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HR Management of TNCs (on the Basis of SC Kuehne + Nagel)

The article analyzes the work of personnel departments in international companies. It is noted that the human resources department in the 21st century reached the international level, although even at the end of the 20th century it was mostly local and local in nature. The reason for this was globalization.

The Human Resources (HR) department has evolved from a mere administrative function to a more professional, consultative and strategic partner. Previously, HR was primarily responsible for managing employee records, benefits and payroll functions, as well as other operational tasks. Today, the primary responsibility of the HR department is to ensure that employees are motivated and committed to their work and responsibilities, as well as committed to the vision, mission and goals of their organization. And this role is becoming more difficult for HR in multinational corporations (hereinafter TNCs). TNCs have a positive qualitative impact on wages and working conditions, the formation of new skills and knowledge in host countries.

The company that became the subject of our work also belongs to the definition of TNC. The human resource function plays an important strategic role in the success of the organization and its further growth. Kuehne + Nagel is an international forwarding company that is a world leader in the logistics services market and occupies the first places in sea logistics, air logistics, contract logistics, international road logistics and rail logistics. Using her example, in this article we will examine the development of HR activity in the company, analyze its weaknesses and strengths, and provide recommendations for further improvement of the company's work.

Keywords: *human resource management, transnational corporations, Kuehne + Nagel company*

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Problem statement

Nowadays HR's main responsibility is to ensure that employees are encouraged and devoted to their jobs and responsibilities as well as committed to their organizations' vision, mission and goals. This role becomes more challenging for HR in Transnational corporations (TNCs further).

Globalization has a significant impact on the structure of local job market. Prior to the 1950s, labor markets were only affected by local and national variables. Following the Second World War and the expansion of globalization, everything began to change. More location-bound assets, such as labor, were required as capital mobility grew.

The expansion of global production under the management of TNCs has a number of effects for domestic labor market organization, including:

- competitiveness elements that rely on generated assets, such as skills and knowledge, rather than traditional natural assets,
- skilled professionals,
- together with the expansion of TNCs and mobility of capital increases, labor force and local governments started adopting more quickly to changes in the international competitiveness of their industries and organizations.
- increased importance on market forces changed the relationship between organizations, labor force and government in the areas of employment and workplace.

The growing expansion of TNCs influenced dramatically the quantity and quality of available jobs globally. TNC employees typically have better income, better conditions, and welfare benefits than domestic employees, however this is not always the case. TNCs are revealing positive qualitative influence on salaries and working conditions in host countries.

More important is that TNCs provide work force with numerous opportunities to acquire new skills and knowledge particularly in developing countries. One of the most beneficial influences of TNCs is that they bring together in countries international experience, knowledge, and skills [13]. Local companies and governments benefit from gained skills possessed through employment in TNCs. TNCs provide workforce in developing countries with new

management skills via formal and on-the-job trainings, experience sharing.

The major role of TNCs in human resources development lies in providing learning and development opportunities as well as various trainings for their employees.

Such opportunities vary from country to country, industry and activities where TNCs operates. Due to their size and international specifics, TNCs are offering better formal and non-formal training programs that are better than those, provided by many local organizations, especially in developing host countries. Large TNCs develop training centers and provide off-the-job training for their employees by internal or external expertise. Large, small, and medium-sized TNCs all send affiliate personnel to their home country operations for on-the-job training and experience, and large TNCs also transfer managerial staff to other regions for learning and experience sharing. TNCs frequently employ expatriates as a channel for skill transfer.

The company, which became the subject of our work, also belongs to the TNC definition. Human Resources function plays an important and strategic role in the organization's success and its further growth.

Kuehne + Nagel is a global forwarding company and holds a global market leader's position in logistics services.

August Kuehne and Friedrich Nagel founded the company as a transportation company in Bremen, Germany, in 1890. Kuehne + Nagel has transformed from a typical freight company to a global logistics provider that provides highly specialized solutions and services for major industries throughout the world over the last 130 years.

Today, Kuehne + Nagel is headquartered in Schindellegi, Switzerland with a presence all over the world.

Kuehne + Nagel operates in 109 countries on 1400 locations. The company employs over 78 000 logistics and supply chain professionals. Company's portfolio incorporates over 400 000 customers. For many years Kuehne + Nagel holds first places in sea logistics, air logistics, contract logistics, international road logistics and railroad logistics [6].

In Ukraine Kuehne + Nagel operates since 1997. It holds the leader's position of local logistics provider since its establishment here as well.

In Sea Logistics the company offers numerous sea freight container shipping solutions. Full container shipping solutions, such as KN Pledge — a premium FCL service with assured lead time, Less-than-container Load (LCL), and Reefer Logistics — cold chain solutions, are just a few of them. They also provide the following services: Order Management for International Supply Chains, enabled by the innovative platform KN ESP to manage supply chain partners and optimize end-to-end operations' processes and information flows, Cargo insurance KN Sure by NACORA, Customs clearing services. In Air Logistics the service portfolio includes: Charter services, Time-critical solutions, Sea-Air product, Time-defined products, Cargo insurance (NACORA) and Customs clearance.

In Road Logistics they deliver customers' cargo with LTL freight, FTL freight, Groupage.

In international road logistics Kuehne + Nagel operates shipping from Europe, from the United States and North America, from Asia, as well as from the Middle East and Africa. They also have specialized solutions for storage and transportation solutions for pharmaceutical and healthcare products. Moreover, offer customized, worldwide transport planning and coordination from trade fairs to sporting events.

Kuehne+Nagle is a warehouse and distribution company, offering end-to-end supply chain solutions and distribution services to the aviation industry, manufacturing, retail, high-tech, industrial, and pharma and health industries are all examples of industries. Aftermarket logistics, Production logistics, KN OmniChain — eCommerce logistics, Packaging, procedures and solutions, Distribution, and Innovation are all part of the contract logistics offering for customers.

Task statement

The aim of this paper is to explore main practices of Human Resources (HR further) function in TNCs, how HR influences TNCs and global labor market, HR practices of Kuehne + Nagel, as well to propose ways to improve HR practices in the Company.

We would like to solve the following tasks on this paper: to explore the history and development of HR, HR practices in global markets of TNCs; to analyze main business activities of Kuehne + Nagel and analyze company's HR

structure, HR's focus on employees' development and engagement; to propose improvements to existing HR process to retain key employees and talents as well contribute to the Company's success.

Literature review

The last 15 years, the concept of Human Resource management has been widely applied. Personnel administration was the name given to the field prior to that. The name change isn't just for display [22].

With the Industrial Revolution in Great Britain in the nineteenth century, the field of human resources began to grow in Europe. During the industrial revolution, Robert Owen and Charles Babbage developed the idea that people were critical to an organization's performance, claiming that employee well-being led to faultless labor and that an organization could not thrive without healthy individuals. The establishment of huge industries considerably boosted the demand for labor. It was around this point that new people management approaches began to emerge. It is a significant key moment of Human Resources. The tremendous introduction of innovative industrial processes and work inventions drastically altered the globe. Many industries have prioritized speedy and low-cost production.

HR grew as a relatively new field in the early twentieth century, when some businesses discovered that employees are driven by more than simply money, resulting in a completely new approach to employer-employee relationships. Few companies like P&G, for example, noticed these practices as a means to acquire employees' commitment and motivate them with a carrot rather than a rod. This "Welfare Capitalism" movement was the first glimpse of something resembling to HR as we experience it nowadays [25].

HR management was first introduced in the 1970s of the twentieth century. New technology enabled the establishment of major multinational corporations, signaling the start of a new phase of globalization. Human Resources Departments replaced Personnel Departments. They began to manage policies and procedures in the context of a global labor. Since then, most HR departments have been using advanced

HRIS (Human Resources Information System) systems to make information about employees available to HR professionals everywhere and at any time [1].

Human motivation theories such as Herzberg's Two Factor Theory and Deci and Ryan's Self-Determination Theory began to change the workplace at the same period. HR was forced by corporate management and industrial psychologists to concentrate more on employees' needs for achievement, development, and recognition by aligning the nature of the work with their talents and interests.

The development of the HR Business Partnering Model was the second fundamental change in the history of HR Management. Organizational demand transformed drastically when the economies of wealthy western countries transitioned to services economies [4].

Managers and leaders today must think globally and be able to understand colleagues from a variety of cultural backgrounds. They are responsible for managing the global business culture. They must discover values that inspire employees all throughout the world. Corporate culture can no longer be defined by a single country. It must reflect the fact that the company employs people of many nationalities. It is, however, a source of stress. Global HR procedures and processes are driven by International HR Management in various nations. It must ensure that they provide outcomes that are similar and comparable.

HR's function is more sophisticated than it has ever been. Now that new and developing technologies shifted the focus away from people management and administrative activities, HR departments must focus their efforts on managing employee satisfaction and culture [23].

Human Resources faces numerous new challenges in the future. Globalization will continue, and local enterprises may find it advantageous to hire new talent from other continents. Because of the scarcity of skilled people, Human Resources will be forced to implement worldwide recruitment policies and processes. Employee relocation to other countries has become a typical HR function. Organizations lose their country specificity and are unable to identify with a single country. Human Resources must assist in identifying and implementing the new organizational culture.

Globalization's employment implications are felt not just at the aggregate level, as well as at the organizational level. While the change to complicated tactics may result in a reduction in direct employment inside TNCs, it also boosts host nations' possibilities to attract more and better value-added investments [18].

Furthermore, as TNCs establish higher-value-added and more specialized businesses in their overseas operations, the demand for training in order to enhance quality of host-country workers grows. The shift toward more complicated methods shows that integrated global production reinforces foreign subsidiaries' higher pay and high skill profile [16].

Local and national authorities can have an impact on human resource development. Furthermore, particularly in big and expanding markets, TNCs are the most likely to be drawn by a mix of an educated workers and a physical and social environment able to generate high productivity [20].

Over the years, the workforce has shifted from a labor-based to a services-based model, forcing HR to change from a process-centric to a worker-centric role.

Human Resources now oversees a number of processes that are critical to the modern organization's success. Recruitment and staffing, compensation and benefits, training and development, and leadership development are all essential components of a successful organization [11].

Taylor et al. (1996) highlighted integrative orientation as another intermediate strategy. This is a hybrid strategy that combines localization and transplanting, with TNCs attempting to adopt best practices from either the parent firm or the local subsidiary.

Results

International human resource management became an enormously relevant topic for researchers as a result of rapid globalization. During the nineties, cross-border mergers & acquisitions became increasingly popular around the world, and TNC FDI tripled to \$4.759 billion (UN 2000). Managing foreign branches while considering global competitiveness and the local context has become an essential and tough challenge for TNCs [14].

The behavior of TNCs can be impacted by both sociopolitical events (external factors) and the home country's headquarter strategy and policies (internal factors).

As a result, the country of origin (also referred to as the "home country") is a crucial component in explaining TNC policies and behavior. For example, in their international subsidiaries, American TNCs employ a more centralized and formal management style, and this management model has a substantial impact on local compensation packages, collective bargaining, employee benefits, and training [19].

Foreign subsidiaries' HRM practices have an overall tendency to follow local practices, with occasional variations among individual practices. In this scenario, examining HRM practices may obscure significant differences in TNCs' strategic intentions between home countries [9].

TNCs must make strategic decisions about the overall HR strategy for their foreign branches, such as whether they try to comply to local practices or transplant the parent company's methods.

The domestic company understands the cultural uniqueness of the local environment and respects and integrates local HRM practices in a local strategy. TNCs use this method to ensure that their local employees have a familiar HRM culture and to prevent avoidable confrontations with the local system. The parent domestic company forces HRM practices on its subsidiary as part of a transplanting strategy. As a result, the main business attempts to achieve some consistency in its global HRM policy [7].

It's crucial to remember that the country of origin isn't the only element determining foreign branches' HRM strategies. Other factors that may impact strategy selection are divided into two groups: investment strategy and entry strategy [3].

Investment strategy, which can be split into two categories: market-oriented investing strategy and cost orientation investing strategy [12], might impact the HRM strategy of subsidiaries abroad. When it comes to cost-cutting investments, MNCs strive to take advantage of local environment's cost competitiveness, such as cheap labour, tax incentives, and cheap raw material costs. The headquarters office is then more likely to implement HRM methods that have previously been proven to be effective in their

home nation. As a result, MNCs that invest with a market orientation approach are more likely to use a localization HRM strategy.

The entry strategy might also influence the HRM strategy of subsidiaries abroad. FDI is typically done through purchase or the establishment of a new firm (a "greenfield site") [7]. When MNCs wish to reproduce important qualities of their parent firm, they use a greenfield location as an entry strategy. As a result, there's a better probability that greenfield site subsidiaries will use a transplantation strategy. The acquired organizations, on the other hand, have a history and organizational stagnancy, making them positively associated to the localization approach.

Localization is a strategy used by manufacturing firms, large businesses, older organizations, and unionized companies. Service organizations, smaller organizations, companies led by foreign top management, younger businesses, and non-unionized enterprises, on the other hand, are more likely to use a hybrid HRM strategy [3].

TNCs are not under any direct environmental pressure while deciding between localization and a hybrid strategy, which may reflect their choice which is mostly influenced by their home country.

A transplanting strategy may be used to guide HR decisions such as human resource planning and executive recruitment, whereas a localization strategy may be used to guide HRM actions such as salary increases and professionals and experts recruitment. In this regard, the home country may represent the most essential role at the strategic purpose level, whilst other background factors may play major roles at the functional level when it comes to implementing certain practices.

The management styles and methods of European, US and Asian TNCs are frequently contrasted. Such discrepancies might cause conflict, especially in global joint enterprises. The degree to which management techniques have evolved towards a worldwide norm is a significant issue [8].

The TNC is seen as a tool for transferring prevailing HR policies and practices across national borders, and the articles put a spotlight on the feasibility of, and constraints to, this transfer.

TNCs' HRM methods have long captivated people's interest. Differences in HRM practices occur between countries, and they persist when

other factors are taken into account. Personalized employment practices, such as variable pay, are used in several nations. Nonmanagerial employees are more affected by employment protection legislation than managers. Innovative ideas may be difficult to adopt in other countries [5].

Complex relationships, uniformity, organizational structures, and size were all connected with the usage of HRM methods, albeit the effects were not as consistent as a strong situational explanation would predict. As a result, more integrated TNCs, particularly subsidiaries that feed other elements of the TNC, used on general more HRM practices, as well as motivation and control mechanisms for management. On opportunity measures, a more complicated structure appears to be important.

HRM practices were also linked to policy decisions made by businesses. The involvement of an international Human Resource committee is associated significantly with the adoption of more practices [10].

Being an international company with a successful history of 130 years, Kuehne + Nagel built and keeps on improving its human resources management.

In all 109 countries where Kuehne + Nagel operates, the company has the similar structure in Human Resources. This alignment allows the

company to have similar and fair approaches to all employees. It also allows the company's management to lead and oversee effectively all activities related to personnel.

The main practices of HRM in Kuehne + Nagel (Table 1) include recruitment, learning & development, performance management, employee engagement, reward system, leadership and career development.

The Company pays a lot of attention to the performance management as it enables the organization to draw the best out of its staff and to operate at the optimal level. Through goal-setting, feedback and employee motivation, performance management links together other practices of HRM such as recruitment, training, development, employee engagement, leadership and reward policies and in some way affecting those. With the set of goals in the process of performance management, Kuehne + Nagel is able to recruit and select suitable staff for certain tasks. The feedback through performance management can facilitate training and development, reward system and career development of employees.

Performance management is affected directly or indirectly by several key factors in the organization such as culture, institution, and organisational structure, purpose of appraisal,

Table 1. Major activities of the Human Resources Management

Human Resource Management Practice	Issues and Activities
Recruitment	Selecting the right person for the right job, recruiting from a diverse community, gender discrimination awareness, ethnic minority or disability recruitment
Training & development	Individual and organizational responsibility are balanced, training and development is used as a strategy of recruitment and retention, and new technologies are used to learn
Performance management	Performance appraisal, compensation policy, employee recruitment and retention, the influence of teamwork on personal remuneration, the importance of culture in performance management, training and development, and performance management are all topics that are addressed
Employee engagement	Employee engagement and commitment, autonomy, top-down communication, bottom-up problem-solving, and mutually beneficial partnerships
Rewarding polices	Delegations of incentive systems, cost-effective overall reward policies, a set of performance targets, reward rules, and fair processes, recruiting and retention maximization, and staff repatriation are all examples of decentralization of incentives
Leadership development	Managing branches in a global setting, expatriate practices, cross-cultural learning and development, self-training using electronic media, and worldwide job rotation are some of the topics covered

performance standard, technology, and reward system.

These practices are structured in 5 directions in human resources management: business partnership, learning and development, compensation and benefits, talent sourcing and administration.

1. HR Business Partnership is the similar activity like in many other trans-national corporations. The HR business partner (HRBP) is a strategic liaison between HR and the business.

Employees and management in separate business divisions are accountable for connecting company goals with HR Business Partners. The position incorporates partnerships across the HR function for delivering value-added service to management and employees to reflect the business objectives of the organization. The HRBP maintains a high degree of business awareness about the financial position, mid-term strategies, culture, and competition of the business unit.

These senior HR experts have a thorough understanding of the company and ensure that HR contributes to the company's success. To assist the organization in achieving its business objectives, the HR business partner links the HR function — which focuses on people — with the business look of things. The HR business partnership is the most customer-facing of all HR professionals. They can bring benefit to the company and lead decision-making processes since they are in direct contact with line managers. A great HR business partner can assure that all HR processes are properly aligned with direct supervisors' priorities, especially during times of change and transformation.

A strong HR business partner, in theory, acknowledges how existing and anticipated difficulties effect their organization's people. HR business partners are familiar of with the organization's competitiveness, market value, rivals, unique selling points, market share, and progress, as well as the ecosystem, the role of technology, and other key stakeholders.

The HRBP assists the organization in achieving success for both customers and employees. HR business partners assist companies in planning, developing, and changing in hiring and recruiting and retain top people.

One of the primary tasks of HR business partnership is to focus on people and culture trans-

formation in order to achieve its business goals. HRBPs are striving to enhance employee experience, which is critical to a company's success.

2. Learning and development (L&D) is one of the core pillars in Human Resources.

Learning and development at Kuehne + Nagel aims to enhance employees' skills, knowledge, and competency in order to achieve better performance at work. In line with employees' development goals, L&D focuses on the acquisition of knowledge, skills and behaviors, as well as the extending and upgrading of knowledge.

L&D at Kuehne + Nagel has 4 annual stages they undergo in order to keep the organization and it's employee effective, competitive and motivated:

- analyze training needs of the whole organization based on the market trends, outcomes of recent learning and training activities and on the employees' feedback,
- specify learning objectives for the upcoming year with focus on hard and soft skills, as well as business and personal employees' needs,
- design of training content and method — where majority of trainings and content are located on the internal corporate site and are available to all employees all over 109 countries,
- monitor and evaluate, meaning selecting the data of the attended courses and individual feedback after the each course.

The 70/20/10 method, which is completely applicable to Kuehne + Nagel, is a common approach to organizational learning. McCall, Lombardo, and Eichinger of the Center for Creative Leadership, a leadership development organization, developed this concept. The 70/20/10 paradigm is a general guideline for companies looking to improve their organizational learning and establish new initiatives. When it comes to training and development, the model is commonly used and referred to.

According to the concept, work-based learning accounts for 70% of learning. This informal learning takes place through hands-on experience, with employees learning while they go about their regular tasks. This learning-on-the-job takes place as employees complete new jobs and responsibilities, as well as through feedback from management and "water-cooler" discussions with coworkers about their performance.

The remaining 20% is composed of developmental relationships. Employees are encouraged to learn from one another through social learning, peer feedback and coaching, group work, mentoring programs, and other relations with peers and mentors. This 20% is usually best accomplished through "shadowing," in which a new employee spends the day with an experienced one and observes how tasks are completed and communication happens.

Traditional courses and training in a formalized, educational method account for the remaining 10% of professional development.

Kuehne + Nagel has various methods of learning. The most popular in pre-pandemic times were the in-class trainings and workshops. During such sessions 20% of time was dedicated by experienced trainers to theoretical materials and main challenges of the announced topic. 80% of time of these sessions was dedicated to practical exercises. Half of workshops were devoted to improve hard skills and another half to soft skills.

Year 2020 changed L&D approach completely. All the learning activities had to move from offline to online format. Due to COVID 19 pandemic all the resources and format are now available and requested as well in online.

Kuehne + Nagel has its own online based learning and development academy. On this platform each employees can find and apply for participation at any training and workshop. These include business oriented trainings, leadership development programs, personal effectiveness and development workshops. The platform incorporates short video lectures and numerous e-books.

Recently inspiring video from top management about different topics became very popular and demand for the is increasing.

Although the company has various methods for employees' learning and development, it faces more and more challenges with employees' engagement and participation in these activities, with finding right instruments to educated employees so that these instruments are remembered respectively and applied where necessary.

3. Compensation and benefits (C&B) refer to the benefits a firm provides to its employees in exchange for their labor.

Compensation & benefits cover direct and indirect pay such as salary, wages, bonuses, health

insurance and any myriad of things offered to employees. Overtime pay, stock options, school allowances, rental fees, corporate cars, pension plans, days off, gifts, restaurant vouchers, parental leaves, severance pay and even free lunches make up an essential part of the compensation and benefits package. A lot of such benefits are country-specific.

Compensation & benefits are an integral part of employees' motivation. According to Glassdoor, a 10% increase in base salary led to a 1.5% increase in the likelihood of an employee staying at the company for their next career step rather than leaving. According to the same study, companies with higher ranking increased the likelihood of someone staying at the company by 4%. The salary is significant, but there is more on here than just money.

The research found a strong correlation between pay and engagement but pay clarity is much stronger. Employee engagement rises when they believe their salary is reasonable.

Salary is a one part of compensation. Employee retention is also boosted by other rewards such as incentive schemes, pensions, and stock options. Many of these bonuses require the employee to wait a certain amount of time before becoming vested. The recent SHRM study found that indirect compensation benefits strongly influenced employee happiness. Things such as paid time off, flexibility, and family-friendly benefits strongly influenced employee satisfaction with their jobs. The traditional money-based programs are also important. Flexibility and vacation may cost company less than material benefits and still increase happiness overall.

C&B at Kuehne + Nagel focuses on fair payment of salary according to the position and skills of an employee, developing effective incentive programs in line with the company's targets and keeping people motivated as well as providing non-material benefits to increase employees' engagement and satisfaction with their jobs.

4. Administration is one of the oldest and still important part of HR at Kuehne + Nagel.

This HR function deals with organization of HR documentation flow.

It starts with pre-employment screening of candidates' documents, hiring and onboarding, dealing with all documents of working employees, offboarding and dismissing as well as company's related HR documents such as internal

orders, policies and procedures, guidelines and rules.

These functions have been purely paper-flow oriented in past decades. With the world's changes and digitalization, it also started to evolve. It's requested by a lot of companies, as well as by Kuehne + Nagel, to transform the HR administration function into paperless digitalized customer service easy-going function.

Thus, Kuehne + Nagel is creating HR Service Centers which solely work on HR administration for different countries. Like in many other international companies such Service Centers are considered as internal outsourcing of HR administrative function. This center receives application from different countries to administer documents related to hiring, transferring, payroll, dismissing etc. All these tasks are performed in specified internal system and are fully digitalized.

This internal outsourcing helps HR in countries to get rid of paper-work and concentrate on business support, employee motivation and talent retention.

5. Talent Sourcing is another core competence for HR at Kuehne + Nagel.

This direction is focused on recruitment and retention of talents. Talent Sourcing was singled out several years ago as a separate and an important key HR function. The reason was the huge challenge to recruit and retain right talents not only at Kuehne + Nagel but for the most organizations globally.

The Talent Sourcing works as the single point for recruiting right candidates for all open positions at Kuehne + Nagel. The main tools for recruiting candidates are the following tools:

- company's HR recruiters.
- external and internal careers' sites.
- social networks like LinkedIn, Facebook, Instagram.
- recruitment sites like Glassdoor, Indeed, Monster.
- messengers channels like Telegram, Viber.
- references.

Kuehne + Nagel has its own internal recruitment policy which starts from business needs, job description, messages to attract candidates, communication policy to follow all candidates throughout the recruitment policy and first 3 months onboarding period. Each of the men-

tioned stages is important as it allows to retain the candidates' attention and show all the positive sides of the company.

Kuehne + Nagel also focuses a lot on retaining its employees. Having said that the company considers first of all on internal candidates for open vacancies. Thus, the company retain the best talents, promotes them to higher positions which helps the company to stay strong and grow.

When we speak about an employees' development in Kuehne + Nagel we should mention the next approaches:

1. Communication and engagement of employees. In order to fulfill and comply with its sustainability program, Kuehne + Nagel runs periodically internal survey and dialogues. In an internal survey, the company interviewed senior and top-level executives and workers from all parts of the company to learn about which issues are crucial to Kuehne + Nagel's operations.

On a quarterly basis, Kuehne + Nagel hosts town hall meetings around the world where management keeps employees aware of the latest news on vital company information and employees have the opportunity to ask questions and provide input.

With the Covid-19 situation, the Company challenged itself with new working conditions. Its internal collaboration platform strongly supported the team collaboration. In addition, the company decided to implement the "Future of Work" initiative. To check the opinion of their employees, in Quarter 4 2020, they released the Future of Work Survey to 40.000 employees. They got 22.000 individual responses in less than two weeks. The findings provide a comprehensive view of the numerous elements that make up working life at Kuehne + Nagel, spanning personal, team, manager, and corporate perspectives, providing leaders with a unique insight of the employee experience at Kuehne + Nagel.

The visible effects of Future of Work were:

- The transfer of the complete office workforce to a home office has resulted in an increase in productivity, rather than a decrease.
- The workforce's overall satisfaction has greatly improved. On a global scale, ENPS has improved from -1.9 to +4.79, according to the latest survey.
- Unwanted turnover has decreased from 7.3% to 6.6% globally this year (independent of the epidemic).

The results of the Future of Work survey were communicated to all employees globally, and management was made aware of the issue. Challenges identified include inclusion, mental wellbeing, and work-related anxiety.

The next stage is to tackle the identified issues all at once; monthly — one topic, using Kuehne + Nagel's existing tools methods (Care weeklies, Lunch and Learns, Content Clubs).

2. Health and Safety of Employees. Office conditions have a direct impact on employees, and protecting them secure is a top priority for any company. This is true not only for Kuehne + Nagel workers, but also for those who work on the company's premises, business partners, customers, and the places in which Kuehne + Nagel operates.

Kuehne + Nagel provides a review of the workplace environment on a regular basis and strives to improve it. Despite its best efforts, Kuehne + Nagel has been involved in tragic accidents.

In 2020, the "NO HARM" initiative was continued. The "Get Home Safe" campaign was expanded to include all Middle Eastern and African countries, as well as the United States, Canada, and a few South American and European countries. Key suppliers in Asia have been given training materials to ensure driver safety and avoid accidents. To deal with the Covid-19 epidemic, all sites attended training and awareness workshops, and all nations' Business Continuity Plans have been reviewed, tested, and implemented.

Safety performance has reached the all bottom, and the Lost Time Injury Frequency (LTIF) kept moving downwards, mainly to the lessons learned through reporting risky circumstances.

The seven Kuehne + Nagel safety stabilizers are scheduled to be launched in 2021. They will promote safety awareness, making workplaces safer as a result.

The planned steps of the program "NO HARM" are:

- NO HARM level 1 and 2 learning to identify dangers at work should be reassessed and re-issued.
- NO HARM level 3 management training is now available, with an emphasis on behaviour safety.
- The KN Safety Anchors were created to draw attention to and promote awareness of significant safety and health risks.

3. Compliance Policies. In its strategy Kuehne + Nagel states that employees is one of its two main assets as well sustainability program addresses deeply human rights.

"Human rights are the basic rights that every individual is entitled to, irrespective of age, gender, race, sexual orientation, or any other status" according to Kuehne + Nagel. Kuehne + Nagel is opposed to all breaches of human rights and dignity. They work to foster a culture that truly embraces and appreciates civil rights.

All commercial activities are conducted in accordance with widely recognised human rights and dignity standards.

Kuehne + Nagel's policies regarding child work, forced labor, human trafficking, freedom of assembly, slavery, and torture are all included in the Code of Conduct.

Kuehne + Nagel is a strong believer in the importance of all human rights. Respecting and protecting human rights is an important aspect of their goal to help society progress.

The Company encourages the growth of a culture that values and appreciates human dignity.

Kuehne + Nagel published their first Diversity and Inclusion Policy, which includes a section on human rights. All commercial activities must be carried out in compliance with widely accepted civil rights and dignity principles.

Kuehne + Nagel requires all employees to complete and follow the principles of the Code of Conduct, which outlines the company's stance to human rights.

Every year, the goal is to define the company's expectations in terms of:

- ethical behavior and business principles;
- offer people with clear and consistent direction;
- stress the importance of employees seeking guidance.

It covers employee behavior, the protection of individuals and assets, and company ethics.

All managers must follow the Code of Conduct, and it is an important aspect of their annual goals and performance evaluation. Any misconduct carries serious penalties, including the loss of any bonus awards and, depending on the degree of the misbehavior, disciplinary measures up to and including termination of employment.

Every employee at Kuehne + Nagel is granted a fair workplace condition. These employment rights are ingrained in the organization's structure at every level.

The Company aims to provide a fairness and equality in work environment for all employees, and all company actions are conducted in accordance with commonly acknowledged Human Rights and Dignity principles.

Kuehne + Nagel is made substantial investments more in employee relations by conducting yearly employee surveys and inviting feedback, with the goal of being "a better place to work and a better company to do business with".

In 2020, Kuehne + Nagel conducted a comprehensive employee survey which also included employees' feedback on to what extent Kuehne + Nagel tolerates behavior that discriminates against people on the basis of personal background or characteristics. This was a newly introduced measurement which will be acted upon, monitored and re-assessed.

In 2020, less than 6% of employees felt that the company can further improve its efforts.

The company's goal is to bring this figure down to under 5%. Kuehne + Nagel plans to achieve this with the declared program "Balance and belonging" and further focused training on diversity and inclusion.

Kuehne + Nagel declares to make diversity and inclusion a top priority. They are focusing to actively build an inclusive culture, where everyone belongs and where opportunity is equitable.

At Kuehne + Nagel, they believe that it is their role as an organization to create an environment where everyone feels welcomed and valued — where individuals who appear, act, love, speak, believe, and lead in various ways are not just tolerated, but sought out, loved, and celebrated. This is Kuehne + Nagel's message to every colleague, customer, partner and candidate:

"We see you. We hear you. And we promise to stand with you as we foster a company that welcomes your talent and heart. We regularly conduct diversity training to ensure these values are firmly embedded in our organization.

We are committed to deliver progress to society and drive our future — inclusively" states Kuehne + Nagel.

In 2020 Kuehne + Nagel further embarked on their diversity and inclusion program that is called "Balance + Belonging". With the implementa-

tion with their first Diversity and Inclusion policy and the Kuehne + Nagel Management Board's strong dedication to this topic, the company increased its commitment. Establishing inclusiveness as a core value provides a solid platform for empowering the people. The Company believes that with the creation of a truly diverse and inclusive workforce, they can achieve their announced goal of delivering customer excellence.

In terms of diversity and inclusion, Kuehne + Nagel completed in 2020 its first female Leadership Mentoring Programme with the support of the Management Board. The six-month self-nomination program provides a forum for women and senior executives to discuss career advancement. The participants received the chance to dwell on personal issues and coping mechanisms during the mentorship sessions. The program came to a close with a virtual "World Café" where members of the Board and mentees debated ways to shatter the glass ceiling. As a result, the internal "Female Leadership — Mentoring and Network" community was formed, with the goal of assisting other female coworkers in achieving their career objectives.

Logistics business is known to be a "male" business due to its specifics, dynamic and very tough way of working. In 2020 Kuehne + Nagel started promoting policy of gender equity, acknowledging more hires and promotions of females (Table 2).

Table 2. Male vs. female positions in Kuehne + Nagel Ukraine

Positions	2020 (% employees)	2021 (% employees)
Male — all staff	62%	60%
Female — all staff	38%	40%
Male — top-management	50%	45%
Female — top-management	50%	55%

As we may see on the Table 2, the percentage of females on top management and other positions is slightly increasing changing the status quo of the Company working in the business being known as "pure male" one.

Kuehne + Nagel is working to build a workplace diversity and work environment where everyone's voice is heard and everyone's progress is encouraged, all of which will help to make Kuehne + Nagel the best company to work for. All management and Human Resources must understand, practice, and promote Balance + Belonging in order for all regions to be confident in driving diversity and inclusion projects and to develop a standard practice for all employees.

In 2021, the Company wants to expand female leadership programs like the Mentoring Program, the Pathway Initiative in Asia Pacific, and the Women in Logistics Leadership (WILL) program in United States and Canada, as well as increase diversity in our worldwide top management.

Total amount of female leaders amongst top management is 5.6%.

At Kuehne + Nagel Ukraine total amount of female leaders amongst top management is 60%.

Human Resource Management is crucial to the success of Kuehne + Nagel's management and governance, particularly when transferring policies and practices from the headquarters to all the subsidiaries overseas. The strategic goals of HRM are also closely linked with the performance of Kuehne + Nagel. These are local responsiveness, efficiency and integration, respectively.

For Kuehne + Nagel the priority is given to the global competitiveness in order to survive in the global market, so it is crucial to achieve main goals of HRM in the process of this operation. First of all, as the implementation of human resource practices in the Company is realized with the consideration of the local characteristics such as the culture, the concerns of Kuehne + Nagel need to be locally responsive. Secondly, in order to ensure the effective delivery of all logistics services across the world, it is necessary for Kuehne + Nagel to apply the most appropriate methods and processes. Thus, the Company should give preference to the efficiency. Finally, in order to pursue the total quality management which is closely relating to the improvement of the global competitiveness, Kuehne + Nagel should be aware that an integral and systematic approach is significant to develop its human resource policies and practices. It is crucially important for the Company that its HR practices should not be independent from each other, but

integrated vertically and horizontally to attract, develop and maintain the organizational integration. The purpose of HRM in Kuehne + Nagel is to ensure the balance between headquarter and the subsidiaries in all 109 countries where the Company operates.

The headquarters of the Company should focus more on HRM systems that are more flexible and responsive to the local environment. Through the recruitment of more local HR practices, especially in the top management positions, emphasis should be given to the local differentiation than to organizational integration.

On the same time, the Company should deploy the 'best' practices of HRM ('best practice sharing' project) to establish and strengthen its global system. Thus, the characteristics of HRM system in the origin country will be linked with those of the foreign subsidiaries. So the transfer of HRM policies and practices in Kuehne + Nagel will be implemented in any direction: from headquarters to subsidiaries and vice versa.

So, in order to ensure high performance and competitiveness in the global market, Kuehne + Nagel has to strike the balance between organizational efficiency and subsidiary responsiveness.

As an example of subsidiary responsiveness, Kuehne + Nagel may consider the main challenges in local labour markets and act upon them.

In 2020 EY conducted a research on main challenges in people management in Ukraine in 2020 (Fig. 1) [27].

Due to COVID-19 pandemic, challenge in remote working for people management scored the highest responses. The other problem of Ukrainian market which is the lack of staff was named the second main challenge. Despite the pandemic both qualified and non-qualified workers relocate to EU and US for higher salaries, better living conditions, more career and professional opportunities and confidence in the future.

The result of the Survey 2020 shows that the "new reality" significantly changed top challenges in people management area. HR management while working remotely, and ensuring safe working conditions for employees replaced high salary expectations of candidates and high turnover rates in top-3 challenges compared to 2019.

Although Kuehne + Nagel put a lot of attention and forces to cover the topics of remote

Top-10 challenges in people management area in 2020

50 %	HR management while working remotely
25 %	Lack of qualified employees of different categories
16 %	Ensuring safe working conditions for employees
15 %	Employees motivation
13 %	Staff involvement and efficiency
11 %	Fighting stress, fatigue and burnout
9 %	High turnover rates
8 %	Adaptation to the "new reality"
8 %	Anti-crisis measures
7 %	Business management under uncertainty

■ Fig. 1. Top 10 challenges in people management area in 2020

and flexible working, ensuring safe working conditions, adaptation to the "new norm", anti-crisi measures and business management under uncertainty, there is still a lot work for improvement in employees motivation, staff involvement and high turnover.

In the numerous international marketplaces where Kuehne + Nagel competes, it will frequently face both quite diverse domestic competitors and, in many cases, familiar global rivals. Dealing with different competitive environments requires very different managerial strategies and responses. For instance, Kuehne + Nagel not only faces competition from local logistics companies but also from other major global players such as DHL and DSV in the various foreign markets it operates in, which also have facilities in these superregional locations. Such familiarity leads Kuehne + Nagel to recognize its global interdependence and the global oligopolistic nature of its industry. Thus, while some Kuehne + Nagel's strategies are be tailored to respond to competitive threats at the local level, these are also a part of Kuehne + Nagel's more generic global strategy.

As HRM practices are properties Kuehne + Nagel and not national systems, these practices are not a random list. Thus, a set of best HRM practices for Kuehne + Nagel can be improved. Abilities embraces the skills and competencies that workers possess. Motivation addresses

the factors that give workers incentives to deploy their abilities. Opportunity covers means through which the resulting commitment can be put into practice [21].

Any HR system needs discipline and control, as generations of labor process scholars have pointed out: Managers need to regulate workers so that they work in ways consistent with organizational goals. The specific control elements of high-performance systems, such as the demands that they can put on workers, are also well established [24]. Therefore, we refer to the Motivation, Opportunities, and Control dimensions of HR practices.

We surveyed two groups of Kuehne + Nagel employees separately: managers and the largest functional areas (LFA further). Managers were defined as those in managerial positions above the level of first-line supervision and the LFA as a specifically nonmanagerial group.

During this survey, we discovered most popular HRM practices that reflect best HR practices model and specifically illustrate the motivation, opportunity, and control aspects of an HRM system in Kuehne + Nagel. Table 3 shows the full list in relation to managers and the LFA.

There is a clear line saying that HRM practices in Kuehne + Nagel are well developed globally, because these practices promote the sharing of resources across all subsidiaries.

Kuehne + Nagel tends to follow global best practices, especially in relation to the development of skills.

Nevertheless, Kuehne + Nagel can further improve its performance management system and make it more flexible. To improve the staff performance and to achieve the organizational strategies by setting up targets, tasks, direction and key points in the process of result achievement.

The performance management system can be divided into the following main pillars:

- Target Setting.
- Performance Coaching.
- Performance Evaluation.
- Performance Application and Communication.

The first step Target Setting will remain a top-down approach designed by managers from a higher level to allocate targets to employees at lower levels based on their own personal capabilities together with their team KPIs.

Table 3. HRM practices in Kuehne + Nagel

Practice	LFA	Managers
Motivation		
Salary: median pay in Ukraine	—	Y
Use of share-ownership schemes	—	Y
Use of profit sharing	—	Y
Use of share options	—	Y
Communication: use of briefing groups	Y	Y
Communication: 2 way	Y	Y
Communication: newsletters, etc.	Y	Y
Information provision: financial plans	Y	—
Information provision: staffing plans	Y	Y
Information provision: investment plans	—	Y
Opportunity		
Short-term international assignments	Y	—
Long-term international assignments	Y	Y
Global management training	—	—
Team working	Y	Y
Problem-solving groups	Y	Y
Control		
Performance appraisal	Y	Y
Variable pay	Y	Y
Distribution and ranking in appraisal	Y	Y
Assessment against set of global competencies	Y	Y

New targets are to be set up for a year or depend on specific projects or positions. However, as a result of the importance of achievement, flexibility should be incorporated in the process. Staff employees will now have a helicopter view of the entire company's targets and will also see their individual ambitions as a route to development if the target is changed substantially over the year. As a result of such goal-setting, all staff may be inspired and committed to their jobs and obligations at the company with complete integrity and sincerity.

Performance Coaching should be the next stage. Following the establishment of goals, line managers and employees should engage in frequent and ongoing coaching and evaluation to verify that the processes are on track to reach the goal. Especially for key topics leading to the targets, line managers should provide employ-

ees support to achieve the goals. They should encourage staff for their good performance and advise them for further improvement. Employees can also ask for the help from their line managers to facilitate target achievement. Performance coaching and guiding is the most important and communication plays a significant role. With communication, managers are able to know the problems and requirement of employees and give them appropriate suggestion in the processes to achieve the targets [28]. On the other hand, employees can ask for help and suggestion from managers through proper communication.

Periodicity of the performance coaching should be set in advance, and we suggest to have it on a monthly basis. Such frequency will keep line managers as well as employees in the loop of their own and Company's development.

It will also discipline employees and prepare them beforehand to fulfill the targets or think the ways how to adopt or improve them.

The third step is the Performance Evaluation, which includes two main parts, self-assessment and comprehensive assessment. Employees continue developing a self-assessment in the performance management e-based tool grounded on their target achievement and line managers cooperating with other peers do the comprehensive evaluation based on employee's personal indicators and achievement on the team's KPIs.

Line managers' collaboration with peers will provide them with a comprehensive perspective as to how their subordinates collaborate with other departments, allowing them to avoid subjective evaluations from narrow supervisors.

Team's KPI should be added to the personal employees' KPIs as the team work is crucial to achieve Kuehne + Nagel's ambitious targets and should decrease the internal competition and also improve cooperation. Application of team targets might be challenging in some situation as not all team members might put forces in their achievement and thus result in frustration and disappointment of other members. We suggest to practice the second step Performance Coaching on a regular monthly basis to assess and discuss with the entire team the fulfillment of the team's KPIs. Whereas necessary adjustments can be implemented and open topics discussed and acted upon.

The Performance Evaluation process is the influence of the team KPI on individual employee's assessment. To avoid disappointment and frustration by separate team members, who achieved their personal targets but the team KPIs were not achieved, the line manager should regularly evaluate the team's KPI and communicate to the whole team the status and ways to improvement [15]. It is the responsibility of the line manager to run such communication in an open and transparent way, so all the team staff can participate in the discussion and make appropriate steps to improve the situation.

The fourth step is the Performance Application and Communication is the performance management process. It refers to further capability improvement and development for employees based on their performance evaluation. In this process, line managers and staff communicate

and estimate their advantages and disadvantages according to the target achievement. They should create plans or programs for skills or abilities improvement and development in future, such as language skills, operation of standardizing procedures or presentation on new services.

The role of performance application and communication is closely related to the future development of the employees. It can also be regarded as an incentive and retention policy to staff with the career development planning. As a result of this step the further job plan should be evaluated and promoted, a preliminary career path can be built. This step will be a logical continuity for focusing on individual learning needs which play a significant role in the achievement of team KPI.

After all the four steps are implemented, we suggest adding Human Resources department to the performance management process and involve HR to the employees' potential assessment. HR will assess employees' potential through interviews, appraisals, and coaching. Appraisals will provide an objective evaluation of the employee's potential. Through interviews and coaching HR will estimate the employee's potential effectiveness in various types of tasks. Appraisals will show how well people are performing in their current employment, while evaluations will show how well they are doing in their future jobs. The employees' level of interest for the job will be determined by interviews and coaching for particular careers and how they might be used to fill other positions at Kuehne + Nagel.

Based on the appraisal results the career development programs for each employee should be created. Such programs may incorporate horizontal or vertical career moves as well as keeping employee on the existing positions indicating their sides which should be developed more. A lot of employees are not willing to change their positions and the Company should agree with them meanwhile supporting their qualification level and keeping employees motivated and satisfied.

The above-mentioned process focuses on the correct building of the performance management in the Company. To our understanding it should lead to the transparency inside the Company where all employees are aware of the mission and targets which should be met.

However, it is important to mention that despite of differences in the employees' roles and their targets which are to be achieved, all the staff should incorporate the goal or an element in their goals which would focus on the sustainable development. Besides the criteria and indicators for short-term results or targets to assess performance in the performance management system, factors influencing long-term and sustainable development for the organization and society are required to be considered as well. Performance assessment for employees needs to include their contribution to the organization and human resources and local community in the long-term instead of only focusing on their short-term target achievement.

When we speak about performance management we suggest to undertake the following steps to build such pool of expatriates:

1. The first step is toward building a global HR program in order to stop all favoritism toward managers who are locals of the country in which the company is based, in our case — Switzerland. Many organizations see nationals from their headquarters location as potential expatriates, whereas everyone else is referred to as "local nationals." However, in modern global marketplaces, such divisions are clearly disadvantageous, so there are compelling reasons to abandon them.

Ethnocentric businesses are often 'xenophobic,' emphasizing the importance of people from their headquarters country. This is why more of these expats gain the finest jobs, ascend the corporate ladder, landing in the Board of Directors. A corporation with such a perception and policy may find itself with a skewed view of the world.

Salary, benefits, and bonuses for expatriates and local nationals differ dramatically, and these disparities send clear signals to the smartest local staff to gain as much knowledge and experience as they can and leave on.

In worldwide markets, less effort is placed into hiring the best young talent than those in the headquarters. As a result, low bench strength exists in fast-growing developing markets.

Assessing, training, and promoting the careers of skilled local nationals currently on the organization's payroll receives little attention and investment.

Nonetheless, there are numerous advantages and disadvantages of using expats vs native

nationals. However, as the world becomes more globalized, cultural awareness and accumulated skills are becoming increasingly important. Individuals, not ethnicities, acquire these abilities.

2. Based on Kuehne + Nagel's business strategy, the activities that are essential to achieving success around the world should be identified and positions that hold responsibility for performing them specified. Theoretically, they may account for about 15% — 20% of management.

Then, for each essential role, the hard and soft skills required to succeed should be identified. It's critical to comprehend what people require in order to advance to the position of top management. They must be functionally and internationally knowledgeable, as well as knowledgeable within the organization.

This step necessitates the formation of integrated business and HR teams that collaborate. Skills descriptions for any and all company's executive positions should then be established and fixed over time [17].

The above-mentioned processes should be revisited and revised at least annually to ensure they are up-to-date and express the current business strategy.

3. The next stage should be to assess all managers, both in regards of their readiness to relocate and their skills and experience. For the time being, Kuehne + Nagel's HR department considers mobility to be either "mobile" or "not mobile." However, due to various situations in leaders' lives, company possibilities, and the external environment, this concept should be evaluated and understood as a graduated scale in today's global marketplaces. Such an approach will encourage a large number of executives to compete for international assignments, and HR will investigate various options for utilizing internal talent.

Kuehne + Nagel may use the experience of some TNCs, which developed a new type of manager whom they term as 'glopats': executives who are used as business-builders and trouble-shooters in short- or medium-term assignments in different markets. Some other TNCs are exploring now the geographical elasticity of their local nationals.

4. Identification of the leadership capital by creation of the Company's ideal profile of leadership skills.

The current personnel database of Kuehne + Nagel can be improved by encouraging peo-

ple to describe the information in their personal profiles in HCMS their managerial talents and their potential. It should be a top-down approach starting from the senior managers and top-managers to complete the forms first. Gradually other will be added worldwide indicating the potential to move up. Not only managers but functional specialists should be included in the process to show general management potential.

Every executive has to join this global Mobility system. This will complicate national 'diamonds' to be hidden by their local managers. Understanding that people's situations and career preferences change over time, all managers and functional experts are to be responsible for updating their personal profiles and review them at least quarterly during the Performance Coaching and Communication.

5. Assessment of strength and skills gaps is a suggestion for the next move.

HR may ask each executive to compare their talents and traits to the ideal requirements set for the manager's present position and preferred future career step during the performance and appraisal processes. Each manager can suggest internal or external training, mentoring, or participation in cross-border projects as strategies to overcome any personal skill gaps.

The announced skills should be put into the HR system and compared with the skills required by the Company. This information will be the basis for the management development and training programs and identify where internal candidates for new job descriptions can be prepared.

6. Regular non-stop external recruitment.

Constant searching for new candidates in every country should be done in a non-stop approach. Each top-management position should incorporate at least two potential successors from the market. Having such 'succession pipelines' (both external and internal) will allow the Company to avoid extremely stressful situations when the position of a top-manager is open due to the voluntary or non-voluntary leave, or as is stated above — due to the international assignment.

With a non-stop recruitment process, Kuehne + Nagel will also develop a reputation as 'the company to join' among graduates not only of the specialized logistics universities but overall, the best universities in the countries.

7. Regular non-stop internal recruitment.

Recently Kuehne + Nagel its own global labor market — an internal site 'KN Careers' as it is very hard to keep track of the best and potential candidates. For this reason, Kuehne + Nagel now advertises many of its office personnel posts on this career site.

8. Building of succession planning. As stated above the succession planning process is ultimately important for the ongoing business operations and development. Every line manager jointly with his or her direct manager and HR have to nominate up to two internal candidates who could take over his or her position in the next two weeks, in three months or within a year or two. This will somehow solve succession questions, but will not resolve them completely.

9. Retention of top talents and key employees.

Individuals contact and continuity are essential in global networks that spread information and best practices [26]. As international competition for talent increases, it becomes even more important to many TNCs and Kuehne + Nagel particularly to retain their talents and key employees. Monetary incentive programs are not enough anymore — the retention package must include interesting challenges, personal growth and job satisfaction.

In every country where the company operates, a plan should be developed and implemented that encourages employees to develop with the company.

In addition, a career path should be designed for every executive within his or her first 3 months in the organization. Plans should be evaluated and modified on a regular basis to ensure that they remain aligned with the company's vision and the employees' desire for job overall satisfaction and loyalty to the Company.

Conclusions

TNCs are faced with the challenge of finding the appropriate balance between home-country HRM standards and host-country expectations. Faced with this challenge, TNCs try to create a synergy between home-country needs and host-country perceptions for the best-fit HRM that benefits both the parent business and its foreign subsidiaries. Despite the best-fit HRM policies in place to reduce tension, the parent company has a stronger impact on the end product, which is

an exchange between home-country HRM standards and host-country contextual expectations.

TNCs should be aware of the possible challenges as they internationalize and should be aware that though they may build a synergy (a blend of workable headquarters and subsidiary HRM), the final product will continue to favour headquarters' HRM policies and practices.

Many TNCs have a wide range of HRM practices. The fit to a variety of cultural and organizational environments is the second consideration. The simple concept is based on the structural approach to Human resource management, which is increasingly being portrayed as a progression from best practices or a best fit perspective. Organizations have a lot of options, and they must evaluate how they want to arrange their activities to address basic needs while also contributing to competitive goals. HR professionals may have a larger role than is commonly assumed.

One of the most difficult challenges in international management is finding a balance between uniformity and localization, or the drive for supervision from headquarter and drive for independence from affiliates.

The researched in this work company Kuehne + Nagel is a bright representative of TNCs with its way to do business, structure the hierarchical subordination and HR policies and practices.

The numerous global researches show that it is vitally important that the organization should be financially stable, competitive with its products and services on the market, have meaningful activity, take care of its employees and adhere to human rights.

Although Kuehne + Nagel holds leading places in the logistics industry and is attractive as an employer, the Company should improve its process in performance management, rewarding systems, as well as people development in order to retain and attract high-potential employees.

However, in order to keep the leading role in the dynamic logistics world, to compete and stay attractive as a Business partner and Employer, Kuehne + Nagel should reconsider some of its current HR processes and practices and improve them.

Talent acquisition — it is critical to acquire the right people at the right time, but finding the right talent became a difficult task during the last years. The company should further develop its Employer Branding expansion, be more pres-

ent in social media, so that the right candidates can be attracted and approached, onboarding process should be understandable and clear as for the newcomer as well as for the existing employees. Such easiness and transparency will reduce the tension during the trial period and help the adaptation among the team run faster and more comfortably. External succession pool for the key positions should be always ongoing and updated with the new candidates so the vacant positions could be filled fast and efficiently. Constant communication from the top management on the social networks will improve the company's profile and give more importance and sense of urgency to the external auditorium.

Leadership development and the use of agile principles — Kuehne + Nagel must seek to develop flexible leaders who can rapidly respond to changes and challenges that come with working in a globalized world. Inside every country and consumer, they must be able to incorporate the local cultural identities into their activities and connections. Such development can be achieved via tailor-made leadership trainings and workshops, as well through mentoring programs and what is more important through the behavioral example of agile leadership by the Senior management. In this case the aspects of the social learning theory will work and the majority of top and middle managers will copy the behavior and attitude of their leaders as the examples of successful behavior at the workplace.

Sharing knowledge across the countries — knowledge management and knowledge sharing are important. It is critical to make use of all available technologies for cooperation and sharing. The company has already established e-learning portal which is accessible for all employees. To bring more an added value of this portal, the company should explore constantly the actual learning trends on the global market, explore with the managers the learning needs and gaps and provide necessary learning tools on the portal with a right communication and advertisement so that the employees are aware of new available courses. We also recommend that the courses are translated in all local languages so that all the countries are covered with necessary learning. It's also crucial to create databases that are easily compatible with one another. These can be an integration of the e-learning portal with the global dashboard

where all the figures regarding the personnel are visible and can be compared.

The development planning of each manager and functional expert can lead to turning into 'super-people' which will lead them to the fast burn-out as a result. Instead, NM of each country together with NP should leverage on complementary skills of team members. The 'Mobility Scale' will support them in this process. Kuehne + Nagel can bring together managers from national and worldwide markets in complementary and mutually supporting assignments to transmit ideas, skills, and technology using the company's database and workers' desire to participate in mobile assignments.

Many TNCs do now a good job of globalizing the supply chains for all their essential raw materials — except human resources. But this situation cannot last any longer. Competition for talent constantly intensifies, and demand far surpasses the supply. Kuehne + Nagel will need to implement programs to attract, train, and retain leaders in all of the company's operating countries in order to have the worldwide skills and vision needed to succeed.

If the Company has to handle the challenges of globalization and shift to a knowledge-based economy, it must develop the appropriate HR systems where people are its most valuable asset.

The suggested upgrades to the Company's existing HR policies will ensure that Kuehne + Nagel has the talented individuals, managers mobility, and cultural combinations to successfully manage all of its international business units and growth opportunities, and that its executives join a knowledge-sharing network with shared values.

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HR менеджмент в транснаціональних корпораціях (на прикладі компанії "Кюне-Нагель")

В статті аналізується робота відділів кадрів в міжнародних компаніях. Зазначено, що відділи людських ресурсів в XXI столітті вийшли на міжнародний рівень, хоча навіть наприкінці XX століття переважно мали локальний та місцевий характер. Причиною цьому стала глобалізація.

Відділ людських ресурсів (HR) перетворився з просто адміністративної функції на більш професійного, консультативного та стратегічного партнера. Раніше відділ кадрів в основному відповідав за управління особистими документами співробітників, пільгами та функціями нарахування заробітної плати, а також за виконання інших операційних завдань. Сьогодні основним обов'язком відділу кадрів є забезпечення того, щоб співробітники були заохочені та віддані своїй роботі, виконанню своїх обов'язків, а також наслідували місії компанії та орієнтувались на досягнення цілей своєї організації. І ця роль стає більш складною для HR у транснаціональних корпораціях.

ТНК виявляють позитивний якісний вплив на заробітну плату та умови праці, формування нових навичок і знань в приймаючих країнах.

Компанія, яка стала предметом нашої роботи, також відноситься до визначення ТНК. Функція людських ресурсів відіграють важливу стратегічну роль в успіху організації та її подальшому зростанні.

"Кюне-Нагель" (Kuehne + Nagel) є міжнародною експедиторською компанією, яка займає позицію світового лідера на ринку логістичних послуг та займає перші місця в морській, повітряній, контрактній, міжнародній автомобільній та залізничній логістиках. На її прикладі ми дослідимо в цій статті діяльність HR відділу, її функцій в компанії, проаналізуємо слабкі та сильні сторони, надамо рекомендації щодо подальшого удосконалення роботи компанії.

Ключові слова: розвиток людських відносин, транснаціональні компанії, компанія Кюне-Нагель, Kuehne + Nagel, глобалізація