The Role of HRM in the Field of International Trade

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External trade or international trade is the trade between different countries. The need, factors and barriers of International Trade is discussed here. The researcher has explained the barriers in execution of policy. The researcher used questionnaire and interview method to collect the data. The investigator used various statistical tools such as chi-square, Karl Pearson’s coefficient of Correlation, coefficient of Regression, one –way ANOVA, etc to analyse the data using SPSS package. A significance relationship between factors of Learning Organisation, training provided to the executives, the drivers of CSR and International Trade is analysed. Very high negative correlation between problems in execution of international trade policy. High positive correlation between problems in executing the policy and barriers of world trade is found. To conclude, the HRM plays a major role in increasing the International Trade as well as making it effective.

INTRODUCTION

Trade refers to the exchange of goods, wares, merchandise and services among people. Trade is of two kinds namely, internal trade and external trade. Internal trade or domestic trade refers to the exchange of goods and services between the buyers and sellers within the political boundaries of the same country. External trade or international trade is the trade between different countries.

1.1 Objectives of the Study

The objectives of the study are as follows:-

- To identify the factors of learning organisation that increases the International Trade.
- To explore the barriers of women executives with regard to International Trade.
- To find out the impact of domains of intelligence in the field of International Trade.
To understand the problems in execution of any International Trade policy.
To analyse the role of training in increasing the International trade.
To study the impact of problem in execution of International trade policy and the barriers of world trade.
To examine the influence of drivers of CSR on the International Trade.

1.2 Common Problems in Execution

The government frames many international trade policies but how far it is implemented. If it is implemented also what are the common problems encountered while executing such policies. Let us see what they are:-

(i) No Clarity: There is no clarity about the policies or its goals. Researches prove that only 15% are able to understand.

(ii) No Commitment: Only about one in four feels “intensely focused” and only about one in ten fully embraces the goals.

(iii) No Line of Sight between organisational goals and the work people do: Only one in five has clearly defined work goals and one in ten clearly understands how his work relates to the organisation’s top priorities. With all the talk about “cascading goals” it’s clear that such a thing happens rarely.

(iv) No Empowerment: People want to contribute to achieving the important goals of the organisation but cannot because they are eaten up by less important priorities.

(v) No Synergy: New goals require new ways of thinking and working. The best ideas and solutions come from true synergy.

(vi) No Accountability: Only about half of all workers report that they feel accountable for performance to goal. Only a third feels any responsibility to meet budgetary commitments. Serious issues fall through the cracks and the errors go uncorrected.

1.3 Closing the Gap with the Four Disciplines of Execution

To close the gaps, organisation must practice the four disciplines of execution.

(i) Focus on the Wildly Important Goal: People are genetically wired to focus on one thing at a time. Nevertheless, we ask our people to “multitask”. The result is frustrated workers and poor results.

(ii) Create a Scoreboard: People can know the goal, but if they don’t know the score, they are working in the dark. Scoreboards motivate people. The scoreboard must be created and made visible to everyone.

(iii) Translate Goals into Action: Goals that have never been achieved require behaviours that have never been tried before. Leaders must involve the front line in defining what everyone must do differently to accomplish the new goal.

(iv) Engage the Team Weekly: It isn’t enough to meet once a year and decide what the work group is going to do. In the most effective teams, people meet to account for their commitments, examine the scoreboard, resolve issues and decide how to support one another.
While formulating the international policies it should be contributed by both male executives and female executives. Though both male and female executives are challenging, there certain barriers for women executives.

![Figure 1.2 Training and Coaching](image)

When proper training and coaching is given the executives inculcate various competencies. The competencies so developed are

- Building Trust
- Being Present
- Active Listening
- Questioning

After availing the competencies the executives tend to move away from the organisation. Apart from inadequate financial compensation, there are other reasons. They are:

- Dislike the leadership style of direct superior
- Lack of career opportunity
- Lack of training and development
- Unpleasant atmosphere at work place

The researcher finally wants to analyse whether CSR activities increase the international trade. Let us see it in detail.

The challenge for Corporate Social Responsibility (CSR) in developing countries is framed by a vision that was distilled in 2000 into the Millennium Development Goals—“a world with less poverty, hunger and disease, greater survival prospects for mothers and their infants, better educated children, equal opportunities for women and a healthier environment. The drivers of CSR make a difference between developed countries and developing countries.

Drivers of CSR are divided into internal drivers and external drivers. Internal drivers refer to pressures from within the country while external drivers tend to have a global origin.

**Cultural Tradition:** Many believe CSR is a Western invention, there is ample evidence that CSR in developing countries draws strongly on deep—rooted indigenous cultural traditions of philanthropy, business ethics and community embeddedness.
Fig. 1.3 Drivers of CSR

(2) Political Reform: CSR in developing countries cannot be divorced from the socio-political reform process, which often drives business behaviour towards integrating social and ethical issues.

(3) Socioeconomic Priorities: There is a powerful argument that CSR in developing countries is most directly shaped by the socioeconomic environment in which firms operate and the development priorities this creates.

Governance Gaps

CSR as a form of governance or a response to governance challenges is discussed at length in the media. However, of particular relevance for developing countries is the fact that CSR is often seen as away to plug the “governance gaps” left by weak, corrupt or under – resourced governments that fail to adequately provide various social services (housing, roads, electricity, healthcare, education, etc.)

(4) Crisis Response: Various kinds of crises associated with developing countries often have the effect of catalyzing CSR responses. This crisis can be economic, social, environmental, health – related or industrial.

(5) Market Access: The flipside of the socioeconomic priorities driver is to see these unfulfilled human needs as an untapped market. This notion underlies the now burgeoning literature on “bottom of the pyramid” strategies, which refer to business models that focus on turning the four billion poor people in the world into consumers.

(6) International Standardization: Despite the debate about the Western imposition of CSR approaches on the global South, there is ample evidence that CSR codes and standards are a key driver for CSR in developing countries.

(7) Investment Incentives: The belief that multinational investment is inextricably linked with the social welfare of developing countries is not a new phenomenon. However, increasingly these investments are being screened for CSR performance. Hence, Socially Responsible Investment (SRI) is becoming another driver for CSR in developing countries.

(8) Stakeholder Activism: In absence of strong governmental controls over the social, ethical and environmental performance of companies, activism by stakeholder groups have become another critical driver for CSR. In developing countries, four stakeholder groups emerge as the most powerful activists for CSR, namely development agencies, trade unions, international NGOs and business associations.
(9) Supply Chain: Another significant driver for CSR in developing countries, especially among small and medium-sized companies, is the requirements that are being imposed by multinationals on their supply chains. This trend began with various ethical trading initiatives, which led to the growth of fair trade auditing and labelling schemes for agricultural products sourced in developing countries. The problems are as follows.

- What are the factors of learning organisation that increases international trade?
- What are the problems in executing international trade policy?
- How can we increase the international trade through domains of intelligence?
- What is the role played by training in increasing international trade?
- Do barriers of women executives have an impact on international trade?
- What are the barriers of world trade?
- How do the drivers of CSR influence international trade?

METHODOLOGY

2.1 Sample Design

Non-random sampling method is adopted (i.e.) the respondents of my study is not selected at random. The sample size selected is 30.

2.2 Data Collection

Data can be divided into (1) Primary data (2) Secondary data.

(1) Method of Collecting Primary Data: There are various method of collecting data such as interview method, questionnaire method, preparing schedules, observation method etc. The researcher used questionnaire method to collect the data.

(2) Method of Collecting Secondary Data: Secondary data for this study was taken from research articles published in magazines, books, periodicals, newspaper etc.

ANALSIS AND INTERPRETATION

The investigator used various statistical tools such as pie diagram, chi-square, graphs, Karl Pearson’s coefficient of Correlation, coefficient of Regression, one-way ANOVA, chi-square etc to analyse the data using SPSS package.

3.1 Limitation of the Study

There are few limitations of the study

1. Time available for the study is limited.
2. Data available is not sufficient to cover all aspect.
3. The area covered for the study is narrow.
4. The very difficult thing is to meet the people concern and get the information.
5. In many companies they are not willing to co-operate and provide the investigator with sufficient information.
Hypothesis No. 1: There is no significant relationship between factors of Learning Organisation and International Trade

<table>
<thead>
<tr>
<th>Model</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regression</td>
<td>135.967</td>
<td>1</td>
<td>135.967</td>
<td>93.464</td>
<td>.000a</td>
</tr>
<tr>
<td>Residual</td>
<td>40.733</td>
<td>28</td>
<td>1.455</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>176.700</td>
<td>29</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

a. Predictors: (Constant), Factors  
b. Dependent Variable: IT

From the above table it is clear that \((F= 93.464, P=.000)\) are statistically significant at 5% level. Therefore there is a significance relationship between factors of Learning Organisation and International Trade. So it implies that the employees increase in the knowledge and up gradation, it will increase the volume of International Trade.

Hypothesis No. 2: There is no significant relationship between problems in execution of policy and International Trade

<table>
<thead>
<tr>
<th>Correlations</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Problems</strong></td>
</tr>
<tr>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
<tr>
<td><strong>Features</strong></td>
</tr>
<tr>
<td>Pearson Correlation</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
</tr>
<tr>
<td>N</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).
There is very high negative correlation between problems in execution of international trade policy and feature of International trade with a coefficient of -0.713 (i.e.) decrease in the problem of execution, then there will be an increase in the International Trade and increase in the problem of execution of policy then there will be decrease in the International trade.

**Hypothesis No. 3:** There is no significant relationship between training of executives and International Trade.

<table>
<thead>
<tr>
<th>ANOVA</th>
<th>Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
<th>F</th>
<th>Sig.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Between Groups</td>
<td>113.655</td>
<td>2</td>
<td>56.828</td>
<td>19.543</td>
<td>.000</td>
</tr>
<tr>
<td>Within Groups</td>
<td>78.511</td>
<td>27</td>
<td>2.908</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>192.167</td>
<td>29</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

From the table it is shown that features of International trade with (F = 19.543 and P= .000) are statistically significant at 5% level. Therefore it can be concluded that there is a significant relationship between training provided to the executives and features of International Trade. If more training and developing programmes are provided to the employees and executives respectively then surely there will be an increase in the performance which leads to increase in International trade.

**Hypothesis No. 4:** There is no significant relationship between drivers of CSR and international trade.

<table>
<thead>
<tr>
<th>Test Statistics</th>
<th>Drivers</th>
<th>Features</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chi-Square</td>
<td>2.000a</td>
<td>.600b</td>
</tr>
<tr>
<td>df</td>
<td>9</td>
<td>8</td>
</tr>
<tr>
<td>Asymp. Sig.</td>
<td>.991</td>
<td>1.000</td>
</tr>
</tbody>
</table>

a. 10 cells (100.0%) have expected frequencies less than 5. The minimum expected cell frequency is 3.0.

b. 9 cells (100.0%) have expected frequencies less than 5. The minimum expected cell frequency is 3.3.

From the above table, the calculated value is greater than the table value therefore the null hypothesis is rejected. Therefore it is proved that there is significant relationship between the drivers of CSR and International Trade. This implies that more CSR activities are involved it boosts the goodwill of the nation and this leads to increase in International Trade.

**Hypothesis No. 5:** There is no significant relationship between the problem in execution of International trade policy and the barriers of world trade.
<table>
<thead>
<tr>
<th></th>
<th>problems</th>
<th>world</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation</td>
<td>1</td>
<td>.672**</td>
</tr>
<tr>
<td>Sig. (2-tailed)</td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td>N</td>
<td>30</td>
<td>30</td>
</tr>
</tbody>
</table>

**. Correlation is significant at the 0.01 level (2-tailed).

From the above table it is clear that there is high positive correlation between problems in executing the policy and barriers of world trade. This implies that more the problems in executing the policy the more the barriers of world trade and less the problems in executing the policy and barriers of world trade.

**FINDINGS**

- There is a significance relationship between factors of Learning Organisation and International Trade
- There is very high negative correlation between problems in execution of international trade policy and feature of International trade.
- There is a significant relationship between training provided to the executives and features of International Trade.
- There is a significant relationship between domains of intelligence and features of International Trade.
- There is significant relationship between the drivers of CSR and International Trade.
- There is a perfect negative correlation between barriers of women executives and International trade.
- There is high positive correlation between problems in executing the policy and barriers of world trade.

To conclude, the HRM plays a major role in increasing the International Trade as well as making it effective. So in order to make International Trade effective the policy makers should include women executives and executives who posses various domains of Intelligence. The nation should make all organisations as learning organisations and increase the CSR activities. The policy makers should reduce the problems in execution of trade policy and the barriers of World Trade.

**REFERENCES**

The Role of HRM in the Field of International Trade