CHAPTER VI

SUMMARY OF FINDINGS, SUGGESTION AND CONCLUSION

1.0: Introduction:

The culmination of the research work brings back the memories of the long journey of research work and the joy of learning and acquiring Knowledge. The process of research, from conceptualizing a problem to writing the narrative, is an action plan, describes the main purposes of the research are to, make the decision explicit. Research result should, ensure that the decisions are consistent with each other and with ontological assumption adopted and allow for critical evaluation of the individual design elements.

In the sociological research, ‘words’ are essential instruments in qualitative data analysis to understand the nature of realities, they are the window into human experience, points out that qualitative analysis and writing involve the researchers in making sense of the words and their relationship to the subject being studied.

*Constructing knowledge from the data is done analytically, carefully and rigorously. This process needs responsibility, from the researcher to interpret the beliefs and behaviors of participants. Thus drawing conclusions by stepping back to consider what the analyzed data means and assessing the implications of this for the research questions. Verifying that conclusions are valid and justified, a brief summary are enumerated below:*

2.0: Summary of Findings:

The following few lines are the summary and gist of findings based on empirical study and experience of the research perception from the respondents who are HR Professionals from MNC.
1. From the database of 396, Human Resources respondents constituting 86 percent said that external environmental factors—Social, Cultural, Technological, Economic, Ecological, Political, Legal and Ethical factors, have strong correlations on Business Functions and have impact on Human Resources Function. 389 HR respondents ranked factors in the order of importance whereas, 7 respondents consisting of 2 percent, mentioned all the factors are equally important.

2. The Human Resource Professionals opinion are, 173 respondents constituting 44.44 percent were from Information Technology enabled services, software services and design service MNC companies ranked technological factors like Management Information System, Data life cycle management and business intelligence as most important environmental factor as compared to other factors. This result signifies that software as service is applied across all industry sectors and application of big data is very important for continuous improvement and sustain in global competitiveness. Also recruitment and selection will be highly significant with reference to application of Big data for MNC growth.

3. HR respondents revealed that, 101 respondents constituting 24.42 percent from Manufacturing, FMCG and Engineering Services MNC ranked economical factor like Gross Domestic Product, inflation and disposable income as most important factor as compared to other factors. Hence MNC companies will open new subsidiaries in countries where GDP is consistence, inflation is low and single digit and disposable income are high to promote more consumerism.

4. The opinion of participants in the survey were that, 55 respondents constituting of 14.53 percent from, Banking, Financial Services and Insurance companies ranked
socio-cultural factors like culture, subculture, and age as the most important factor as compared to other external environmental factors.

Hence Insurance and Banking sector MNC will use more local talent for converting their product and services in specific country markets. Hence domestic HRM are involved in framing corporate HR policies in specific recruitment and selection, Employee welfare measure and compensation and reward management plan.

5. The HR Managers of MNC responded that, 40 respondents constituting 10.28 percent from consulting MNC ranked ethical factor, family background and religion, as most important factor as compared to other factors. Hence it is becoming a challenge for HRM consulting companies to place on record the employee verification record, post recruitment process. Hence there are new set of MNC companies which have started “Job Verification Process” which are currently outsourced to Local or Host country HRM.

6. From a total of 389 respondents, 26 respondents constituting 6.68 percent from health care, hospitality and pharmacy companies, ranked ecological factors climate change, urbanization and pollution as most important factor. Hence in developing country like India and China, lot of emphasis needs to given to educate people on ecological impact on business. Hence HRM teams should focus on Training and Development as an important tool to create awareness of importance of Ecological factors as key imperative for growth of MNC.

7. The age profile of the respondents are evenly distributed based on the aspect ratio of junior level to middle management to senior members in an typical MNC organization with all types of functions in an HR Department. Out of total 396
8. Experience of respondents are important when we are eliciting opinion from HR professionals from different levels in organization. More than 292 respondents constituting 75 percent, were above 5 years of experience. While a fair representation was given to all age groups, 108 respondents were above 10 years of experience and 86 respondents constituting 33.50 percent, were having experience between 5-10 years and the rest, 63 respondents constituting 24.7 had experience between 5-10 years.

Hence HR organisation in MNC should focus more on retention strategy to retain HR Talent and thus reduce attrition.

9. From total survey respondents, 310 respondents constituting 80 percent, have chosen social and cultural factors as key to Human Resources Management function and thus strategically impact business function. Hence MNC, should focus on host country HRM policies and practices.

10. Technological impact on HRM functions are averaged as compared to socio-cultural factor and nearly 233 constituting 60 percent, prefer technology as key
impacting factor among the top three important factor namely socio-culture, technology and economic factor. Hence ecology Factor have been found equally important by all level of HRM professions. Hence technology are requisites by MNC companies operating in Bangalore.

11. From the sampling of 396 HR members, 126 respondents constituting 32 percent, have chosen economical stability as key to sustain business of MNC. Even at the time of current global economic crisis, only 32 percent of Indian MNC professional have chosen economic factors are important. The reason being cited by them was that, Indian MNC were less impacted as compared to other global MNC operating in Americas and European countries. Thus MNC operating out of Bangalore are able to sustain global economic crisis.

12. HR members cluster of 392 respondents, 118 constituting 46 percent, have chosen ecological factor as most popular factor among HRM Professionals as key factor impacting business, industry and companies. In specific 57 respondents constituting 22.47 percent, respondents in age group 20-29 years and 39 respondents in age group 50 years and above have categorically chosen ecological Factor as key performance criteria for growth and sustained operations from HRM functions perspective and from strategy point of view. On interviewing a few executives in this category of respondents gave feedback that, “In today business environment, companies measure not only financial performances like return on Investments and return on equity, but also consider earning of carbon credits as key metrics for business sustenance, continuity and growth”. Hence climatic change and corporate social responsibility have created an high impact on future growth of MNC.
organizations in specific MNC operating in China and India.

13. Even though political factor were not chosen as most important factor, 294 respondents has chosen political and legal factors as important factor. According to them in current situations, MNC who wish to establish offices in a foreign country, looks at stability of political and legal systems. Hence, MNC presume that countries political and legal systems are stable and hence India and China in the BRICS -Brazil, Russia, India, China and South Africa countries are chosen as key countries for Foreign Direct Investment.

14. From the surveyors list, 72 members constituting 18 percent, respondents have chosen ethics as second most important factor apart from socio-cultural factors. Hence according to respondents, business ethics will develop into an key parameter that impacts business function in specific HRM Function, for business continuity.

15. HR Professionals from database of 396 respondents were asked to rate - Impact of Internal HRM Functional variables like planning, corporate strategy, HR Development, compensation and benefit management and Industry Relations and Administration on business functions in a scale of 1-5 from most important to less important. 235 respondents constituting 60 percent of HR Professionals of MNC across industry have chosen work place planning i.e recruitment and selection, expatriate management, employee referral systems as key internal factor for organizations sustenance, business continuity and growth as compared to strategic HRM planning, HR development, employee maintenance and lastly Employee-industrial relations and Administration. Hence, HR respondents from MNC in Bangalore, felt that host country HRM policies and practices are very
important for growth of country specific product and services.

16. Apart from work place planning, 233 respondents constituting 59.43 percent, have chosen Strategic Human Resource Management as second, key imperative factors to decision making for MNC Organization. According to HRM Professionals, MNC consider corporate governance or centralized operations of HRM Division is important from over all organizational strategy. In specific, when there are merger and acquisitions, recruitment and selection are considered as important factors to improve revenue growth and to sustain leadership position among competitors. The respondents from this group, who have chosen SHRM as key parametric for Organizational Effectiveness are from Banking, Financial Services Systems and Insurance and Consulting segment.

17. Out of 262 respondents constituting 67 percent are from IT and Manufacturing sector confirmed that merger and acquisitions are key strategy for HRM in MNC organization in increasing organizational performance and improving growth prospects by meticulously implementing work place planning.

18. Total of 215 respondents constituting 55 percent, HR Professional have chosen Human Resource Development as key parameters for MNC Organization growth and to beat competition in the industry. Thus according to HRM Professionals, Training and Development are important for a growing organization apart from Recruitment and Selection. Hence MNC in Bangalore spend lot of resources for Recruitment of right talent and on Training and development to keep pace with technology and beat competition.
19. Out of 100 respondents constituting 25.5 percent of HR professionals from Manufacturing and Engineering services MNC, have chosen maintenance as key factor for performance oriented organization. According to respondents from IT Sector for whom maintenance are IT infrastructure like work stations, latest software and hardware are basic necessity, are presumed to be available for MNC Companies operating in that space.

20. Total of 284 respondents constituting 72 percent, have rated Employee Industrial Relations as important factor and key to performance metrics for large MNC organizations where HR professional stay with the Organization for longer period. The respondents in this group were from Manufacturing, Pharmacy, FMCG, and Hospitality services MNC Companies., where Employee Relations are very important to retain and motivate staff by offering Employee stock options, workers welfare measure like workers participation in management, reward management, employee compensation and collective bargaining were some of the key parameters, mentioned by the respondents of MNC in Bangalore.

21. Importance of social cultural factors affecting Industries are very high in MNC in Bangalore. Social cultural factor is affecting Consultancy companies like Ernst and Young, Deloitte, Tata Consulting Services and PWC to the highest extent. Hence local talent are of key important choice of candidates for MNC Recruitment and Selection, hence there are many MNC expanding business operations in India.

22. Hospitality Industry is least affected by social factors, as hence Bangalore has many Global Hospitals and Hotel chains establishing infrastructure or booking properties for expansion and for sourcing Human Talent which is in demand in Global Hotel
Chains.

23. IT Services Industry are largely affected by technology, apart from Manufacturing and Consultancy Industry, BFSI Industry has an average impact on technology. Least affected industry are Health-care, FMCG, Pharmacy. Since, Bangalore has large MNC, establishing offices or expanding operations, HR professionals are finding more opportunity in Recruitment and Selection, Talent Management and Acquisition, Training and Development, HR Auditing.

24. Economical Factors are impacting, IT Services and Manufacturing to the highest extent. Hence for a slight variation in Economy factors, there is direct correlation and impact on IT Services and Manufacturing Industry. Thus during global recession, the MNC faced business impact because of economic slowdown. However most of the MNC, survived the recession by concentrating on captive market.

25. Hospitality, Health-care and Pharmacy were least affected by Economical factor, shows stability or maturity of these industry by population parameters and income level.

26. Banking Financial Services and Insurance, and Consultancy industry are averagely impacted by Economy factors since the captive market potential were very high and MNC were able to leverage this market and address new market like EMEA, Europe Middle East and Africa, like Airtel operating in Africa, Sri Lanka and Bangladesh.

27. Ecological Factors affecting Industries like IT Services, Manufacturing and engineering industry to to highest level. Hence the future of these industry will be
highly dependent on Training and learning Organisation.

28. BFSI and FMCG has average effect on ecological factor and Hospitality, Pharmacy and Health care are least impacted by ecological factors in short term, how ever will have long term implication.

29. Political factors affecting industry like BFSI and Manufacturing to the highest extent apart from IT Services. Hence recruitment and selection are directly related to political stability in creating new job opportunities and sustained growth in MNC and thus impact HR Professionals.

30. IT Services, BFSI, Manufacturing and Engineering Industry have a high impact due to Legal factors and have significant co-relations among themselves. Hence labour laws and cyber laws will play a major role in controlling conflicts and maintaining harmony in MNC and thus protecting the interest of the stake holders.

31. Ethical factors impact BFSI, Manufacturing and IT Services the maximum.Hence MNC in these sectors focus on ethical business and global best practices.

32. Consultancy, FMCG and Pharmacy have average impact due to ethical factor because most product and services are consumer oriented.

33. Hospitality and Health-care have low impact due to ethical factors, since these sectors are essential services category and are presumed to be ethical.

34. From pair wise comparison for work place planning, we can conclude that, there is significant difference among all the groups except Economical and legal, Economical and Socio cultural, Legal and Socio Cultural, Political and Socio cultural, Political and Technology, Socio cultural and Technology factors. Hence these factor complement each other while designing the strategy by MNC. Thus Pair wise
analysis facilitates for developing inter country or regional strategies in country like India and China.

35. From the pair wise comparison for International SHRM, we conclude that there is significant difference among all the groups except, Economical and Ecological, Economical and Socio-cultural, Ecological and Socio-cultural, Legal and Political, Legal and Technology, Political and Technology. Hence corporate strategy consider pro and cons of these external factors while designing the HR policies and programs.

36. HRD, pair wise comparison, we can see that there is significant difference among all the groups except Economical and Ethical, Economical and Legal, Economical and Political, Ecological and Technology, Ethical & Legal, Ethical & Political, Ethical & Socio-cultural, Legal & Political, Legal & Socio-cultural, Socio-cultural & Technology.

Hence, Training and development and Learning organizations consider these factors for implementing the skills.

37. From Reward Management comparative table, we can conclude that there is significant difference among all the groups except Economical and Ethical, Economical and Legal, Ecological and Technology, Ethical and Legal, Political and Socio-cultural.

Hence MNC organization needs to meticulously plan the compensation and benefit plan to keep the morale of the staff high and prevent attrition rate.

38. Employee Industrial Relations : From pair wise comparison table based on the p value we can conclude that there is significant difference among all the groups except Economical and Ethical, Economical and Legal, Ethical and Legal, Political and
Socio cultural. Employee Industrial relations are very important for MNC. Bengaluru based IT based MNC, practice the global standards meeting the local needs. In specific they satisfy employee needs by Employee stock option like Infosys, and employee career progression like in Wipro Technologies and Wipro University.


With the globalization of markets, employment relations have significantly changed across industrialized countries throughout the last decades. In this context, there is an ongoing debate concerning the extent to which companies operating internationally should adopt local human resource management practices. While some scholars predict that organizations will ultimately converge in their adoption of the most efficient HRM practices, others argue that differences will continue to persist due to cultural and legal constraints. Today, evidence for both homogeneity and heterogeneity in HRM practices across countries can be observed, so that the topic remains relevant for the field of comparative human resource management.

40. The Role of Culture in International HRM: Since the seminal work of Geert Hofstede, the role of culture in the context of management has been extensively discussed. In the International HRM literature, it is widely assumed that employees with different cultural values place different demands on HRM practice. Thus, to be successful, globally operating firms have to adapt their HRM to the cultural context.

41. HRM-Systems in Different Cultures: Standardization versus Localization. The field of IHRM is characterized by an ongoing debate on whether HRM can be standardized across country borders or demands localization. While “best practice”
scholars plea for standardization, proponents of a “best-fit” approach claim that HRM-Systems need to be adapted to the local context to be effective.

**42. The Role of International Framework Agreements in International Employment Relations:** With the globalization of markets, employment relations have significantly changed across countries throughout the last decades. Especially in light of lacking supranational structures, there is an ongoing process to regulate employment relations on a global level. In this context, International Framework Agreements or IFA, have become an increasingly important instrument to secure core labor standards. These agreements are signed between multinational companies and international trade union federations on a voluntary basis. Though not legally binding, IFA constitute a new way to workers' participation in multinationals' governance.

**43. Leading virtual Teams – Challenges and Solutions.** Leading Virtual Teams – challenges and Solutions: In firms with globalized business operations, so called “Virtual” teams are gaining increasing importance. In such teams, team members are geographically dispersed and interaction is typically mediated by information technology. This poses challenge to traditional forms of leadership, which typically assume a relatively strict hierarchy between the “leader” and his “follower(s)”, low geographical dispersion between team members and face-to-face interaction.

**44. Managing Knowledge in Cross-Border Alliances:** Cross-border alliances represent one popular way of firm internationalization. In such alliances, knowledge from various geographical locations needs to be managed in a way to optimally support business goals.
45. Methodological Challenges of International HRM Research: International or "comparative". HRM research is widely regarded as methodologically challenging. Since the formation of the field, numerous challenges have been identified, ranging from data gathering process to the analysis of multinational firm data.

46. HR professionals have been concerned about the high cost of employee health care for many years. This trend was the top issue in the surveys between 2005-2014 and once again the continuing high cost of employee health care was at the top of the list of the most important trends identified in 2013. HR professionals rated the implications of federal health care legislation as the second most important trend affecting the workplace and the HR profession.

47. Skills issues, specifically a shortage of skilled workers and a lack of science, technology, engineering and math or STEM graduates in the U.S. compared to other countries, seem to have gained a new prominence and are now among the top trends that HR professionals think will affect the workplace in the coming years. This finding may be due to a more competitive global business environment and more specialized and technically demanding jobs; it may also be linked to another top trend, large numbers of Baby Boomers leaving the workforce.

48. The impact of the Great Recession continues to be felt, and unsurprisingly economic issues remain top of mind for HR professionals. Issues such as a decline in employees' retirement savings, a potential rise in gas prices, the ongoing threat of dipping back into recession and greater economic uncertainty were all among the top trends HR professionals identified. Along with the implementation of health care
legislation, the political factor that HR professionals also felt would have a wide-ranging impact on the workplace was the outcome of the 2012.

3.0: Suggestions:

Important suggestion are enumerated as follows.

1. MNC can simulate external environment factorial data into “Complex Adaptive Integrated HRM Model” as evolved during the research study to analyze and develop HRM strategy for business sustenance, continuity and growth for the benefit of stake holders. Thus this tool can be used by Consulting Companies or Research executives to develop entry level strategy of Product or services of MNC Companies.

2. Primary data collected and analyzed during study clearly validates the current practices, identifies the relationship and macro factors which impact business, and enumerates statistically the relationship and inter plays with various dependent and independent factors, thus addressing the current problems facing HR Managers in global MNC and the finding can be applied to solve short time problems like recruitment need analysis and retention strategy and employee turnover ratio.

3. MNC can use the model, to verify the impact of specific external environment factor like Social, Technological, Economical, Ecological, Political, Legal and Ethical and find out the issues or problems that will be encountered and device strategy accordingly.

For example, a Japanese MNC who wanted to open Liaison office in India needs to analyze the market potential for minimum period of three years by scanning the external environment factor, before committing for huge investment.
4. Key challenges faced by HRM managers are cost of retention and recruitment planning. Hence HR Managers can leverage those external environmental factors which, highly impact business of MNC and device strategy accordingly. For example, if technological factors are key impacting factor, organization can invest in technology to remain competitive and take a leadership role.

5. When an MNC wants to open a liaison office in new country – the expatriate can use planning and simulate environmental factors to identify key HRM functions on which the MNC need to focus in defining entry level strategy before relocation.

6. Workplace planning were factored as key International SHRM factor by implementing "Training and Development" of staff to preventing attrition and avoid retrenchment by re-framing effective HR Policies suiting the host country external environment factors.

7. Today MNC are adapting various tools like Business Intelligence, Business Objects, Theory of Constraints -TOC, lean mean management and Six Sigma Techniques to maintain competitive leadership. Hence this study may give some insight from HRM perspective like skill development, career progression and competency mapping that impact business due to external environment factors.

8. MNC operating in IT Sector and Manufacturing and Engineering services organization may focus on "reward Management and employee relations" apart from infrastructure management through innovation in technology.

9. From the study, it is found the host county, social culture influence are high on subsidiaries. However depending on the nature of operations and Industry sector, like IT Companies work on Night shift to support parent country on 24/7 support
call, where as host country may not have culture similar to Parent Country MNC. But will adapt to the requirement in order to generate revenue and increase job potential. Hence recruitment and selection criteria are critical for MNC operating in IT sector as compared to other sectors who also align with parent country corporate culture to beat the economic pressures in the region.

10. Human Resources Management function revolves around ethical values. Hence characteristically, the respondents have identified, Ethical factor together with other environmental factors. Hence current and Future HR Professionals of MNC will give importance to ethical Values by inculcating and integrated importance in Human Resource Development in MNC. Thus holistic approach of integrated HRM model will work on subconscious level of human beings to retain human values in organizations and society.

11. Interplay between various IHRM functional parameters, with reference to specific external factors will help organization develop specific strategy to handle external crisis related external environmental factors. Like IT organizations, should train and develop HRM professionals to tap and identify those skills which are needed for building long lasting relations between clients.

12. Transformation in Indian MNC and services sectors are happening at a higher and faster rate, hence there are huge skills and expertise gap in Human Resources management because of boom of unorganized sector and slow pace of implementation and gap widening between transformation from un-organized sector to organized sector. Hence HR departments in MNC needs to leverage external
factors effectively to meet the challenges.

13. MNC should tap huge potential available in unorganized sector like the Insurance industry, FMCG industry in specific Global Food chain like Starbucks partnering with Tata’s to offer high end beverage product in competition to Cafe Coffee Day by training the staff to prepare beverages suiting the Local requirement with out compromising on Corporate goals and strategy on positioning of product. Hence by environment scanning, the MNC can position themselves for a long term period.

14. Indian based MNC in specific Bangalore located companies play a major role in development of Indian economy and contributes close to 20 percent of GDP of country and 25 percent to Karnataka State GDP. Hence MNC, can integrate ,the developed model and validate the “Knowledge Management System.” Thus playing a critical role, in design of key technological development requirements for global customers, like recent Indian Space Research Organization, MARS Mission, Space Tourism and Invention of lifesaving drugs for Life threatening disease.

15. Finally, the model developed and simulated is a comprehensive and holostic view of functioning of HRM with the perception of external environment, hence the tools and model need to be validated continuously by incorporating the advancement and changes.

16. The future researchers can also take-up in dept research work by developing a new theoretical or algorithmic or empirical model on one dimension, or in dept study by taking one factor namely Socio, Technological, Economical, Ecological, Political, Legal and ethical parameters for HRM behaviour. In specific work can be undertaken to study impact of spirituality on business function with specific

17. A detailed regression analysis of External environmental factor on HRM functions can lead to development of software tool to constantly validate the data and give suggestion to HRM managers for effective decision making.

4.0: Conclusion:

Global MNC have started measuring and earning of carbon credit, which is an ethical practice, practiced by many MNC for global and universal acceptance to save the planet earth. This is reflected in strong correlation between factored values of Ecological, Ethical and Human Resources Management Function. Hence, HR Professions have rated ecological and ethical factors as most important key factor for Organizational growth. The results measured reflect that, HRM Functions variables are all key importance factors for successful implementing Human Resource Development.

HRM Professionals for the future will practice ethical values the most and set standards for other functions of business and industries. HR Professionals have to be role models in implementing the best practices in the global Companies, so that other functions will automatically reflect the outcome based on ethical values.

Hence a model like, Adaptive Comprehensive Integrated Multifaceted Design Model can be oriented towards achieving the future needs of Companies, Corporations, Organizations, Society and Nations.