

Under the Tightening Environment of Globalization in US and EU, Chinese Multinational Enterprise 'S International Human Reality Management's Difference and Countermeasure——Take Oil Companies as Example

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Abstract. Background: United States and European countries are tightening their open policies to China, under the background of increasing tariffs and trade barriers, there is an urgent need for China's overseas trading companies to implement the necessary countermeasures to deal with the pressure on their enterprises. Oil, as a major energy source and commodity, it is more susceptible to political factors such as geopolitics and battle of national power. Method: The author searched three main keywords including international human resource management, trade war, and oil companies on CNKI and Google Scholar, through literature analysis, from the perspective of oil companies, this paper puts forward a new enlightenment for international human resource management for Chinese overseas enterprises under the background of trade war. Conclusion: In the case that China's macro conditions are difficult to change, In order to cope with the impact on seven aspects that companies may encounter, enterprises should make adjustments in seven aspects, including strategy, employees, recruitment, selection, compensation, system construction.

Keywords: International human reality management; Trade war; Oil Company.

1. Introduction

The trade war launched by the United States to against China in 2018 has made a huge adverse impact on Chinese overseas enterprises. By raising tariffs and issuing bans, it has restricted the promotion of a number of high-quality Chinese enterprises going overseas to do business. Although the Democratic administration has eased its policies since take over the government, United States is far from reaching the level of opening up before 2015. For a long time, China has cheap labor, dumping cheap goods on United States, as well as Europe, Because the dumping behavior has seriously affected the normal operation of the domestic manufacturing industry of the United States and European allies, as well as the concern of being in the United States of the impact on the international status [1]. The United States and its European allies are bound to continue to tighten their globalization process through tariff and non-tariff barriers to protect their industries. Under a series of measures in the trade war, the United States has changed from oil imports to oil exports, through traditional oil and gas extraction, reducing the constraints of environmental protection on oil and gas, and promoting the return of manufacturing to promote its energy independence [2]. In this context, the oil industry has both crises and opportunities. At present, the collected literature includes not only the international human resource management of oil companies, but also the concepts of trade war and oil companies, but there is little analysis of the international human resource management of companies in the context of trade war. As the fact, international human resource management that can be directly controlled by overseas enterprises, because of its leading and strategic characteristics, it can respond to potential crises in a timely manner in a relatively unfavorable environment, and at the same time, unfavorable changes in the environment also require enterprises to make adjustments in international human resource management, so international human resource management should be concerned by offshore oil enterprises in this environment. Based on various factors, the author takes representative enterprises as example to study the differences and countermeasures of international human resource management of Chinese enterprises going overseas in the context of tightening globalization in the

United States and Europe, so as to provide Chinese multinational enterprises with new ideas for resource management of international people.

2. Conditions of External Fundamental Influence on International Human Resources Management

2.1. Degree of Constraints

International human resources management cannot be separated from the laws of the host country. For example, the policy of hiring local employees on a pro-rata basis, trade union policies [3]. Failure to do so may result in legal sanctions or forced withdrawal from the country's business, resulting in losses.

2.2. Cultural Differences

The culture of international human resource management includes factors such as culture, language, ethnicity, and religion. The superficial and deep-seated impact of the culture-centric presence on the employees themselves due to the different types of culture pursued in different countries. The structural dilemmas caused by different cultures are not only reflected in the social system, but also widely permeate people's daily lives. Culture formation is formed by long-term accumulation, which increases the difficulty for enterprise human resource managers to understand the culture of different countries [4].

2.3. The Degree of Economic Regulation and Control

Different countries or regions adopt different levels of regulation of the economy and the market, and cross-border business activities may be affected by other economic adjustment organizations other than the home country and the host country.

2.4. Other External Conditions

Other external conditions include factors such as trade unions, competitors, potential entrants, potential substitutes, and the bargaining power of upstream and downstream enterprises.

3. Three Principles for the Division of Powers

There are three main principles for the division of powers in China's government departments: scale economies effects in public services, information complexity, and incentive compatibility [5]. China's three core oil companies (PetroChina, Sinopec, CNOOC) are all state-owned enterprises. Its human resource management activities (including the division of authority) are influenced to a considerable extent by the above three principles. Since the economies of scale of public services are relatively small and the allocation of human resources is relatively small, the economies of scale of public services are not discussed.

3.1. Complexity of Information

As a state-owned enterprise, branches with relatively large independence and subsidiaries with relatively small independence are subject to the supervision and management of the Chinese government and CPC party organizations. However, it is difficult for the Chinese government and party organizations to directly obtain and manage the front-line situation, and the branches and subsidiaries are scattered all over the world, and their policies, legal norms, and specific affairs are different, and there is a strong information complexity, which means that there is a need for more decentralization in international human resources management to make enterprises more adaptable to the specific situation of the host country. As a result, employees who are more familiar with the situation in the host country should be preferred.

3.2. Incentives Compatible

As a branch and subsidiary, its goal of maximizing its interests is not necessarily the same as that of the Chinese government and party organization, as well as the parent company. Directional and policy issues must be transmitted from China to each subsidiary and branch, otherwise there will be a "dual system" of conflict and separation between central and local powers. Therefore, the main members of the decision-making level of the branch and subsidiary must be dispatched by the home country to ensure that the direction and policies of the parent company can be implemented and implemented in the branch and subsidiary.

4. Sinopec's Experience in Human Resources Sharing Services

4.1. Introduction of Shared Services

Shared services can separate the transactional and professional service work of each unit within the group and hand it over to a specific organization to operate, and can provide professional and standardized services.

4.2. Scope of Application of Shared Services

Shared services are usually services that are easy to standardize, including but not limited to financial accounting, human resources, supply chain, IT and other fields, and are generally suitable for large enterprise groups, public sector and public institutions and other large-scale units.

4.3. Sinopec's Shared Services Implementation Path

Through research and study, initiation, pilot and comprehensive promotion, Sinopec has gradually established a human resources sharing service system covering some functions. The specific approach is to investigate and analyze the basic situation of the enterprise, with the idea of separation of management and management, business guidance, and service orientation, establish a basic management structure and business operation organizational structure, plan the scope and content of shared services, and incorporate nine categories and 48 services including employee salary, information management, employee relations, insurance benefits, and management consulting into the sharing system, and transfer the decentralized, differentiated, and repetitive operations within the category to the human resources shared service center for processing [6].

4.4. The Role of Shared Services for Human Resources

By integrating the executive business of each unit into the shared service center, the human resource sharing service can reduce staffing and labor costs, and at the same time, it can also quickly unify service standards, behavior patterns, business rules, improve work efficiency and standardization, form economies of scale, reduce costs and management difficulties [6].

4.5. Feasibility Analysis of Shared Services for International Human Resource Management

Human resource sharing service can integrate human resources in a certain region and meet the human resources needs of branches in each host country in a timely manner. For example, through the Human Resources Sharing Center, the legal requirements of various countries are integrated, and employees who meet the law are shared in a certain area, so as to increase their utilization. For example, the integration of accounting services and tax services for branches covering a larger region. In summary, shared services can reduce the cost of international human resource management and can meet the needs of multinational enterprises at present.

5. The Impact of the Trade War on Chinese Overseas Companies

5.1. Economic Dimension

At the economic level, a trade war would cause both China and the United States to lose their gross domestic product, reducing imports and output in almost all sectors of both countries [7]. Formally say Chinese multinationals' overseas business tends to shrink overall.

5.2. Policy Level

Firms are more likely to encounter higher barriers to trade, both tariff and non-tariff.

5.3. Cultural Dimension

Cultural differences are likely to increase, and the likelihood of cultural clashes is increasing.

5.4. Market Level

Commodity markets can be manipulated, and the trend of international prices today is out of touch with actual demand [8]. Due to the huge influence of electronic trading, speculation in the market can influence the price to a considerable extent. Other countries can raise the prices of commodities that China needs, triggering imported inflation in China. In this situation, enterprises need to allocate more human resources in raw material procurement business and product sales business to reduce procurement costs and increase sales revenue. At the same time, China's oil imports are unlikely to change significantly, China's oil resources are not enough to constitute a significant increase in production, and China's oil imports will continue to grow and become more dependent on imports [8].

5.5. Exchange Rate Level

The central banks of countries that have trade frictions with China may disrupt and manipulate the stability of the CNY exchange rate to achieve their specific goals [8]. The United States could pressure the CNY to appreciate to resist exports of goods from China, or force the renminbi to devalue sharply to deplete China's foreign exchange reserves [9]. Exchange rates are crucial for multinational companies, and high or low can lead to losses and affect the employees themselves.

5.6. Social Dimension

The host country government and some specific social groups may increase the operating costs of enterprises by instigating trade union behavior, seeking wage increases, more stringent health protection conditions.

5.7. Tax Dimension

Foreign-related tax policies may change, and the tax policies include the principle of maximum preference and the principle of maximum burden, and the government of the host country may change the original tax policy.

6. Differences in International Human Resource Management

6.1. Economic Dimension

The economic impact can directly lead to a contraction in production, which in turn can lead to changes in the demand for employees.

6.2. Policy Level

The impact of some NTBs may result in an urgent need for more professional employees who are familiar with the country's legal system at the legal level in order to circumvent trade barriers to a certain extent and avoid occasional mistakes.

6.3. Cultural Dimension

Host country employees (HCN) may have more cultural conflicts and disagreements with Chinese overseas enterprises, face more challenges to the management of HCN, and have more possibilities for mass incidents, including union incidents, more than in the past.

6.4. Market Level

Since it is difficult for China to reduce the cross-border business of oil companies due to the trade war, the scale of international human resource management of oil companies should also be given considerable attention not out in the cold like other industry. As a state-owned enterprise, PetroChina is more likely to be interfered with by government departments in its decision-making level.

6.5. Exchange Rate Level

The wages received by parent country employee(PCN) may increase or decrease due to exchange rate fluctuations when converted into the home currency, which may affect their motivation to work.

6.6. Social Dimension

Based on the above, potential adverse factors, including union incidents and employee dissatisfaction, may affect a company's willingness to hire HCN.

6.7. Tax Dimension

The change in tax policy may affect the motivation of the PCN, resulting in a decrease in the motivation of the PCN, and the need to seek job hopping, salary increases. If you follow the "checklist", your paper will conform to the requirements of the publisher and facilitate a problem-free publication process.

7. Countermeasures and Solutions for Chinese Multinational Enterprises

7.1. Strategic Level

Chinese overseas enterprises should formulate a clear human resource development strategy that meets the requirements of local laws and policies in each country and market [4]. Multinational companies must take into account the local cultural background and laws and regulations when formulating the development strategy to ensure the effectiveness of the strategy, in addition, in the context of the tightening of globalization in the United States and Europe, they must take a long-term view, and the human resource development strategy cannot run counter to the background of the times.

7.2. Cultural Dimension

Expatriate managers should pay attention to actively disseminating corporate culture, business philosophy, business characteristics, management measures to HCN in order to deal with potential cultural conflicts and disagreements, and also to resist overly harsh union negotiations. As the managers of oil companies, they should fully understand the differences between the business processes of domestic and foreign oil companies, so as to better manage the international business activities of the enterprises. Globalization has promoted the integration of different cultures to a certain extent, but it still has not fundamentally broken through the cultural barriers of various regions,

due to the great differences in the cultural background of different countries, it is difficult for enterprise human resource managers to understand the cultural differences in different regions, and only by better clarifying the cultural differences can they formulate excellent human resource management strategies [4]. Expatriate managers happen to have the ability to play a role in disseminating information such as corporate culture, and their potential function should be taken seriously.

7.3. Employee Level

Focusing on development and training, selecting and appointing boundary-spanning expatriates is a major way for multinational enterprises to improve the efficiency of international human resource management in the current environment. Bridge employees are bilingual and cross-cultural talents who can coordinate PCN and HCN, including multicultural employees and self-expatriate employees. Boundary-spanning expatriates include three major functions: basic functions, which meet the most basic job responsibilities of the position; Linguistic function to help expatriate employees from their home countries to make up for the lack of language proficiency; Cultural functions, communication organizational culture, corporate strategy, code of conduct [10]. Through the boundary-spanning expatriates, they can feedback the host country's laws and policies, industry conditions, public opinion trends, potential risks and other important information that affects the operation of the enterprise to a certain extent, so that the enterprise can make strategic changes in a timely manner, which has a certain feasibility for multinational enterprises.

7.4. Recruitment

To reform the way they recruit, multinational companies in the oil industry need to recruit talents from multiple channels to make up for the shortcomings of their traditional recruitment channels, including local headhunters and overseas referrals. Although headhunting may not be able to fully meet the specific needs of the company due to language and other reasons, these methods have the opportunity to enable the company to recruit the right talent [4]. China's oil multinationals are dominated by state-owned enterprises, and the way cadres are appointed is similar to that of government officials, and the means of appointing cadres are relatively simple, and the reform of recruitment methods has the opportunity to improve the shortcomings of traditional recruitment channels for enterprises, although there may be considerable resistance to such reforms.

7.5. Personnel Selection

Optimizing the selection strategy is one of the feasible options for enterprises, in the process of talent selection, it is necessary to understand the cultural background of the country where the enterprise is located, appropriately abandon the traditional state-owned enterprise selection method, and work in combination with work experience, including: education and training, tapping the potential of talents, and integrating human resources through mergers and acquisitions. For a long time, enterprises represented by PetroChina have paid attention to the weight of employees' nationality in the personnel selection process, which may lead to a decline in employee enthusiasm and frequent personnel transfers [11]. The diversification of personnel selection methods directly affects the employee quality training of enterprises, and the cost of trial and error is lower than that of recruitment reform, which is more feasible for enterprises.

7.6. Remuneration Level

To reform the salary and welfare system, multinational enterprises, especially oil companies, should optimize the original salary system with a strong state-owned enterprise color, and as a state-owned enterprise, it is also necessary to give more salary autonomy to subsidiaries and branches in a specific period, such as providing subsidies to PCNs to ensure the stability of their income when the exchange rate fluctuates greatly. Salary can directly affect the work of employees, including the recruitment results of enterprises, work enthusiasm and other aspects, which is of high importance to enterprises,

and can cope with potential exchange rate changes caused by employee enthusiasm changes, so the reform of the compensation and welfare system needs to receive certain attention.

7.7. Human Resource Sharing System

The international human resource sharing system has reference significance for multinational enterprises at present, which can reduce the cost of human resource deployment to a considerable extent, and reduce the possible threats and uncertainties in international human resource management. In the past two decades, with the continuous development of globalization, the need for multinational companies to maintain their competitiveness is far greater than before, and the "global talent challenge" pattern has taken shape, including the imbalance in the level of talent supply and salary level, bringing a lot of opportunities and challenges to enterprises [12]. According to the above Sinopec case, the international human resource sharing system can form economies of scale, reduce management difficulty, improve operational efficiency, and bring intuitive business experience improvement and human resource management efficiency to enterprises.

8. Conclusion

This paper summarizes a number of factors affecting the international human resource management of multinational enterprises, expounds the problems and solutions that Chinese multinational enterprises may face in the context of tightening globalization through literature analysis, summarizes the past experience, and provides new ideas for Chinese multinational enterprises, which can help multinational enterprises cope with potential environmental changes at the level of human resource management. Although some characteristics of human resource management can help enterprises deal with potential threats to a certain extent, the changes at one level are far from being able to cope with the great changes in the overall environment, and enterprises and academia need to find solutions at more levels and find more effective ways to cooperate with each other to cope with the drastic changes in the environment. The article is limited in space and cannot elaborate on aspects of multinational enterprises other than international human resource management. At the same time, the author believes that political factors should receive more due attention, because they can directly change the operation and direction of enterprises, and the study of politics can help enterprises judge the trend of future things and policy changes, so that the operation of enterprises is truly leading and strategic.

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