

# HUMAN RESOURCE MANAGEMENT IN CHANGE – ONE REASON: THE EUROPEAN UNION

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***Abstract.** Times are moving fast, especially if political changes are coming up. Romania's accession to the European Union is followed by several changes in the Human Resource Management; in Romania itself, but also in the other EU countries. Employees are moving beyond borders to work abroad and need to be caught and imbedded in the new working environment. Motivation is an important issue, but also other appeals for qualified staff to decide upon the move into a foreign European country. Further of importance is the integration and therefore new demands for the Human Resources Management, of the non native new employees. Dangers and mistakes that occur due to wrong integration and cultural misunderstandings may harm the good intensions of cross-country and -cultural working.*

**Key words:** human resource management, international work.

## **1. Introduction**

Romania and Bulgaria joined the European Union by January 1<sup>st</sup> of 2007, that means 348.994 skm (or 8,7% of the total surface) have been added to the surface of the unity of states and an additional 29,7 million citizens (6,5%) whereof 65% - 70% are potential new employees in all other EU states (depending on retirement age). (Alvarez-Plata, 2003). Persons that may have the intention to leave their home country to work within the EU, but also over 300 million people of all other EU states that could potentially work in Romania, a reciprocal possible movement. In this context it is very important to reflect that the possible moving can include a dislocation or adjustment of "the right people" at the "right location". The EU growing includes also new markets and new strategic targets and approaches. Locations, workplaces and fabrics can be moved due to the EU growing, specialists, but also normal workers might be needed in new places, manpower as well as knowledge has to be present in another place.

To underline this aspect a bit more, following influencing factors shall be mentioned, which play quite an important role in the manpower requirements planning after EU enlargement. External influences for manpower requirements: demographic development; economics factors; seasonal differences; competitive behavior; changes in the market structure; political development; changes in labor- and social laws; technological improvement (Nicolai, 2006).

The EU accession is definitely to be seen as a part of the political development, as well as other globalizing intentions, which can lead to other needs of manpower requirements but also personnel layoff. Other quite easy to understand factors are the seasonal differences and changes in the market structure which can lead to the need of shifting personnel to other locations. Internal influences are the following: reformation of workflows; deeper production circles; improvement in communication- information-

and production technology; rearrangement in the company organization; changes in company size; variants in level of efficiency; fluctuation and absenteeism; changes in staff interests (Nicolai, 2006).

In this respect the staff interests are to be pointed out, very much in the sense of salary expectations and the resulting willingness of work effort. Those expectations will change under the circumstances of change. The willingness to work is depended under the surroundings of work environment and the motivations a person has for its work, this especially in the case of change of the workplace –forced or freely willing.

## **2. Recent tendencies in human resource management. International tendencies**

An employee who is in consideration of moving abroad (within the EU) is making his decision upon the comparison of expected benefit between home and target country. This benefit is mostly reflected through the level of salary and the to be expected rate of unemployment (Höhnekopp, 2006). The efficiency of use between two countries will be compared to the cost of moving. Only if the benefit in the case of moving is high enough to compensate the costs of moving, the person will decide upon the act of moving. The expected profit in earnings added to the costs of moving is highly affected by the indicators a potential mover will bring, his qualifications and know-how.

Since through the EU and the rules and regulations it is stated the free movement policy of employees, working offers and the exchanges of such. (European community treaty 1957). The addition may be given, that according to the EU agreement, the politic of free movement is a fundamental base of the EU, which keeps it not only from introducing certain protection clauses for older countries to avoid absolute free moving of citizens from new countries into the older EU countries, but also grants the new countries the liberty of decision upon state of residence and in most cases also decision of workplace. This is happening due to protection and security of the own labour market, to avoid a overflow of cheaper and lower paid workers in the old EU countries. But also to state the assimilation of wages among the complete EU countries, in order to decline the salary differences in different areas and countries within the EU (EGV, article 39)

To prolong the protection clauses, it is possible twice to add another 2 years of labour market protection, the so called 3+2+2 clauses, meaning a potential total prolonging of 7 years in total of protection of the labour market. This clause is mostly used by western European countries due to the fear of overflow of cheaper workers. Recent discussions pull up the question, if such a long protection phase is really necessary and may even harm the own home economy, since economic potential can not be skimmed.

### 3. Integration of new employees

Apart from all regulations and protection attempts, employees are moving between European countries. Not only from east to west or new countries into the older Europe, also between the settled nations. In the case of an employee moving, the integration has to take part at the new place and state of work.

The integration is than finished if an employee is completely surrounded by his new work and role. This also in the totally vice versa reflection from his employer and if he is identifying himself with the new company. (Jung, 2005). What could be a reason that a positive course is taking place while integration a new foreign EU employee is taking place? The integration may be negatively influenced by the following (Ilenberger, 2000): the initiation is taking place mainly by accident and unplanned; the expectations towards the new employee are rather high; the information needed by the employee are considered as [debt to be discharged at the domicile of the debtor](#); a wrong godfather or mentor is being nominated; the superior is not properly introducing the new employee; the superior is not keeping promises or delaying them; the colleagues are not properly informed, or do not know why the new employee has been hired; internal and external partners are not informed accordingly.

Consequences of mistakes in the set up of the integration are de-motivated employees – not only the foreigner- insecurity and questions in the entire team. Bad vibrations in the work environment. The alien employee does not feel welcomed and treated properly if the superior is disregarding his duties, he will be disappointed by the potential negative behaviour from the new colleagues. Coming from a stable around he will be faced with a not smooth work atmosphere additional to all problems and issues he has to del with due to the fact of living in another country, most likely another culture and existing language problems. Most expected reaction will be the questioning of the move and the lack of comfort of being away from the country of origin. Or in other words, the motive might be scrutinized and the incentives readjusted.

#### MOTIVE + INCENTIVE → BEHAVIOUR

Motives are clustered in several classes, as follows:

Intrinsic and Extrinsic motives

- Intrinsic motives are purely satisfied by work, an employee is pushing for better efforts just because of high identification with his work an company, the pure joy of it (extrinsic: money-, security- and prestige motive; intrinsic: effort-, competence- and contact motive).
- Primary and Secondary motives.
- Primary motives are motivations that every human being has, hunger and thirst. Secondary motive helps to fulfil the primary motives. One example is the money motive which is satisfying primary motives. Therefore we would have the proof that moving to another country is absolutely a secondary motive.

- Physical, psycho and social motives.
- Physical motives are again hunger and thirst, peace, relaxation and sex. Psycho motives are independence and self-realization. With the social motives it is about recognition from others. For example: belonging to a special group.(Jung, 2005).

All motives have been seen with the glasses of a person leaving its home country to work abroad in the European Union. But action can also be taken from the home country HR departments, in order to prevent that highly skilled and motivated people are leaving the country and the company. The focus has to be on maintaining the current staff. This can for sure be done via any kinds of motivation. Monetary objectives, personal objectives (career) or other tools to make an employee feel invested in, such as high professional trainings, team-buildings and drawn up career paths.

### 4. Conclusion

As conclusion can be said that the EU is continuously bringing changes. On all levels, specially on the here mentions Human Resources. The management and dealing with those changes will be of high importance in the near future. Some projects will fail due to wrong integration, but others will also be very successful on the way to highly European companies with the best mix of skilled and smart people throughout the entire community, placed in the best fitting jobs on the perfect locations, most likely outside the home country of an employee.

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