region in which the company is based, but to the whole world. Additionally, technological developments have promoted a flood of communications on every level of economy which helped to ease the way of globalisation.

1.2 Problem

The number of scientific treatises on "globalisation" increases almost daily. Seldom had an economical process been discussed so intensively and simultaneously so controversial.

In the centre of scientific interests regarding employment are mainly quantitative effects on work. Largely hidden, questions remain concerning the quality of work, the shifts in skill requirements for employees working in a globalised environment, and the private life.

One of the most burning questions in this described environment is the question of direct impact of globalisation on the personal workplace.

Knowing this background information, the following main research problem is formulated:

> ➢ Is there a direct impact of globalisation on the personal workplace?

Or the other way round:

> ➢ Is the workplace, the work environment changed by processes or characteristics of globalisation?

In order to understand and explain the problem properly, this problem is divided into several "sections".

> ➢ How did the working conditions in a global environment change?

> ➢ How did the working requirements change?

> ➢ What impact does a changed working area have on the private life?

Explaining these problems requires revealing several theoretical thoughts in the field of international business, and a strict demarcation to any other questions which arise according to globalisation and the general question "What is meant by globalisation?"

1.3 Research model

To get a better understanding of what this paper is about figure 1 depicts these dependencies of the economy, the companies and the state of employees influenced by changed situations and requirements, which might be caused by globalisation, and vice versa. It gives a rough overview and a first approach of the relations and entwinements.
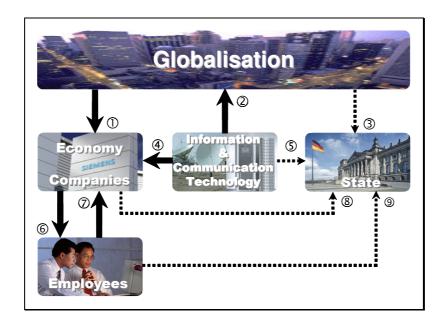
Figure 1: Model overview

1.4 Purpose

In this paper I will explore some of what I believe to be significant aspects of globalisation with regard to influences and altering processes in the daily job.

The aim of this paper is to analyse the shifts and changes in the conditions and requirements of work on the global job market and whether these processes are caused by the so called "globalisation". We will have a look at the roots and the fruits.

It is further generally to stimulate awareness of what is happen on a globalising job market and to point out the impact of globalisation on the personal working life. Finally, some recommendations are given on how one could deal with that in order to "survive".

1.5 Scope

This paper mainly concentrates on the impacts of relations between globalisation, companies and employees. The impacts to the state e.g. are out of scope. The only subject of the empirical inquiry has been this global I&C company introduced in chapter 5.3.

The inquiries were made with employees from Germany, Belgium, Portugal and UK in the environment of information and communication technology (IT).

I will not generalise the findings to all industries and companies but demonstrate a certain state and trend which can be seen in this company with approximately 36,000 employees worldwide, and more than 400,000 in its parent company.

1.6 Thesis outline

The first chapter explains the whole background and the problem that arises from it. Moreover, it explains the purpose of writing this paper and presents its scope to the reader.

In the second chapter the research process and the methods used are explained. Chapter 3 shows the "big picture" of all the relations and entwinements of interest.

Chapter 4, the first part of the research, gives a common introduction to "globalisation" and lays some foundations in this theme for further approaches. A digest of conventional definitions in literature is given. After that, an implementation of a PEST-Analysis to illuminate and depict the environment of globalisation on main areas is made. The essential characteristics will be extracted from that and more closely looked at in the second part. With this *theoretical background* the topic is then discussed more concretely by means of a certain company.

The second part, chapter 5, is engaged in this mentioned company in this global environment and indicates the concrete impacts of the characteristics of globalisation to it. This is done to expose how the company had given itself into the dependencies of these identified factors.

It is further aimed to point out and to detail the consequences of globalisation for the single employee in a global company. From these findings procedural instructions or recommendations shall be derived for better working conditions and better preparations for each employee.

Chapter 6, the third part, deals with the impacts on the personal working life of an employee in this very company. One emphasis here is on the answer of the question, if the daily working life is affected by processes of globalisation that are influencing the attitudes of the company or the employees?

And finally in chapter 7, the fourth part, the results with regard of the chosen theoretical framework are given. Conclusively a view is presented to the work and its global components on future developments. Recommendations or procedural instructions are suggested and discussed to demonstrate how to withstand the changing requirement for doing a good job in a globalised environment. All this should flow into a better awareness about globalisation and how every employee can react to that in his daily business.

2 Methodology

2.1 Method

For SILVERMAN (1993) methodology is a general approach to studying a research topic. In his opinion, methodology establishes the way in which the researcher will go about studying any phenomenon. Examples of methodologies in social research can be *positivism* (tries to discover laws using quantitative methods) and *qualitative methodology* (often concerned with inducing hypotheses from field research). Methodologies cannot be true or false – they only can be more or less useful. Specific research techniques are called methods and they include both quantitative techniques (e.g. statistical correlation) and techniques like observation, interviewing and audio recording.

I am going to use a qualitative method because the statement of the problem does not aim at presenting numbers and statistics, but more general findings.

2.2 Qualitative methods

The qualitative methods discussed here are simply devices whereby the researcher, once close to organisational members, can gain the sort of insights into people and situations which is required. VAN MAANEN (1983) defines qualitative methods as *"an array of interpretive techniques which seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency, of certain more or less naturally occurring phenomena in the social world"*. There are many qualitative research traditions or approaches with the result that there are also different strategies to deal with the data collected.

I will use a semi-structured, open-ended technique. According JANKOWICZ (1995) it involves asking questions whose content and sequence are not fully specified in advance. Four techniques are involved here: the conversation, the individual interview, the key informant interview and the focus group. This is exactly the "toolbox" which is handy enough to gather spontaneously the data for this expanse of globalisational aspects in the workplace in several circumstances.

2.2.1 Interviews

"Without allowing people to speak freely we will never know what their real intentions are, and what the true meaning of their words might be" (COTTLE, 1977).

According to the school of *positivism*, interview data give access to facts about the world only. Generation of data, which are valid and reliable, is the most important issue here. Research setting is not taken into account. The easiest way to achieve those goals is the random selection of the interview sample and the administration of standardised questions with multiple-choice answers. According to the school of *interactionism*, interviewees are experiencing subjects who actively construct their social worlds. The main goal in this approach is to generate data, which give an authentic insight into people's experiences. The ways to achieve this are unstructured, open-ended interviews, which are usually based upon prior, in-depth participation (SILVERMAN, 1993).

No particular interviewing school is preferred here. The method in this matter was developed in order to give in-depth understanding of the situation. I did not want to use standardised questions because the number of interviewees was not very high, so there was no point in giving conclusions like x % said so and y % said so-and-so.

Although interviewing is often claimed to be the best method of gathering information, its complexity can sometimes be underestimated. It is time consuming to undertake interviews properly, and they are sometimes used when other methods might be more appropriate.

A questionnaire might have been more appropriate with simple answers to a number of questions. However, that would not have given the insight into people and situations which is required. I am therefore confident that to explain the problem, the choice of interview, as a research method, was correct.

2.3 Validity

No method is considered superior to any of the others, for each has its own strengths and weaknesses, especially when considered in relation to a particular problem (BURGESS, 1991). Researchers are confronted with questions of validity, and so was I. The internal validity means the relation between what is intended to be measured and what is actually measured, whereas external validity is described by the relation between what is intended to be measured and reality.

The thesis and research results are endangered of not being valid at the end when subjective factors are allowed to be dominant. It has to be admitted that many of such factors arise when it comes to analysis, facts valuation or interview interpretation. In order to reach internal validity it is important to know what being objective means and how this can become incorporated into these methods. The objectivity can be described as:

- freedom from values
- unbiased
- consciousness and openness
- impartiality

It has to be said that remaining objective while interpreting and understanding are employed is a fairly difficult task. Every researcher has his own values, beliefs and comes from a certain cultural background. This is the reason why obtaining total objectivity is impossible.

2.4 Research design

Design has been defined as the deliberately planned *"arrangement of conditions for analysis and collection of data in a manner that aims to combine relevance to the research purpose with economy of procedure"* (SELLTIZ *et all*, 1981)

Starting from the formulation of the thesis, that globalisation has a bearing on the daily working life; I have chosen a top-down-approach for gathering the data. That means first I looked at the company and its challenges to globalisation. This was done by evaluating the reactions of this company to a changed and globalised environment.

Afterwards these investigations were transferred to the reactions of the employees of this company to find out if there are really impacts which have a bearing on the daily working life.

2.4.1 Theory and data

Which should come first: the theory or the data? SAUNDERS, LEWIS and THORNHILL (2000) say that theory would follow data rather than vice versa. They call this an *inductive* way in contrast to the *deductive* approach where it is the other way round. The result of such inductive analysis would be the formulation of the theory.

The contrasting view, deduction, is that one should start with a theory, or hypothesis, about the nature of the world, and then seek data that will confirm or disconfirm that theory. The main benefit of this "hypothesis testing" approach is that there is initial clarity about what is to be investigated, and hence information can be collected speedily and efficiently.

I have chosen this deductive approach because I am seeing and experiencing a change in the work conditions and work requirements during the last years of which I personally believe

they are the results of globalisation. These effects lead, according to my opinion, to the omni-present reason – globalisation.

2.4.2 Verification or falsification

The distinction between verification and falsification was made by POPPER (1959) as a way of dealing with what has become known as a "the problem of induction". This is that, however much data one obtains in support of a scientific theory or law, it is not possible to reach a conclusive proof of the truth of that law. POPPER'S way out of this problem is to suggest that instead of looking for confirmatory evidence one should always look for evidence that will disconfirm one's hypothesis or existing view.

The approach is to verify the thesis of direct impact of globalisation on the personal workplace. I think it is not necessary or appropriate to search for evidence leading to theory falsification because globalisation in general has indeed an impact on several levels of life.

2.4.3 Sampling

"Sampling can be defined as the deliberate choice of a number of people, the sample, who are to provide you with data from which you will draw conclusions about some larger group, the population, whom these people represent" (JANKOWICZ, 1995).

I have chosen the *nonprobability* sampling approach because I was interested in the individual position and the background experiences of the employees. I have posed different questions to them accordingly. The accidental sampling, a sub strategy of the nonprobability sampling approach, is based in this case on convenience only, because I tried to interview as much as possible employees according to this thesis. And because I could not get access to a special population whose views I wanted to discover whenever I liked to do so, I had to take every chance I could get to put my questions to employees.

Later it proved to be a little more expensive in time to filter all the answers according the position (management level or just "floor" level) of the employees asked.

2.4.4 Gathering the appropriate literature

Two major reasons exist for reviewing the literature (SHARP / HOWARD, 1996). The first, the preliminary search, helps the researcher to generate and refine his/her research ideas.

The idea what to write about came from the daily working situation in the company. But the main problem and research question flew from some initial examination of the relevant literature. When the first approach towards finding materials on Human Resource Management and globalisation theories was done, I was surprised by the large amount I found. Hundreds of books and other materials on globalisation issues were very promising but it meant a huge effort to go through these materials and find relevant examples, issues and topics.

The second reason for reviewing the literature according to SHARP and HOWARD, often referred to as the *critical review*, is part of this research paper. Although at some point one might feel that one already has a good knowledge of the research area, but reviewing the literature is essential.

2.4.5 The interactive nature of the process

Data collection, data analysis and the development and verification of relationships and conclusions are very much an interrelated and interactive set of processes. The analytic process occurs during the collection of data as well as after it. The key point here is the relative flexibility that this type of process permits. In other words, it is not so that I entered the stage of data collection with clear objectives.

I realised from the first interviews in the target company and literature that the complexity is much greater than I first thought, thus I had to rethink and reformulate the interpretation of the issue of globalisation.

The interactive nature of data collection and analysis allows it to recognise important themes, patterns and relationships as I collect data. This allows re-categorisation of existing data to see whether these themes, patterns and relationships are present in the investigations where I have already collected data.

This is obviously a research process that is very time consuming and takes place over an extended time period. The research process needs to be flexible and responsive to change since new thought patterns about what is being observed are constantly developed (SAUNDERS, LEWIS, THORNHILL, 2000). The presented approach has important implications to the interviewing process.
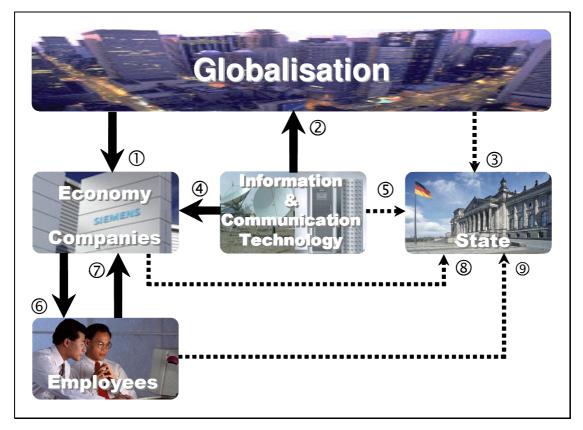
3   General Overview

Figure 2: Overview - From a global view to personal impacts
(doted lines are not considered in this paper)

In sum, globalisation can be thought of as the widening, intensifying, speeding up, and growing impact of worldwide interconnections in all key domains of human activity - politics, economics, sociologies and technologies. And it is above all these key domains, the employee as the smallest "cog" in this mechanism is of most importance.

1). Changed environments, e.g. trade areas, trade agreements or political reversals can cause altering processes, among many other things, but mostly on the political and economical levels in companies.

2). The evolution of information and communication technologies increases the velocity of the circulation of ideas, goods, information, capital, and people. This makes it possible to overcome the visible and invisible borders of countries, cultures and ethnical territories. The world becomes just a small village.

3). A general changed view and setting of the world-order also generates changes on all governmental levels of a single state and its people. These impacts can on the other hand determine macroeconomic effects, like the status of the balance of trade for example, and the role on the global markets. (This is not treated in depth in this paper).

4). Technologies have tremendous influences on economies and companies. They create altering processes of the company orientation and development of economies. They can enable companies to improve co-operation with external partners, customers and suppliers and to expand their resources.

5). The technological development has remarkable impacts on the sociological development of a state and its people, if the state has access to these technologies (This is not always given, e.g. in 3rd world countries). Technology also influences macroeconomic effects: it promotes information; e.g. in the area of publicity it can influence the buying motives. The same can happen with the influencing of the political opinion of the people (This is not treated in depth in this paper).

6). A company as a global player has different requirements to its employees than just a nation-wide company, e.g. the employee would have to speak different languages, has to be very flexible, and would need to draw upon additional skills, etc.

7). The company profits from well educated and highly qualified employees, but not exclusively with their technological knowledge but also with supporting skills such as social balance, communicative sensitiveness and others. Those employees can positively influence and strengthen the company in its efforts on a global market. They are valuable to the company, and they represent a special "capital", which has to be protected for future developments and innovations.

8). A global company in a host country has also different expectations of the government. For example the company likes to have influence in political decisions or the company is generally contrary to the trade-unions. Finally it can have macroeconomic effects to the state when such a company demands to open the border not only for doing trade with others, but to be one among others on the global parquet.

9). To meet the requirements of the job profiles it is necessary for the employees to have run through an adequate education. A longer education period would however mean lower taxes for the state possibly for a number of years. This is an additional macro economical impact to the state. To hit the point is that employees influenced by the impact of globalisation can also impact the development of a state.

4   Globalisation – Part 1

By way of introduction here are some actual quotations to the topic of political personages.

The German Federal President Johannes Rau said about "globalisation":

> *Three years ago (1999) half the German population had never heard the word "globalisation". Today virtually everyone is familiar with it. No political debate, no speech on the future of society, no economic analysis is complete without it. The "one world" - which just a few years ago was the hope of alternative movements and so-called Third World groups - now seems to be becoming reality in quite a different way than once envisaged - through cross-border financial flows and company mergers, through the Internet and mobile phones.* [1]

The Czech president Vaclav Havel described "globalisation" in an example:

> *A Beduine rides in traditional master clothes on a camel, under the master clothes he wears Jeans, he has a transistor radio in his hand and a cover with Coca-Cola advertisement on the camel back.* [2]

4.1 The Globalisation Phenomena

"Globalisation" has become a buzzword - and those using the term often have contrasting understandings of what it means. Therefore we need first to note some basic aspects of the globalisation phenomena. Here are two "filtered" definitions of many in literature:

> ➢ Globalisation as internationalisation (SCHOLTE, 2000)
> Here globalisation is simply used to describe cross-border relations between countries. In addition it describes the growth in international exchange and inter-dependence.

> ➢ Globalisation as universalisation (SCHOLTE, 2000)
> In this use, "global" is used in the sense of being "worldwide" and globalisation is "the process of spreading various objects and experiences to people at all corners of the earth". A classic example of this would be the spread of computing, television etc.

The political, economical, social and technological (P E S T) activities are stretched across borders, regions and continents. This leads to an intensification of interconnectedness and flows of trade, investment, finance, migration, culture, etc.

This extensive and intensive growing of global interconnectedness can also be linked to a speeding up of global interactions and processes, as the evolution of worldwide systems of transport and communication increases the velocity of the circulation of ideas, goods, information, capital, and people.

Global interactions can have deep impacts, which can be highly significant somewhere else and even the most local developments (deterritorialisation), e.g. a negative utterance at a Jewish commemoration somewhere in Germany, may have enormous global consequences. Thus, the boundaries between domestic matters and global affairs can become increasingly blurred.

Many more factors must be considered such as barriers to trade, tariffs, laws, language differences and so on. Other aspects of entering into the global "arena" to take account of are foreign needs, preferences and climate. Obviously, many considerations must be examined in order to determine overall quality of a market which a company wants to enter for its expansion (YIP, 1995).

Many definitions in literature are somehow related or even overlap a bit, but in this paper I confine myself to this view of internationalisation and universalisation only, because this fits best to the considered work environment. According to SCHOLTE it describes the international exchange and interdependence, and I guess this also applies to the analysed work situation.

4.2 PEST Analysis

Globalisation at its popular level is the way in which we are all connected in our every-day lives with other countries around the world: drinking coffee from Cuba; eating bananas from Martinique; wearing clothes from China; using a computer assembled in Malaysia and so on. There are a lot of interconnections with certain dependencies between different levels of our daily life, which form a mixture in which we move. For accessing such a life it is important to have a closer look at the environment. And thus, it is even so important to do so with a company to emphasise the impact of globalisation to it.

The environmental influences to the company have to be considered in the same manner as the extent of changes that occurred. All this might be more or less significant for organisations to act in a global environment.

A convenient way of organising this information on the organisation's environment is the PEST-Analysis, which gives a forecast and estimation based on the political, the economical, the sociological and the technological situation.

Figure 3: P E S T Analysis (Bowman / Asch, 1987)

4.2.1 Political

Political environments in a company's home country and the countries in which it does business are important external influences on management. Political environments refer to public institutions (such as the government, government agencies, and government-owned businesses) and non-public institutions (such as environmental and other special interest groups that represent specific individuals or groups) (Baron, 1993).

The system of law and public policy governing business formation, acquisitions and competitive activities constrains the strategic options open to a multinational company. It is likely that a particular country will specify guidelines for hiring, firing and promoting people. It might also mandate employment ratios of foreigners to its citizens and restrict management's prerogatives regarding unions. In addition, there are likely to be government policies dealing with ownership, licensing, repatriation of profits, royalties, importing, and purchasing (Wheelen / Hunger, 1990).

4.2.1.1 Example situation

The change of political systems especially in the eastern parts of the world – just to mention the fall of communism – has given significance beside others to the development of a global financial system. There is no "Iron Curtain" anymore which can hinder free trade.

Politically, the move from a world that was international to one that is global has been executed. In detail it means that a world, which is international, conducts its business between nations; it is *inter*-national. In a global world the state itself has become one player among others on a worldwide basis.

Thus, the companies located in those countries have also to adapt their guidelines for hiring, firing and promoting people to become or to stay competitive with the former countries "before the curtain". According to WHEELEN and HUNGER the position and the power of the unions have to become subordinated to the support of free trade.

The "other side of the curtain" has also to change. Because there was no free trade before, it had not been necessary for the companies located on that side to communicate e.g. in Russian. Consequently more and more commercial travellers are going to learn this language.

This influence of states, and also multinational companies and international non-governmental organisations has thus an impact on global governance.

This situation gave rise to institutions like the INTERNATIONAL MONETARY FOND (IMF), the WORLD BANK and the WORLD TRADE ORGANISATION (WTO) in times before. Politically, these organisations hold one of the keys to globalisation, because they pushed forward the mentioned financial system and free trade.

Despite the fact that many agree that free trade is, on the whole, the right way forward, these organisations favour free trade above all else and at the expense of important issues such as the environment and human rights. JOSEPH STIGLITZ, the former Chief Economist at the WORLD BANK, has said they take *"privatisation and trade liberalisation as ends in themselves, rather than means to more sustainable, equitable and democratic growth"* (STIGLITZ, 2002). So, for example,

> *"Under WTO rules governments are not allowed to: favour local firms, prevent foreigners having a controlling interest in local companies, favour trade partners, or subsidise domestic industry. WTO rules favour transnational companies which benefit from economies of scale, which can undercut to capture a market, which are immune to local consumer feed-back and which can shift their production whenever it suits them to countries with lower wages and fewer environmental or labour regulations"* (BRUGES, 2001).

4.2.2 Economical

The speed of communication and exchange, the complexity and size of the networks involved, and the volume of trade, interaction and risk give what now is labelled as "globalisation" a strange force. International competition has grown more intense. World-wide production, the need to penetrate and hold onto new export markets and the need for a highly-skilled work-force working for competitive wages are important new aspects of a changing global economy. Economy is therefore a main driver of globalisation or even "the" driver.

HUTTON and GIDDENS (2000) pictured this by saying *"In the new global electronic economy, fund managers, banks, corporations, as well as millions of individual investors, can transfer immense amounts of capital from one side of the world to another at the click of a mouse. As they do so, they can destabilise what might have seemed rock-solid economies - as happened in East Asia"*.

4.2.2.1 Example situation

There has also been a shift in power away from the nation state and toward, some argue, multinational corporations (MNC). Some of the facts surrounding them are well known [3]:

➢ The ten largest MNCs have a total income greater than that of 100 of the world's poorest countries.

➢ Two-thirds of international trade is accounted for by just 500 corporations.

➢ 40% of the trade they control is between different parts of the same MNC!

➢ Of the world's 100 largest economies, fifty are MNCs.

With increased economic interconnection has come deep-seated political changes - poorer, "peripheral", countries have become even more dependent on activities in "central" economies such as the USA and the EU where capital and technical expertise tend to be located. The table below confirms this that the top five companies (printed in italic) have more than 30% of the gross domestic products.

Country or corporation	Total GDP or corporate sales
Indonesia	174.6
General Motors	*168.8*
Turkey	149.8
Denmark	146.1
Ford	*137.1*
South Africa	123.3
Toyota	*111.1*
Exxon	*110.0*
Shell	*109.8*
Norway	109.6
Poland	92.8
Portugal	91.6
IBM	*72.0*
Malaysia	68.5
Venezuela	59.0
Pakistan	57.1
Unilever	*49.7*
Nestlé	*47.8*
Sony	*47.6*
Egypt	43.9
Nigeria	30.4
Total sales:	1970.2
Top five corporations	636.8 ≅ 32.3%
Total GDP in Least developed countries	76.5

Table 1: The state and corporate power 1994 ($billions) [13]

In 1947, one of the first international agreements came about after World War II called the "**G**eneral **A**greement on **T**ariffs and **T**rade (GATT)". The purpose of GATT was and is also today to initiate the free trade between nations, because it is believed that free trade between nations, with no protective barriers, is the most effective way of increasing global wealth and lifting poorer countries out of their poverty. Free trade has thus become the "sacred cow" that all the main global financial and trading institutions put their "faith" in.

The World Trade Organisation (WTO), as already pointed out, is the organisation set up to supervise that participating nations abide by the agreement.

The European Union (EU) for example is improving free trade throughout Europe. By bringing together nations throughout Europe, the EU hopes to compete as a united world power. One critical step taken recently has been the adoption of the Euro (€) currency as the primary monetary unit. With one currency, trade between participating European nations becomes easier and more efficient. As the trend towards less trade barriers increases, possible improved and international versions of GATT and the EU may arise as an international standard.

Globalisation is also bound up with the theory of free-trade market capitalism, which carries the policies of trade liberalisation, privatisation and financial market deregulation. This system only works where there is growth and thus the economics of globalisation is profit-driven.

4.2.3 Social and Cultural

Different socio-cultural norms and values have important effects on an MNC's activities. Such socio-cultural forces consist of customs, norms, values, language, demographics, life expectancies, social institutions, status symbols, life-style, religious beliefs, attitudes toward foreigners, literacy level, etc. (WHEELEN / HUNGER, 1990).

After the fall of the Berlin Wall and the coming down of the communism other "figurative borders" are coming down – economic, political and social. There is a new idea of time, risk and opportunity. There is already a 24-hour financial market and increasingly there is the 24-hour day – working, shopping and banking. There is no area of the economy where change or the potential for change is not happening, driven by technology, markets and powerful corporations. All this has consequences for patterns of working which in turn refract into our personal lives, families and relationships.

4.2.3.1 Example situation

What does the "normal" citizen in the street think about all this? Maybe the "normal" citizen is not in the street anymore; he is in the mall. In order for the world economy to grow, there have to be people to consume the goods being produced and so the consumer-driven society is the result - this is now increasingly being seen as the *"branding of culture"* (KLEIN, 2000).

There is hardly one thing or one event left anymore which does not have a brand name attached to it, it comes more and more at a price and with a logo: from the "German Tennis Open sponsored by BMW" to the "Oscar Award by SONY" to every conceivable item of clothing with lots of stickers and slogans on it.

The market which has been most intentionally manipulated is the youth scene (KLEIN, 2000). Now young people of the world are becoming pressed into one mass culture, wearing the same clothes, watching the same MTV, listening to the same music, communicating to one another on the Internet highway, just being in "*one Disney McWorld* [4]".

On the other hand there is an increase in consumer choice. Free trade allows people to buy products from companies all over the world who make the best of their kind. These people have comprehensively benefited from this and enjoy the sense of freedom that this brings.

But one of the most significant freedoms that so many take pleasure in today is the freedom of movement. Mobility has climbed to the rank of the uppermost among the desirable values (BAUMAN, 1998). The freedom to move, a limited and unequally distributed good, fast becomes one of the main strategic factors of our times.

One key role of the manifestation of globalisation is of course played by technology. The growing ease with which travel e.g. is possible has shrunk the world, thus giving people increased contact between cultures. However, it has shaped far more than just tourism habits of people somewhere in the world. The humanitarian factor in this scenario is underestimated in a world full of technology, thus *"a technological society can represent humanity not as per-*

sons, but as resources. The dominant technological value, which is efficiency, is not suited to human beings made for relationship" (MCCLOUGHRY, 2001).

Related to this is the amazing transformation that has occurred in the position of women in society and, consequently, the changing shape of the family. *"There is a global revolution going on in how people think of themselves and how they form ties and connections with others"* (GIDDENS, 1999). The western industrial countries are of course more influenced by those globalisation effects, but globalisation is not bound to a certain nation or group or even a large corporation. Its effects are felt just as much in the western countries as elsewhere in the world.

4.2.4 *Technological*

The technological environment after the Second World War started to change rapidly. Since the 1950s, acceleration of development and technological innovations started to influence boundaries, structure and dynamics of economic environment. Companies were facing new, unforeseen challenges. In highly developed countries, the time span between inventing a new solution and launching it on the market reduced significantly, e.g. in Western Europe and USA it takes about 4-5 years and 3-3,5 years in Japan to market a new product.
(HILL / JONES, 1989)

The technological revolution is pushed by a rapid increase in quality and productivity of information and communication technology products and services coupled with their decreasing prices and convergence of information and communications technologies, most visibly alive in the Internet. "Information is at your fingertips" - just one mouse click away. Email, on-line 24 hours a day, has enabled companies to split their assembly lines between countries on different sides of the world, sending designs and orders and shifting components from one country to another to minimise costs.

4.2.4.1 Example situation
One integral part of globalisation in the economic area is currency transactions. These transactions would not have been possible if adequate technological systems had not been developed with such an incredible pace. Technology is the "energy" that makes the globalisation running. The so called "new economy" is fed by this technological revolution that is based mostly on general-purpose information and communications technologies, utilisation of which changes ways of doing business and thus has an impact on the whole economy.

The technology and by technology the media was one of the reasons of the downfall of the communist regime because the people had access to Western ideas through the media. "*The information society has made it difficult for totalitarian regimes to isolate their societies since the Internet can be used to transmit information around the world* (MCCLOUGHRY, 2001)". So, technology contributes to change the world and its order.

The following figures shall demonstrate the speed of the communications revolution [5]:

- ➢ It took forty years for radio in the US to gain an audience of fifty million. The same number was using personal computers only fifteen years after the PC was introduced. It needed a mere four years, after it was made available, for fifty million Americans to be regularly using the Internet.

- ➢ Between 1940 and 1970 the cost of an international telephone call fell by more than 80% - between 1970 and 1990 by 90%.

- ➢ Since the 1980s, telecommunications traffic has been expanding by an average of 20% a year.

- ➢ In 1995 the number of messages sent by email in the US exceeded those sent by post for the first time.

- ➢ The global trade in TV programming is growing by 15% a year.

In the same manner technological developments have made the globe a small village, with instantly accessible news and any other information you want; it is the same technology that makes it possible to control every man wherever he is on earth.

It was said that the information society has made it difficult for totalitarian regimes to isolate their societies since the Internet can be used to transmit information around the world (MCCLOUGHRY, 2001), but these regimes can now also use this same technology to fake news and other information to "isolate" their people from the truth again.

4.2.5 Conclusion of PEST-Analysis

We have seen some of the many facets of the so called „globalisation", and we have got a short glimpse of what is generally going on in this "arena". Now we are able to fill this buzz-word "globalisation" with some meaning and have an understanding of some basic aspects of this phenomenon.

It is obvious that the technological progress, which pushed the "new economy", offers a substantial potential for faster economic growth, acceleration in productivity, and an increase and differentiation in standards of living.

Let alone of all the other changes on the economical and political level, this can simultaneously mean that totally different types of work in future, and upcoming problems when unskilled and uneducated people move into the job market have to be considered.

With this conclusion and the question in mind if there is a direct impact of globalisation on the personal workplace, a trend is foreseeable that new forms or methods of training and education have to be found for those potential employees going to work in such an environment and generally a new handling of work at all.

5   The company – Part 2

In the description about the economy there was already the talk of MNCs - Multinational Corporations. Because the regarded company is one subsidiary of one of the biggest among those companies, it is useful to have a closer look at the characteristics of a MNC.

5.1   Multinational Corporations

The "classic" definition according to BARTLETT and GHOSHAL: A *multinational* organisation is a decentralised federation with distributed resources and delegated responsibilities that allow the foreign operations to answer to the local differences.

And a *global* organisation is a centralised hub, a structural configuration based on group-oriented behaviour requiring intensive communication and a complex system of personal interdependencies and commitments (1989).

They consider here two different dimensions to classify international organisations: local responsiveness and global integration importance. To them multinational companies have high local responsiveness and are not dependent on the global integration; their units are practically independent. On the other hand, global companies are completely based on the global integration but tend to be unable to respond to local specific demands.

Most multinational corporations are based in developed countries. And most of these corporations are so large and extended that they may be outside the control of a single government.

While still maintaining a domestic identity and a central office in a particular country, multinational corporations now aim to maximise profits on a worldwide basis. They are able to profit in an exceptional degree of doing so because they can make relocations of production factors for certain process steps.

For example: The company produces metal punch pieces in a low-wage country and assembles these pieces e.g. in Germany by high qualified – and expensive – workers. Thus the company can produce this product cheaper. But down there in the low-wage country they need also a few experts to make and to keep the production lines running. Therefore they might send some experts from Germany to that country, e.g. China. These experts might have to deal with the challenge working in a country, which culture is totally different from their own. And maybe the other way round, too. The workforce down there does not accept a superior from Germany because they cannot cope with his behavioural culture. So, all the advantages for this company to act in a globalised world are in danger because they might not have considered cultural differences enough.

This was only a little excurse without going into many details, just to stress the importance of not being too much focused on "only making money" and forgetting all the other important influences and aspects to succeed.

5.2 Why do companies engage in the internationalisation process?

According to DANIELS and RADEBAUGH (1998) there are four major operating objectives that may influence companies to engage in international business. They are:

- To expand sales - sales depend on customers' interest, willingness and ability to buy company's products. However, the amount of purchasing power in one country is limited. Therefore expanding sales across borders helps to increase revenues and consequently profits. Many of the largest companies derive over half of their sales from outside their home country.

- To acquire resources - to secure resources companies can engage in the worldwide exploration, processing, transportation and marketing of raw materials. The potential benefits of this practice are clear: either the profit margin may be increased or the cost savings may be passed on to consumers, who will in turn buy more products, thus producing increased profits through greater sales volume. Sometimes a company buys abroad in order to acquire a service or raw material not available in its home country. Other resources a company tries to gain may be intangible such as technology, knowledge, expertise, etc.

- To diversify sources of sales and supplies - to help avoid wild swings in sales and profits companies seek alternative sources of supply. Furthermore, many companies take advantage of the different timing of business cycles in various countries. Recessions and expansions differ among regions and countries and skilful managing helps to avoid sales decrease. Additionally, obtaining supplies of the same product or component from different countries diminishes the impact of price swings or shortages in any given country or region.

- To minimise competitive risk - many companies move internationally for defensive reasons. They seek to counter advantages that competitors might gain from foreign operations because such advantages could be used against them domestically. Furthermore, by spreading sales over more than one foreign market, a producer might be able to minimise the fluctuations in demand. Another factor in spreading risk is that through dealing with many foreign markets a company develops more customers, thereby reduces its vulnerability to the loss of a single customer.

BARTLETT and GHOSHAL (1989) support this way of thinking and state that the search for resources, markets and cheap labour had motivated the overseas expansion of most worldwide companies and shaped the attitudes of their managers.

Beside the following examples of MNCs, the described technological development and the globalisation affect is especially regarded in the mentioned company:

- Bayerische Motoren Werke, AG (BMW) (Germany)
- DaimlerChrysler, AG (Germany)
- Sony Corporation (Japan)
- General Motors Corporation (USA)
- Nestle, SA (Switzerland)
- Volkswagen, AG (Germany)
- Goldstar Company, Ltd. (South Korea)
- Hitachi, Ltd. (Japan)
- Mitsubishi Corporation (Japan)
- PepsiCo (USA)
- Philips Electronics, NV (Netherlands)
- Rhone-Poulenc, SA (France)
- SmithKline Beecham (UK)
- Toyota Motor Corporation (Japan)
- Uniliver PCL (Netherlands)
- Volvo, AB (Sweden)

5.3 The regarded company

The regarded company and its parent company have their headquarters in Germany and several worldwide addresses or independent national companies. Just to get a short glimpse of the sort of the company this is all about; here is a short description of it:

The company is an IT service company, which offers their customers a complete range of IT solutions and services - everything from IT consulting and systems integration to the operation and maintenance of IT infrastructures. They combine expertise in the conception and design of new solutions with know-how in systems and applications. They consolidate and upgrade existing IT environments to meet the demand for increasingly global networks.

This company has a strong reputation for its sound operational processes. Belonging to the family of a very big parent company provide it with financial stability and makes it a good partner for huge projects in the area of pre-financing, especially for governmental issues.
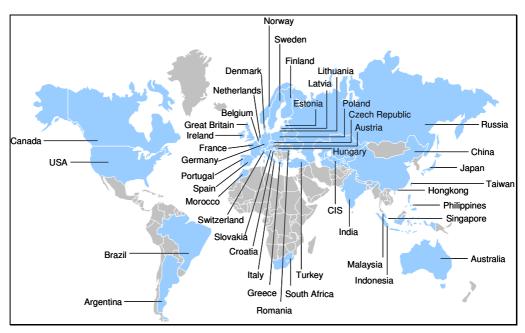

Figure 4: Company locations around the world

Their operations were reorganised to improve their services for international customers. Global business units now support their local operations, further expanding the array of solutions and services they offer worldwide. They intensify their strategic focus on Europe and North America, markets in which they already have a strong foothold.

Changing and increasing requirements of their customers, of course, affect the business position. They ask for sales of worldwide warranty and maintenance agreements, together with their products. In addition to that, an increasing international presence of their competitors (IBM, EDS, Fujitsu, HP), who are partially global players and global alliances with unlimited range and global processes make a worldwide service competence increasingly important.

For keeping the current market position they have to stretch out to new banks – to do so they improve co-operations with external partners, customers and suppliers. Those external partners are also located overseas. Therefore, the company has to understand the way of life and working patterns of its own employees in foreign countries. This is a challenge to the whole company because they have to align these changes in their thinking. Each has to go along with the other. If there is a gap this will really hinder them in reaching the market!

Not in the least because the parent company is one of the biggest German companies they have a good reputation at governmental level across all political parties. Therefore they have a

huge lobby on that level, which opens a lot of doors concerning product and company strategy, which is important for their growth strategy outside Germany and Europe.

This gives them a special "pool position" in their globalisation processes. When political situations in their markets are changing and other markets will open; e.g. in Eastern Europe, the former Soviet Union and China, they have the necessary political backing to enter into those countries to found a subsidiary there. A growing number of countries with previous restricting political systems are now opening their borders for new information technologies.

5.4 Challenges in global markets

Apart from these characteristics of this very company there are further terms for companies becoming globalised: The emergence of the services industry, the diversification of clients' tastes, conflicts inside the international trade, the competition coming from poor countries, the increasing competition between companies. All these characteristics belonging to the economical context lead to this challenge for organisations facing globalisation.

5.4.1 *Which concrete effects do these challenges have to the company?*

There are definite effects derived from the PEST-Analysis and the mentioned topics in the short company introduction why companies engage in international business, the company would have to turn and look at in depth at these effects in order to find an appropriate way to deal with them.

If we assume that there is an impact of globalisation on the personal workplace, we also have to assume that there impacts on the environment of the workplace – the company. To confirm this assumption we have to have a look at the changes and challenges which took place in the business of the company and the effects they have.

- Improving their services for international customers means having several departments which build those services for other markets as the domestic one. Consequently these departments have to place asunder e.g. with different consumer behaviour, different languages in user manuals and different expectations in different cultures. The company has to ensure that all these requirements of the market are met.
  Example:
  The data hosting services are nowadays offered to international customers. The employees in this very department who "grew up" with these systems and improvements also had to learn to communicate in the appropriate language (English) of their customers. This is not always easy for them because when they joined the company some years ago this was not necessary. Therefore the company sent them to language classes.

- Sales of worldwide warranty and maintenance agreements means among other things to guarantee fixed service levels and to share a common view of how to carry out the service on a global level. The company has to see that the necessary and appropriate knowledge e.g. for the technicians is shared throughout the company somehow.
  Example:
  The company had installed a knowledge database for several systems and services on a worldwide basis. And additionally the company offers classes to get on well with this tool.

- Improving co-operations with external partners, also external partners located in overseas means e.g. the company has to understand the way of life and working patterns of employees in foreign countries. This is a challenge to the whole company because they have to align these changes in their own thinking. The company has to avoid intercultural frictions.
  Example:
  The company set up special management classes for a few employees to make them aware of those hindrances in the daily business.

- To take advantage of the different timing in business cycles in various countries the company often needs to have a current input of several managers e.g. to take a decision. And often it needs more then just words of confirmation, but a few pictures or any other documents. The company has to guarantee the possibility to take well based decisions in time.
  Example:
  The company set up some chat rooms in the intranet to exchange the required documents immediately.

- For staying competitive in the market the company has to realign their guidelines for hiring, firing and promoting people.
  Example:
  The company cancelled all non union agreements of the employees and switched them just to "normal" union agreements.

- The introduction of new technology in the company to rationalise automation and processes to reduce the operating costs is a real challenge to every employee who is not so familiar in applying this news. The company has to promote and support a "learning campus"
  Example:
  The company launched a modern and adequate messaging system to encourage a better communication within the whole company worldwide.

5.4.2 How do the working conditions in a global environment change?

In this ongoing globalising process the company is confronted with requirements it never had before. These requirements appear not only in the environment but also inside the company. It needs a complete new alignment to all this. To come back to the comparison with the clock-work one could state that all cogwheels have to adapt to the new speed, the new size and the new beat.

Therefore it becomes important for organisations to continually integrate global awareness exercises into their ongoing training efforts, and by developing a continuous flow of information and knowledge, be able to build global business skills, and enhance global understanding (VAN WACHEM, 1994).

It is not enough anymore to have "just" a good product or a good service but also to have the workforce who is able to produce such things in changed circumstances. The view of the management on the companies goods has to turn from material things also to those things VAN WACHEM mentioned above.

Offering knowledge about the culture in different countries of production is as important as it is to have different guidelines for hiring, firing and promoting people in these countries. Many other reasons why the company engaged in international processes have direct impacts on the working conditions and the whole atmosphere in that organisation. The management of a company which is involved in globalising processes became more complex and manifold.

The company stands opposite many additional aspects which influence the work conditions directly or indirectly. Apartheid in South Africa, economic liberalisation in China, and united laws of labour in Europe and further social trends are examples of matters that are important to corporations operating in a global environment. But not only that – the mentioned "3rd-World-countries" are mostly "low-wage economies", which means that MNCs like to move their production lines to those countries. And because of the size of MNCs, they can, and sometimes have, exerted questionable political and economic power.

For example nowadays a European has the same rights due to his job conditions in Germany as he has in the UK; that means it makes no sense for the company anymore to move their production line into another EU-Country because of the unions – most of the laws of labour are adjusted in the whole EU.

Another point is that society has also to overcome the edge of the industrial era to the informational era. Tremendous changes went along with this; a drift away from the focus on ma-

chines to the focus on the human being again took place. For example a big machine in Germany used about 50 people years ago to function. A new and high complex machine was bought in the US. This machine doesn't need so many technicians to function, but a few experts for maintenance. Those experts are normally very expensive if they have to travel from the US around the world to maintain their machines. But technology makes it possible to maintain from Australia an American machine used in Germany. The technician does this remotely by a special support computer program. The only disadvantage for this technician is that he has to be available around the clock, because when the machine is working in Germany it is night in Australia. The employee has to cope with different time zones – this is a change in work conditions due to globalisation.

5.4.3 Organisational Culture

There is, of course, a cultural component within the globalisation process but organisations also have cultures. These organisational cultures are impacted in part by existing within the country context. They are shaped by founders, leaders, and responses to emerging environmental demands. And they are in part shaped by the sector they serve – non-profit, governmental or private. These cultures are translated into styles of work and decision-making and into policies and structures that can influence the future of a company.

The following figure illustrates how different factors can influence culture. Each element and the reciprocal actions between these elements have an impact on the whole company. And all these elements of organisational culture on the other hand are also changing the working conditions in a global environment in the different locations of the company. Even so it is essential in a global corporation to have certain rules to agree to "just one" organisational culture for this company worldwide.
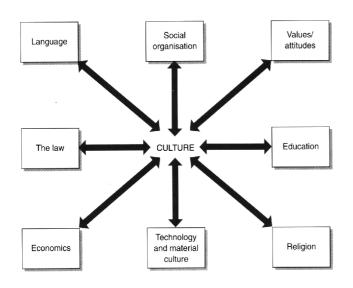

Figure 5: Components of culture (MULLINS, 1996)

A popular and simple way of defining culture is: 'how things are done around here'. For example, ATKINSON *explains organisational culture as reflecting the underlying assumptions about the way work is performed; what is 'acceptable and not acceptable'; and what behaviour and actions are encouraged and discouraged.* (ATKINSON, 1990)

> ➢ Language has, of course, tremendous impacts to the whole communication within the company worldwide, and therefore it is of high importance to agree on a common language – mostly it is English.

> ➢ Diversity in social backgrounds and education requires a deeper and mutual understanding of each employee working in an international team.

> ➢ Religion often expressed as a major blocking point for globalisation has to be considered if a company enters into a new country. Each employee with a different religion working in that country has to be aware of the difficulties that might occur when practising his own religion in the orbit of power of a different one. Also values and attitudes are influenced by that.

> ➢ Technology and material culture, of course, when entering in a developing country has to be considered, especially with regard to poverty and possibilities to help and to assist the people over there. To come with high technology is not even good if the people are not able to work with that because of their mentality.

> ➢ Economics in the different locations of the company also suppose a bright knowledge of differences in the society and how these could mend for the sake of the company's benefit.

> ➢ The law plays a very important role as well in a globalised company because the company has to deal with different laws in these countries, thus every employee has to pay attention to this when working for a customer maybe, which is playing in the global "arena" in the same way as their own company.

Additionally the general understanding of culture, global markets and acquiring competencies of what is appropriate in different parts of the world, is central to the development of any corporate culture that is going into the international marketplace. These kinds of skills and learning must be integrated throughout.

6 Employee – Part 3

One emphasis in this chapter is on the answer of the question, is the daily working life affected by processes of globalisation that are influencing the attitudes of the company or the employers and to what extent? Which changes took place and where did they take place in the life of an employee?

6.1 Dependence

To take into consideration the possibly passed on changes of the company to the employee, these changes have to be regarded once more in view of what they might mean to the single employee.

The company has to ensure that its employees speak the same language and understand the habits and attitudes in the several countries of their locations. Therefore they are sent to language classes. The company has to learn and so each and every single "cogwheel" in this mechanism. Especially for the older employees it is not easy to learn a new language and become familiar with new habits. The challenge now is to combine the experiences of the older staff with the flexibility of the "newbies" and young generation. Often the people have to learn all this in their free time to keep their job.

The business often requires this personal engagement of the employees – even in their free time. Today there are blurring transitions between working time and free time. Maybe the work hours are aligned with the main work hours in a different time zone. With mobile phones, email and other modern information technologies the employee is reachable also in non-work hours and at weekends. Is the family e.g. sharing the father with the company? How does the family of the employee deal with those work requirements?

Like the company offers language classes, it offers classes to get on well with special tools. It has to see that the necessary and appropriate knowledge e.g. for the technicians is shared in the company somehow. To carry out the job properly it is essential for the employee to constantly join different classes to stay current with the newest tools, products and developments.

To avoid intercultural frictions special management classes were set up for a few employees to make them aware of those hindrances in the daily business. This is a challenge to the whole company because they have to align these changes in their own thinking. For example, working directly or via Internet in or with inter-national teams means a reorganisation or an adaptation of the employee's habits in a group or to an individual team member.

Obviously all those programs need to be different for different levels of the company. While senior managers need to learn to think and act globally, individuals at other levels of the organisation must learn to communicate by phone, fax, and e-mail. Thus, ongoing training is crucial. Intercultural training and global business awareness workshops are, quite simply, the next logical step in companies that are active learning organisations, those that adapt and learn what the marketplace presents (VAN WACHEM, 1994).

Realigned guidelines for hiring, firing and promoting people in the company implies automatically a greater insecurity for each employee. The consequence might be suspicion of the management. Such an atmosphere is not even innovative for the company's future. Cancelling all non union agreements (paying above tariffs) of the employees and switched them just to "normal" union agreements brings those employees into trouble e.g. who need to pay off loans or other financial commitments. This insecurity gives a greater flexibility for the employer in planning the staff for the current workload, but also destroys the important informal structure in a company (MULLINS, 1996, p.74). The employee has to deal with this sort of pressure.

The locations of the customer are often scattered around the world. And it is not always for sure that a project team is aware of what the customer really demanded. But the company has to meet the needs of their international customers. Thus, international teams with members who are technical experts and other members who are more familiar with the local culture are built up. In a globalised company it is often crucial for a single team member to overcome personal rejection to ethnical groups or religious minorities. Nowadays an employee is more confronted with colleagues from different cultures, races and political backgrounds; he has to find his own stand in this environment – in line with the corporate identity. Social skills are more demanded than ever. As already said, we are at the edge of the industrial era to the informational era. The focus on the human being again also requires a rethink.

To keep pace with the technological development or with the knowledge in international laws and monetary and political affairs a continually learning is required. The learn-cycles become shorter in contrast to times before because the changes come more and faster, and they are partial controlled from different countries. Today it is not enough anymore just to have a business administrative education e.g. as bookkeeper, but a technical one is sometimes additionally necessary to carry out the job – and also vice versa. Formerly, one profession for the whole working life was standard; today an employee may change his profession more than twice in his life.

6.2 Change processes

Job market effects of structural processes of change in the course of the described characteristics of globalisation, as well as the penetration of knowledge-intensive technologies, accompany profound restructuring processes in production and organisation. This has serious consequences for individual enterprises, industries, regions, and finally employees.

However, the increase of making work requirements flexible, which concerns place, time, linguistic (cultural) surrounding field and seasonal load, can lead to the fact that a pure vocational (training) qualification is no longer sufficient. Finally this non-fulfilment can mean the exclusion from the job market for the employee (LITTEK / CHARLES, 1995).

MNCs face many of the same issues as domestic companies. These include maximising profits, meeting customer demands, and adapting to technological change. Therefore, it is normal to have the "Information at your fingertips". The market requires appropriate information systems and the corresponding services, all done on a local and global basis.

To underpin these developments and trends on the social level the company had published the slogan "Creating value through people[®]". It shell demonstrate the importance of their employees, and coexistently it expresses the change in the work requirements. Not only a special education to fulfil a special task e.g. to install a computer system is wanted, but additional qualities like the ability to present the whole portfolio at the customer's side during such an installation is taken for granted.

There are two surveys (GALLIE, 2000) to underline these experiences of change, done to measure workers' perception of changes in skill requirements over time. The employees were asked whether skill requirements in their job had changed over the "past 5 years".

The results are shown in the following table:

Occupational Class	1986	1992	% Change
Profession / Managerial	67	74	+10
Technical / Supervisory	56	73	+30
Skilled Manual	50	64	+28
Lower Non-manual	55	70	+27
Semi- and Unskilled Manual	33	45	+36
AVERAGE	**52.2**	**65.2**	**26.2**

Table 2: Skill Change in the Job in 5 Years: Percentage of Respondents

For the first period (1981-1986) more than the half of the respondents in the 4 highest classes (i.e. excluding the semi- and unskilled manual class) reported increases in the level of skills required to perform their job. For the second period (1987-92), from 64 to 74 percent of re-

spondents in the 4 highest classes reported increases in skills required at work. These data indicate that there was an increase of 23.7 percent in the proportion of workers personally experiencing upskilling in their jobs within these 4 top classes, between these two time periods. The semi- and unskilled manual workers experienced the greatest upskilling over the two time periods (36%).

Conspicuous is here that the increase of upskilling in the profession and managerial class is less than a third of the upskilling of the other classes. That might indicate that even this working class had been confronted with the same working requirements over the years. But in this class it is "normal" to communicate even with business partners in other languages or by business trips they are familiar with the different habits of the employees in foreign countries. There is a significant change for the floor worker in their skill requirement.

Additionally, MNCs must stay current with trends and events in the various countries where they operate. As a result this regarded company is intensifying their activities in Europe and North America. They have to expand their global resources to keep the current market position. Consequently the company has to understand the way of work and life of its own employees in these foreign countries and the resulting internationalised (see defs. in chap. 4) activities. Therefore the employee has to become familiar with different habits and maybe a different interpretation of the corporate identity of the colleagues in other countries (see the cartoon ☺). But this ability is as well taken for granted as his ability even to speak one foreign language – generally it is English, French or Spanish. Years ago it was asked in the application if someone speaks a foreign language - today it is a prerequisite.

"A company's ability to conduct business in global markets depends primarily on how closely the skills of its personnel match the opportunities present in the market" (DAHRINGER, 1994).

6.3 Job analysis

In the following the question how the job itself changed during the last years is treated.

The job analysis formula outlined by the US-Department of Labour (DOL) in 1946 is a simplified but complete model of obtaining information on work activities. The formula consists of what the worker does, how he or she does it, why he or she does it, and the skill involved in doing it. In fact, providing the what, how, and why of each task and the total job should constitute a functional description of work activities for compensation purposes.

By 1972, however, this formula had been expanded by the DOL to encompass five models as follows [6]:

- **Worker Functions.** The relationship of the worker to data, people, and things.

- **Work Fields.** The techniques used to complete the tasks of the job. This descriptor also includes the machines, tools, equipment, and work aids that are used in the job.

- **Materials, Products, Subject Matter, and/or Services.** The outcomes of the job or the purpose of performing the job.

- **Worker Traits.** The aptitudes, educational and vocational training, and personal traits required of the worker.

- **Physical Demands.** Job requirements such as strength, observation, and talking. This descriptor also includes the physical environment of the work.

This short background information leads to the rough contrast of the changes in one specific job profile with regards to the previously mentioned processes of globalisation.

In the 1990s the job was just named "Electronic Engineer", about 10 years later it was called "Service Architect" – the contents are quite equal [7].

	1990 Electronic Engineer	2003 Service Architect
Worker Functions	▪ develop technical services in the operation related area	▪ develop technical services in the operation related area
Work Fields	▪ HOST-computer ▪ make the system running	▪ PC-computer, several communication systems ▪ adapt the regional requirements ▪ implement monetary items
Materials, Products, Subject Matter, and/or Services	▪ technical solution	▪ technical meta solution design ▪ proposal
Worker Traits	▪ detailed technical knowledge	▪ language skills for negotiations ▪ intercultural communication ▪ additional knowledge in the target business
Physical Demands	▪ travelling within Germany	▪ travelling around the world ▪ project management

You see a job with the similar goal to find a technical solution for a special customer problem in the area of operational services changed its contents during the years, maybe due to changed requirements of the environment. You further see a lot of the requirements apart from the technical ones increased. It is not just enough to be a technical expert to create a technical based solution, this solution has to be financially accepted, and the engineer has also to present this solution to a customer in a foreign language, for that he has to fly e.g. from Frankfurt/M to Bangkok, maybe. The physical demands for this job changed tremendously.

6.3.1 Competition

Are the changes taking place in the economies and societies around the globe as well as the shown changes in the previous chapter a direct result of globalisation? Anxiety about globalisation exists in all economies, in different ways. How real is the often perceived threat that competition from "low-wage economies" displaces workers from high-wage jobs and decreases the demand for less skilled workers?

Personal experiences, among other things, show that this threat really exists. After the borders in Eastern Europe opened, the above mentioned company tried to expand its markets there. For example a lot of Polish engineers joined the company. They do not only work in projects for their own country, but also in countries of the western "hemisphere" – a domain of the ancient engineers from the "high-wage economies". A job competition began because these colleagues work for less money. Today it is no problem to work from Warsaw via Internet on a project in Belgium.

The skills and technical abilities of these engineers are equal, but often their "soft-skills" like taking a role in a team are not so trained. The consequence for an "old" employee in such a globalised job market is that he might stand out from "just" doing a job that everyone from a "low-wage economy" is also able to perform, and he has to perform his "usual" skills. Maybe he is going to work on weekends and works more than 60 ours a week – although the unions do not like that, but that is the reality in Germany. He does all this for keeping his job.

In this view, there are not only low wage jobs that cannot survive, but rather even those employees and managers with advanced training and capabilities in fast-growing sectors of the economy have to fight to survive this new competition.

Developing societies like India and China are turning out large numbers of technicians and workers with the same skills as the best-educated citizens in Europe (BERGER, 1999).

The French liberal intellectual, ALAIN MINC, argued in an attack on free trade: *"With the free circulation of capital and technologies, competition will be unbearable with the Chinese, who*

are fortified by their capitalist chromosome, by their productivity, and their capital and who can work as efficiently as we, for thirty times less" (MINC, 1993).

Yes, obviously without this "object of globalisation" all these changes in the daily job and corresponding areas of life would probably not have happened.

6.3.2 Agility and cultural peculiarity

The employee is pushed by a technology which keeps him at a long line of his boss. Mobile phones, laptops, etc. make it possible to work everywhere at every time and at every location.

> *"Competition in our fast changing world is technology led. Perhaps one of the long-term problems we face is that the relationship between technology and humanity is often confused and ambivalent. A technological society can represent humanity not as persons, but as resources. The dominant technological value, which is efficiency, is not suited to human beings made for relationship. At our best we are inefficient when compared to the demands of technology. Many people in the workforce today are working beyond their natural limits and are experiencing stress, because global technology's speed, capacity and omnipresence is too demanding. Our lives are being put under stress by an interconnected world that is at work twenty-four hours a day. Often it is the powerless who suffer most from this."* (MCCLOUGHRY, 2001)

MCCLOUGHRY described this daily work environment very well. As a result of this condition human resource management has escalated to the forefront of organisational attention due to the enormous transformations taking place in the social, political, economical and technological environments. Expanding business operations beyond national boundaries, while continuing the commitment to local markets, require more complex business structures in a company. Moreover, the increasing significance of businesses providing information and services as well as requirements for increased utilisation of technology in a globalised working environment demands an adequate workforce, well educated and trained.

In every culture there are major characteristics which will influence organisations operating in that country (BRUEGGEMANN, 06/2000). Nationality is a root source of individual identity, with all its affiliations and allegiances.

The Germans e.g. have made efficiency and attention to detail a cultural characteristic. Their implicit form of organisation relies on rules, procedures and clear structure. They never will decide anything in a twinkle of an eye; they have to calculate about everything possible in that certain situation, they hate an unknown future. Therefore, they have difficulties in quick adaptation of organisations in a fast changing market. Thus, innovations are hard to implement here. Often they got lost in details instead of catching the bright view for the whole project (BRUEGGEMANN, 02/2000).

This is one point the German economy and the regarded company needs to compete: Ability and agility for quick adaptations of organisations and innovations in a fast changing global market. Consequently these demands are pushed forward to the workforce and the individual employee who has to transform that– finally, he or she has to react to this. Here the main thesis becomes obvious. A company is as agile as the last employee.

This validates that the goods of having a globally skilled workforce and business culture are of enormous value. In fact, global business skills will become more than ever a prerequisite for corporate management. Understanding how to shift between cultures and intuitively adjust management behaviour will be essential if a company is to ensure success and maximise the potential from its core businesses in a global, competitive environment (SOLOMON, 1994).

6.3.3 Values

To come back to MCCLOUGHRY , when he said that *"our lives are being put under stress by an interconnected world that is at work twenty-four hours a day"* (MCCLOUGHRY, 2001) everyone working in such an environment has to decide if it is worth it. This often might lead to the question if an employee lives to work or does he work to live? Not only that – a lot more questions concerning ethics e.g. arise. Many human values, like integrity and fairness in project management or sales and distribution are questioned more and more.

Employees in different cultures with different backgrounds have of course different imaginations and perceptions about this. Additionally they act in different "realms of law". There is an extreme challenge for them to navigate their way on that global platform. And it is often not clear where the accountability is located on the globe, thus employees may think because the one in charge is far away they can do want they want. As a consequence there is a blurred understanding e.g. of what is the employee's job whether perceived, actual or desired; or possibly what is the employee's property and what belongs to the company.

Awareness programs focus on providing those employees with an understanding of how culture impacts lives and create a set of values, how cultures are different, and how some of those differences manifest themselves. The objectives of these programs are to build intercultural fluency (VAN WACHEM, 1994). In their most basic form, global awareness programs provide participants with greater understanding and new skills to operate more effectively in the international business arena. They enable employees to better understand and implement the company's global strategies and appreciate the importance of the global market in the vitality of the company.

A typical program (VAN WACHEM, 1994) might instruct participants how to:

- Appreciate cultural diversity

- Recognise the impact of culture on business

- Master global management skills

- Understand how culture impacts business issues

- Impart knowledge about challenges faced by business people around the world, including significant concerns and motivations of business people

- Develop a framework for understanding cultural differences

- Master strategies for cross-cultural problem-solving and negotiation skills

- Learn decision-making strategies that work across cultures

- Explore ways to build business relationships.

In contrast to previous generations the value of a company is not the value it has for its employees and the city in which it is located, but the value is just a number at the stock exchange; it is not of interest anymore if thousands lose their jobs in bad times. There are a lot of values to the welfare of the company but less for the employees.

The continued flurry of mergers, acquisitions, layoffs and short-sighted, profit-driven corporate directives will further erode job security and worker loyalty. Employees who "survive" all these globalisation processes might be stressed, often performing their own work and absorbing the work of employees who have been let go. These employees may need additional personal support for stress, anxiety, dependent care, substance use and related issues. This increased stress might also increase the potential for workplace violence. Facilities have to be installed to consult employees and the management to reduce the risk of violence and to educate workers and managers on dispute resolution techniques.

6.4 Interviews

The main goal of these interviews is to generate data, which gives an authentic insight into people's experiences in their work life during the last years, particularly in the last one or two decades. The participants of these interviews had been employees of this very company in Germany, UK, Belgium and Portugal. They belong primarily to the sales und delivery depart-

ments of operation related services. White collar workers had been asked as well as floor workers, and several age groups.

Some exemplary questions and answers had been:

> ➢ How long are you with the company?
> ▪ Most of the answers ranged from 3 to 25 years.

> ➢ In which roles / positions did you already work?
> ▪ Electronic Engineer – Service Architect – Sales Consultant – Line Manager
>   Most of the interviewees have or had preponderant direct contacts to customers.

> ➢ Did the content or the requirements of your work change during the years?
> ▪ The majority said that the content kept the same but the requirements to fulfil the job changed.

> ➢ Why did it change?
> ▪ The environment of the company changed. The customers are nowadays everywhere in the world; they are not limited to Germany only. You have to know a lot about the target business and the culture of the customer (country; habits; etc.).

> ➢ How did the company change itself?
> ▪ Some parts of our organisational unit are now in the USA or UK. The company became somehow more international.

> ➢ Did the company get a new identity during the last years? Why?
> ▪ Some could not really cope with this question; they had to think a while. The common opinion was that the company did not change their identity but tried to put on their German identity also to the other foreign subsidiaries because there the company is not aware of the different culture and the associate habits.

> ➢ Why do you think the requirements of your job changed?
> ▪ Because the customers' environment has changed. The customers became more international, the technology changed, time runs faster.

> ➢ Do you see any connection between the political situation in the world and the transformations in your job?
> ▪ Almost all answered "Yes". There are no blocks of political power anymore and with the down fall of the Communism the border especially in Eastern Europe opened up for new customers mainly in the public sector. Thus some had to become familiar with the customer and the customs which necessitated more travel.

> ➢ How would YOU define globalisation?

- ▪ For selling our products or delivering our services, national boundaries will become less relevant. And other departments of our company are somewhere in the world. We develop our products in Germany, produce them in China, and sell them in America.

- ➢ What do you think about globalisation?
- ▪ Some said that with this, a lot of things in life changed. Events somewhere in the world might have tremendous influences to their personal life at home. Globalisation endangers their jobs, peace, nature and monetary items.

- ➢ Are there any differences in your private life due to these changes?
- ▪ The greatest impact on personal life in the last years has been blurred boundaries in my work and private life.
- ▪ I spend a smaller proportion of time for face-to-face interactions and transportation in my work life.

6.5 Private and respectively family life

Coming back to the general overview with the position of the employees as the end cogwheel, we consider the question which impact has a changed working area to the private life?

Globalisation with the 24/7 economy, downsizing, job insecurity, and the lengthening workweek, especially among highly educated workers, all increase the likelihood of conflicts between work and family life. One interviewee said that the greatest impact on personal life in the last years he had experienced is: boundaries have become blurred between work and home life. He is not even capable of separating his time between job and family anymore.

There are supplementary implications to all this. The requirements for increased utilisation of technology make the employee available whenever he might be used, also during the night if there is an important video conference with the other side of the globe. That could lead to tensions within his family or home life and furthermore, dissatisfaction in working for this company, which finally flows in a growing lack of identification with the company's vision.

Thus the employee might begin to block any further requests for more responsibility. This on the other hand hinders the company on their way, as described before, and to really get involved into globalisation on every level throughout the entire company. Consequently the employee is looking for methods for not becoming too involved in business affairs because this could affect his privacy or he tries to work at home, which additionally might effect home or family life.

An increasing amount of private time is used to work through the large amount of information delivered by e-mail. The employees have to purposely make time to do "traditional social interactions" because of the intrusion of work into their private life.

Also evident is that stress has become one of the most pervasive of all the workplace hazards. The world of globalisation is lavishing "tons" of changes on the workers: downsizing, restructuring, layoffs and a tremendous increase in workload and work pace. These changes coupled with increased feelings of job dissatisfaction and insecurity have culminated in higher stress levels experienced by workers in numbers too large to ignore. The smaller staff resulting from downsizing has required that the "survivors" have to work much harder and longer.

7 Conclusion - Part 4

Is the daily work life affected by the process of globalisation, which is influencing the attitudes of the company or the employers? Generally yes, it is.

We have seen that this company and the whole economy changed their orientation on the market and thus their attitudes and policies to their employees. Tremendous revolutions took place in the plot of the working life of an employee in contrast to decades before "globalisation" made pace.

The examined company moves in a global environment. The requirements to do so for this company no longer exclusively refer to their core competencies and activities, e.g. within the production goods range from purely a technological view. But include far more interdisciplinary entwinements (labour unions; wage policies; etc.), which the company and the employee must go around.

Having observed items the employee depends on, tendencies in the answers such as the sorrows and insecurities the employees have because of changed work conditions, we can conclude there are several interactions between the economy, the society, the enterprises and the single employee, but there is only a little focus on the impacts on this little "cog-wheel" – the employee and his private life.

Even in literature there are only a few scientists who researched in this environment. Scientists on the subject of globalisation like GOSHAL, BARTLETT and YIP are mainly focused on the economy and the enterprises – not on the humans "behind all this". So, there is a wide field for investigation on how our society, and the individuals in it, are going to change in the coming years with regard to ongoing globalisation.

The major difficulty during globalisation is, like in material existing communism, the human being. It is not foreseeable how an employee is acting in a company that is going global. Because of this each person may think egoistically first, and also company heads provide first for their company and their profit. And furthermore each state puts first its own interests at expense of the other. A good example of this is the European Union, in which only important resolutions come to tough negotiations.

No technical invention, no political development, and no social change - automatically leads exclusively to change for the better or worse for everyone. No well intended ideology or policy will bring eternal peace. Wealth for all is not realisable, neither by economic systems, nor

by globalisation. Every employee in a global company is affected by globalisation - even though everyone is not yet fully aware of how it currently functions.

So, he must try to understand what is happening and why and he must regard globalisation as a personal challenge and take personal action. Finally in such a work situation he will and has to pay attention more than ever to his job and his personal life, in order to be able to exist in a global job market.

In fact, the "Impact of globalisation on daily working life" is there. The company passes on the pressure of globalisation to each and everyone of the workforce – it has to.

But first of all globalisation is neutral. It holds risks and even chances for a nation state, a corporation and finally also for the single employee even in his daily job situation.

Globalisation is furthermore not a natural phenomenon. It is sought and made by people. That is why every single employee can also change, shape and guide it in the right direction.

What counts is what the single employee makes out of the new possibilities.

As far as the company is globalised, or better spoken, as far as the company is determined by the characteristics of globalisation, e.g. entering into new cultures, as far are the employees forced to adapt to those habits, just as being highly flexible also goes with it.

Deficits in qualifications and flexibility of the workforce could destabilise the position of the company in a global "arena". Consequently the company cannot make use of the workforce in a way it would like to do, to fulfil the requirements in global markets.

The needs of workers themselves have changed. There is more and more talk about the need to balance work and family or personal responsibilities. The labour force has become increasingly diversified, and this means that ongoing training has become a necessity. Moreover, workers want a greater say in workplace organisation.

Despite this movement toward globalisation, there remain significant environmental differences between countries and regions. Managers in an international business must be sensitive to these differences and also must adapt to the appropriate policies and strategies for dealing with them (YIP, 1995).

Significant aspects of globalisation with regard to influences and altering processes in the daily job are e.g. the trend to shift toward more highly skilled jobs, as it is shown in Table 2 and the trend that production and jobs have progressively shifted from the goods sector to the

service sector, so that knowledge-based industries have grown. That means more and more occupations take place in the office and not as much in a workshop as before.

But all the evidence is that these changes would be taking place - not necessarily at the same pace - with or without globalisation. In fact, globalisation is currently making this process easier and maybe less costly to the economy as a whole by bringing the benefits of capital flows, technological innovations, and lower import prices. Thus, all the challenges and changes an employee has, could not have been avoided.

Economic growth, employment and living standards are all higher than they would be in a closed economy, so the economy as a whole will of course flourish from policies that embrace globalisation by generally promoting an open economy [8], and coincidently by undertaking of the industry and the government to focus on education and vocational training, to make sure that workers and employees have the opportunity to acquire the right skills in dynamic changing work environments.

The philosophy of world companies such as Sony, Coca Cola or McDonald's "to produce and sell theirs products on the whole world" became generally accepted more and more: Today liberty is defined as boundless consumption. The problem of this variant from free-market economy is however:

If there is only the market, everything and everyone becomes the commodity. Companies with ten thousand employees are sold back and forth several times in one year. The individuals fate apparently of no interest, as long as the dividend is good.

Are there any possibilities to defend oneself against this?

Numerous other socio-economic factors currently affect the workplace and the people in it.

The rapid pace of technological change is transforming the workplace and the job experience. It is facilitating the growth of various non-standard forms of work, especially home work, telework and part-time work.

7.1 Recommendations

It has been shown how the requirements in a globalised working environment have changed over the years. Here are some recommendations to be implemented or at the very least considered in order to fulfil these requirements in the daily working life.

Upon closer consideration of all previous thoughts it has become clear that, in general learning in and for the daily job is of most significance for anticipating your future employability

and an ongoing satisfaction in the current job. This requires some education, and because learning new skills takes time, it is additionally important to plan ahead and identify the types of skills that will make the employee most employable in the job market. It had been already said that what counts is what the single employee makes of the new possibilities. Thus the employee has to cope with his personal situation and should gain an overview of his work environment and the associated possibilities. Derived from the situational facts some more questions arise, which ought to be considered for further action and planning:

> ➢ How do global shifts in the market and workplace apply to the employee?

The hierarchical structures and the discrepancies between the divisions that are global focused and those that are local focused in this very company are an example of shifts in that very workplace. At the edge of an internal merger of these divisions it has to be evaluated if an increase e.g. in travel is really feasible for the employee; if working in a global team is desired due to different cultures and habits; and if the employee is able to communicate in an unfamiliar environment.

> ➢ What opportunities do those global shifts create for the employee?

Those shifts could of course in general have positive or negative effects upon the employee. If the employee is keen on getting to know new people and able to communicate in a proper and adequate manner, he might see this shift as a true opportunity, and thus it could contribute to his career.

If he is not enthusiastic toward that shift, it might cause some trouble for him because he has to e.g. learn a foreign language or work together with colleagues who have a totally different mentality. This could cause dissatisfaction in the job, psychological problems may be, and could lead to a certain lack of productivity for the company.

> ➢ How can the employee prepare himself for the possibilities of the future?

It is critical to stay current with and be aware of what new skills are needed to remain highly employable. The employee should tune in to formal and informal information channels that relate to his work, especially in the areas of technological developments, economic influences, globalisation, legislation, and competition. He should discover where he can use his strongest, most enjoyed skills to meet a need or to solve an important problem.

When critical changes arise at the horizon – and in a globalised work environment which, is almost every day – it is most important to undertake learning projects to be prepared for deal-

ing with those situations. In fact, the ability to learn effectively is a very important skill to have in a globalised world in which knowledge increases rapidly every year.

For companies and employees alike, being on the competitive edge in global processes means, being on the learning edge. It is not enough to simply perform as you did yesterday or last week. As someone working in a globalised company you also should constantly build "performance capability". Increasingly, the degree or professionalism is determined largely by the ability to quickly acquire new information and adjust to new situations. In fact, a key measure of learning is how well the acquired knowledge is applied and converted into improved performance. Helpful for this is also reflecting upon and exchange of past experiences and reaching conclusions about them for future application. This really means deriving actions from those findings. Some individual benefits of learning from day-to-day experiences is keeping ahead of and attuned to change, finally attaining a greater sense of work satisfaction.

7.1.1 Further recommendations for the company

The Company should not only deliver "technical" knowledge or just facts in the manner of language courses e.g. for preparing their workforce, but they should offer the possibilities of getting to know the real characteristics of a foreign colleague – what makes a Chinese a Chinese for example. This could e.g. be done by multicultural parties in different locations sponsored and held by employees of several foreign subsidiaries.

Or the company could offer a forum for exchange: If the company would have a data base in which everyone who is interested in going into a foreign country would be registered. The assumption of this topic is that someone who is personally interested in doing so, has a deep desire and motivation for this. Thus it makes it easier for the company to promote only the "right" persons for working abroad.

If a company is going global it has to take care that it is possible for everyone in that company to experience the process of globalisation and its meaning on a local and individual level.

7.1.2 Further recommendations for the employee

It is generally important to deal with stress at work in the right manner; therefore it is also of importance to make clear in which environment one is working. If the company has several subsidiaries located in different time zones, it will definitely arise one day that the employee would have to come into the office early in the morning or late at night, if there is a live video

conference e.g. Thus he should be mentally prepared for that to avoid stress in that specific situation. If the employee prefers to have regular working times, he should rather join a local acting team or company.

To stand against this pressure put on him by the characteristics of globalisation, he should actively get up – actively means not to wait until the stress comes up or occurs, but to do something against it in advance. This could be joining vocational trainings, knowing more about your rights in the working place, maybe participating in a labour-union, or just conscious of the challenges in a positive manner and break through without being stressed.

All this could be done or better still should be done to overcome personal obstacles in a globalised work environment and to "survive" all the implications and unpleasantness of "globalisation", and thereby enjoy more fully the positive aspects which would lead to greater job satisfaction.

7.2 Outlook

We live in the age of globalisation: A growing mobility, the dismantling of borders and trade barriers and other blurred frontiers accompanied with technological developments and radical changes enable the global village to develop. There is already a 24-hour financial market and increasingly there is the 24-hour working, shopping, and banking day. All this has consequences upon patterns of working which in turn refract into our personal lives and relationships. We generally have to change our way of thinking concerning work in future. And we have to change our habits if we are to work in a globalised company or one that is affiliated to such. We should get rid of imaginations that deal with going to an office early in the morning and returning late in the afternoon. We should get rid of working in the same profession all life long. The scientist CHARLES DARWIN once said: "It's not the strongest species that survive nor the most intelligent, but the most responsive to change". This is, I believe, one of the most important aspects of globalisation with regard to influences and altering processes in the daily job. Each employee should be aware of that, when planning his personal job career or just joining a global company and especially when confronted with these issues.

Moreover and concluding according to my opinion, is the development and influence of information and communication technology the synonym for the move towards a knowledge-based economy which is the real meta driving force. This can be compared with the great leaps forward such as when steam powered the industrial revolution and transformed agriculture and electricity ignited consumerism. I suppose that a knowledge based revolution will have an impact on all aspects of human endeavour and will cause us to review and redefine

economic, social, cultural, and political activity, and thus my daily job. This impression is gained by the experiences made in the company during the last years when more and more activities focus and refer on an increasing number of data bases, so called "Knowledge Banks". The knowledge in the institutions grew so rapidly during the last decades that it became necessary to handle this knowledge on a global base in an appropriate way. This assumption of a "new age" is confirmed by the KONDRATIEFF CYCLE, which says that the general development happens in waves with an approximately wave-length of 50 years.
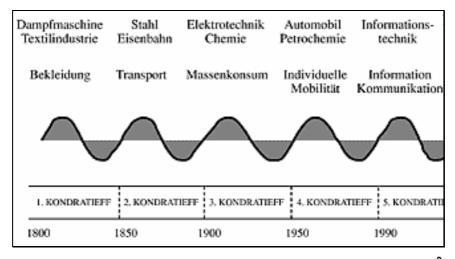

Figure 6: Kondratieff cycles (The last cycle shows the I & C technology) [9]

***

8 Glossary

8.1 Employment surveys

The "Employment in Britain" survey with 3,477 workers aged 20 to 60 conducted in 1992 and, the "Social Change and Economic Life Initiative" survey, with 6,111 people, in 1986 (ISAKSSON; HOGSTEDT, 2000). They were done to measure workers' perception of changes in skill requirements over time. When people were asked whether skill requirements in their job had changed over the "past 5 years" results shown in the following table:

Occupational Class	1986	1992	% Change
Profession / Managerial	67	74	+10
Technical / Supervisory	56	73	+30
Skilled Manual	50	64	+28
Lower Non-manual	55	70	+27
Semi- and Unskilled Manual	33	45	+36
AVERAGE	52.2	65.2	26.2

Table 1: Skill Change in the Job in the Last 5 Years: Percentage of Respondents

For the period 1981-86 between 50 and 67 percent of respondents in the 4 highest classes (i.e. excluding the semi- and unskilled manual class) reported increases in the level of skills required to perform their job. For the time period 1987-92, from 64 to 74 percent of respondents in the 4 highest classes reported increases in skills required at work. These data indicate that there was an increase of 23.3 percent in the proportion of British workers subjectively experiencing upskilling in their jobs within these 4 top classes, between these two time periods. At the same time, 33% percent of semi- and unskilled manual workers experienced upskilling in the period preceding 1986 compared to 45 percent in the period preceding 1992. The rate of increase in upskilling was greatest for this class of workers compared to the 4 higher classes over the two time periods (36%).

Labour market changes involving de-industrialisation, in concert with increased growth rates in employment over the past two decades in knowledge and skill intensive service sector categories, have implications for labour market access. As industrial work in triad countries has been largely male, unionised, and well-paid, de-industrialisation reduces access to the labour market for working class males. As well, relatively faster growth of knowledge-intensive compared to unskilled service sector jobs means that the unskilled are increasingly marginalised in a smaller segment of the labour market or forced out of the labour market entirely.

The increasing labour market bias against the unskilled is seen in changes in proportions employed across sectors and, in the British study cited above where the rate of upskilling is most rapid for those in semi-skilled and unskilled manual jobs. This trend is also visible in a labour force study in Ontario comparing the credentials required for various occupations in the early 1980s and the mid-1990s.

8.2 The Kondratieff Cycle [33]

The Kondratieff Cycle is a theory based on a study of nineteenth century price behaviour which included wages, interest rates, raw material prices, foreign trade, bank deposits, and other data. Kondratieff was convinced that his studies of economic, social, and cultural life proved that a long term order of economic behaviour existed and could be used for the purpose of anticipating future economic developments.

He observed certain characteristics about the growth and contractionary phase of the long wave. Among them, he detailed the number of years that the economy expanded and contracted during each part of the half-century long cycle, which industries suffer the most during the down wave, and how technology plays a role in leading the way out of the contraction into the next up wave.

The fifty to fifty-four year cycle of catastrophe and renewal had been known and observed by the Mayans of Central America and independently by the ancient Israelites. Kondratieff's observations represent the modern expression of this cycle, which postulates that capitalist countries tend to follow the long rhythmic pattern of approximately half a century.

In the idealized long wave model, which is illustrated in the diagram above, the cycle (which averages 54 years in length) begins with the "up wave" during which prices start to rise slowly along with a new economic expansion. By the end of a 25-30 year up wave period, inflation is running very high. Its peak sets the stage for a deep recession that jolts the economy. The recession, which begins about the time commodity prices break from their highs, is longer and deeper than any that took place during the up wave.

Eventually, though, prices stabilize and the economy recovers, beginning a period of selective expansion that normally lasts nearly a decade. Referred to as the secondary plateau, the expansion persists, giving the impression that "things are like they used to be," but its anaemic nature eventually takes its toll as conditions within the economy never reach the dynamic state that occurred during the up wave. The secondary plateau ends with a sudden shock (financial panic/stock market crash) and the economy rolls over into the next contractionary phase, which is characterised by deflation and the start of an economic depression.

Words in glossary are NOT COUNTED

9 Bibliography

ATKINSON	Creating Cultural Change, Management Services, vol.34, no.7, 1990, pages 6-10
BARON, D.P.	Business and Its Environment, 1993, Englewood Cliffs, Prentice Hall
BARTLETT, CH; GOSHAL, S	Managing Across Borders: The Transnational Solution, 1989, Harvard Business School Press
BAUMAN, Z.	Globalisation: the Human Consequences, 1998, Cambridge: Polity Press
BERGER S.	Symposium on The Future Role of Work in Lives and Societies, 1999, Hannover/Germany
BOWMAN, C.; ASCH, D.	Strategic Management, 1987, Macmillan, Houndmills, (taken from MBA stuff)
BRUEGGEMANN, F.	Global Environment, 06/2000, DMS Assignment
BRUEGGEMANN, F.	International HR Management, 02/2000, DMS Assignment
BRUGES, J.	The little earth book, 2001, Alastair Saway – http://www.infochangeindia.org/littleearth06.jsp
BURGESS, R. G.	In the field – an introduction to field research, 1991, Worcester, Biling&Sons Ltd
COTTLE, T.J.	Private Lives and Public Accounts, 1977, New York, New Viewpoints (in JANKOWICZ)
DANIELS, J.D., RADEBAUGH, L.H.	International Business. Environments and Operations, 1998, USA Addison Wesley Longman
DAHRINGER, L.	Global Strategic Management, 1994, New York, John Wiley
GALLIE, D.	The Polarization of the Labour Market and exclusion of Vulnerable Groups. In Isaksson K, Hogstedt, et al. (eds) Health Effects of the New Labour Market, 2000, NY, Plenum Publishers.
GIDDENS, A.	Reith Lectures, 1999, http://www.bbc.co.uk/radio4/reith1999/lecture1.shtml
HILL, CH.W., JONES, G.R.	Strategic Management Theory. An Integrated Approach, 1989, Boston, Houghton Mifflin Co.,
HUTTON, W.; GIDDENS, A.	On the Edge: Living with Global Capitalism, 2000, London, Jonathan Cape
ISAKSSON K.; HOGSTEDT	Health Effects of the New Labour Market, 2000, New York, Plenum Publishers.
JANKOWICZ, A.D.	Business Research Projects -2nd Ed., 1995, London, Thompson Business Press, p195
KLEIN, N.	No Logo, 2000, London, Flamingo
LITTEK / CHARLES	The new division of labour, Emerging forms of work organisation in international perspective, 1995, Berlin, de Gruyter
MCCLOUGHRY	Living in the Presence of the Future, 2001, Leicester, IVP.
MINC, A.	La Nouvelle trahison des clercs, 93/06/10, Le Monde
MULLINS, L.	Management and Organisational Behaviour, 4th Ed., 1996, Pitman Pub., page 17
POPPER, K.	The Logic of Scientific Discovery, 1959, London, Hutchinson
SAUNDERS, M.N.K., LEWIS, P., THORNHILL, A.	Research Methods for Business Students, 2000, Prentice Hall
SCHOLTE, J.A.	Globalisation. A critical introduction, 2000, London, Palgrave, p.361
SELLTIZ, C. S. *et all*	Research Methods in Social Relations, 1981, London, Rinehart & Winston (in JANKOWICZ)
SILVERMAN, D.	Qualitative research. Theory, method and practice, 1997, SAGE Publications
SHARP, J.A. / HOWARD, K.	The Management of a Student Research Project (2nd Ed.), 1996, Aldershot, Gower
SOLOMON, C.M.	Success abroad depends on more than skills, 04/1994, Personnel Journal, pp51-60
STIGLITZ, J.	Globalisation and its discontents, 2002, New York, W.Norton & Company
VAN MAANEN, J.,	Qualitative Methodology, 1983, London: Sage, page 9

VAN WACHEM, L	Aspects of business in a global market. European Business Journal, Vol. 6, 1994, No. 2, p. 28 onwards
WHEELEN, T.L. / HUNGER, J.D.	Strategic Management, 1990, Massachusetts, Addison-Wesley
YIN, R.K.	Case study research, 1989, California, Newburry Park
YIP, G.	Total Global Strategy: Managing For Worldwide Competitive Advantage, 1995, New Jersey; Prentice-Hall

---

[1] "Opportunity, not Fate - Giving globalisation political shape". Berlin Address by German Federal President J. Rau in the Communication Museum, Berlin on 13 May 2002

[2] [SIEMENS], Globalisierung aus Sicht der Wirtschaft, 2002, Siemens AG, page 4

[3] http://www.newint.org/issue296/facts.html, 12/2002

[4] [CAFOD], The Rough Guide to Globalisation, http://www.cafod.org.uk/policy/policyroughguide.shtml, 12/2002

[5] http://www.newint.org/issue296/facts.html, 12/2002

[6] U.S. Department of Labor, Guide for Analyzing Jobs (Washington, D.C.: U.S. Government Printing Office, 1946); and U.S. Department of Labor, Handbook for Analyzing Jobs (Washington D.C.: U.S. Government Printing Office, 1972).

[7] Personal job experiences during 1990 to 2004

[8] http://www.imf.org, 04/2003

[9] http://www.ttheory.com/public/megatopics/longwave.html, 02/2003