



Towards the 21st Century

by

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IN THIS WEEK'S HRI—POST CO—OPERATION COLUMN, Dr Chira interprets the impact of recent tumultuous events in global money markets on human resources, and looks at the implications of globalisation on cross-border movements of skilled workers.

We would like to begin our column this week by extending our best wishes to His Majesty the King. We hope that His Majesty will make a speedy recovery from his illness and continue to play a significant role in the life of the kingdom, as he has been doing exceptionally well for the past 50 years.

So many things happened last week on the global stage which affect human resources in Thailand. These events make me realise more and more the impact of globalisation on the Thai people. The important point is that globalisation presents both opportunities and threats. The question is whether we can maximise the opportunities and at the same time minimise the threats, so that our society can benefit from this process overall.

In my opinion, there are three types of cross-border movements:

- financial flows
- goods and services
- people

In the first case, the movement of financial capital in and out of the country demonstrated last week that the Bank of Thailand and the Ministry of Finance find this situation extremely difficult to monitor. Clearly the instability of the world foreign exchange market certainly has an impact on human resources here in Thailand.

Who would have thought that a 220-year old bank like Barings could collapse in a matter of days. As Prof. Michael Hammer keeps telling us, change is unpredictable and sometimes very, very fast.

Therefore speed is one of the problems of globalisation. We do not have the luxury of having time to waste any longer. We must be fast and efficient in the way we work. Any country which equips itself and prepares the right kind of human resources has a great opportunity to reap the benefits of globalisation. As we saw last week, the stakes are very high, but so too are the potential profits.

In addition to financial flows, I think another interesting aspect of globalisation is the flow of people across borders. How will this change in the next 10 years? A recent conference organised by the International Labour Organisation addressed the implications of cross-border travel on labour markets. Only last week one of my guests from Australia told me that his country is seriously pondering the issue of opening up their immigration policy.

There have already been a number of studies of the flow of unskilled labour across borders, both legally and illegally. But there has been very little study of the regional 'brain drain' flows. And yet if business is cross-border in nature, we cannot prevent brain power from moving in and out. In Thailand's case, we have not yet precisely formulated an appropriate policy to deal with the mobility of brain power. Perhaps this issue will in the future become a subject of negotiation at APEC or the WTO. Certainly, some developed countries may feel threatened if there is a substantial amount of migration across borders. If readers have any ideas or suggestions to make on this subject, please let me know.

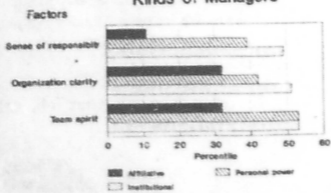
Lastly, before I close my column, I am very happy to welcome Dr. Michael Hess from the Australian National University, who conducted a very successful workshop on 'productivity.' We also welcome two of the participants in the workshop, Ms. Supanee Pairuchvit, Senior Personnel Analyst from the Office of the Civil Service Commission and Ms. Pimpaka Bijayendrayodhin, Corporate Planning Manager of T.N. Incorporated Ltd., who add their thoughts to the discussions.

The idea of productivity has strong appeal because it leads to the ability to compete on both the cost and quality aspects. I believe that in Thailand we must create a 'culture of productivity improvement,' especially in the public sector and state enterprises. In general, I find that the technical understanding of productivity is very good, but in fact the issue embraces much more than this. Many other intangible elements are also extremely important.

The question of how to improve productivity is crucial, and the emphasis on the strategic role of human resources was probably the most important point made at the workshop. To follow up, studies will be conducted in each of the participating organisations to determine how successful the implementation of productivity improvements learned during the workshop actually are in practice.

See you next week.

Effectiveness of Three Kinds of Managers



Affiliative managers (affiliation greater than power, high inhibition)
 Personal power managers (power greater than affiliation, low inhibition)
 Institutional managers (power greater than affiliation, high inhibition)

Source: Harvard Business Review, 1995.