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## 05MBAHR/445/05MBAIB465

NEW SCHEME

Fourth Semester MBA Degree Examination, July 2007
Business Administration

# International Human Resource Management

Time: 3 hrs.]

[Max. Marks:100

Note: 1. Answer any FOUR full questions from Q.No.1 to 7. 2. Q.No.8 is compulsory.

1	<ul> <li>a. Explain the meaning of the term "expatriate".</li> <li>b. Differentiate between domestic and international HRM.</li> <li>c. Explain the factors moderating performance in an international assignment.</li> </ul>	(03 Marks) (07 Marks) nt. (10 Marks)
2	<ul><li>a. What is national culture?</li><li>b. What are the selection criteria for an international assignment?</li><li>e. Explain different approaches to staffing in international HRM.</li></ul>	(03 Marks) (07 Marks) (10 Marks)
3	<ul> <li>a. Explain the matching model of HRM.</li> <li>b. Explain the components of pre-departure training.</li> <li>c. Explain the need for developing international teams through assignments.</li> </ul>	(03 Marks) (07 Marks) international (10 Marks)
4	<ul> <li>a. What are the organizational objectives of international compensation?</li> <li>b. Explain repatriation process.</li> <li>c. Explain how trade unions may limit the strategic choices of multing</li> </ul>	(03 Marks) (07 Marks) ational firms. (10 Marks)
5	<ul> <li>a. What do you mean by repatriation?</li> <li>b. Explain the key-components of international compensation.</li> <li>c. Explain the variables affecting expatriate performance.</li> </ul>	(03 Marks) (07 Marks) (10 Marks)
6	<ul> <li>a. What is social dumpling?</li> <li>b. Explain the various constraints in multinational performance management.</li> <li>c. Explain going rate approach and state its merits and demerits.</li> </ul>	
7	<ul> <li>a. Explain the non-cultural factors at the organizational level influencing</li> <li>b. Bring out major Japanese National Culture characteristics.</li> <li>c. Explain the HRM practices in USA.</li> </ul>	HRM. (03 Marks) (07 Marks) (10 Marks)

CASE STUDY: 8

Royal Dutch / Shell is a global petroleum company with joint headquarters in both London and the Hague in the Netherlands. The company employs over 100,000 people. approximately 5,500 of them are at any one time living and working as expatriates. The expatriates at Shell are a very diverse group, made up of over 70 nationalities and located in more than 100 countries. Shell has a long recognized that as a global corporation, the international mobility of its workforce is essential to its success. By the early 1990's, however Shell was finding it harder to recruit key personnel for foreign postings. To discover why, the company in 1993 interviewed more than 200 expatriate employees and their spouses to determine their biggest concerns. The data were then used to construct a survey that was sent to 70,000 current and former expatriate employees, expatriate's spouses and employees who has declined international assignments.

The survey registered a phenomenal 70% response rate, clearly indicating that many employees thought this was an important issue. According to the survey, five issues had the greatest impact on the willingness of employee to accept an international assignment.

- In order of importance there were: Separation from children during their secondary education (the children of British and Dutch expatriates were often sent to boarding schools in their home countries while their parents worked abroad).
- ii) Harm done to a spouse's career and employment.
- iii) Failure to recognize and involve spouse in the relocation decision.
- iv) Failure to provide adequate information and assistance regarding relocation, and
- v) Health issues.

The underlying message was that the family is the basic unit of expatriation, not the individual, and Shell needed to more to recognize this.

- a. "Family is the basic unit of expatriation, not the individual". Do you agree with this?
- b. Discuss how spouse's career problems can be solved during expatriation.
- c. Explain how Shell can tackle the problem of expatriate's children education.
- d. As a HR manager of Shell, design a training program regarding information and assistance of relocation. State the content and duration of the program.

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## Fourth Semester MBA Degree Examination, Dec. 07 / Jan. 08 International Human Resource Management

Time: 3 hrs.

Max. Marks:100

(07 Marks) (10 Marks)

Note: I. Answer any four from question 1 to 7, question 8 is compulsory.

- (03 Marks) a. What is international HRM. b. Explain different aspects of influence of non - cultural factors at organizational level. 1 (07 Marks) (10 Marks) c. Explain various factors to be considered in expatriate selection. (03 Marks) a. Give any two definitions of culture citing the authority. In what ways the trade unions can respond to MNEs to pursue employee interests? 2 (07 Marks) (10 Marks) Briefly explain various roles of an expatriate. (03 Marks) What are the advantages of using HCNs? (07 Marks) 3 b. Explain different phases involved in the repatriation process. Explain various mechanisms to achieve integration in highly differentiated and global companies. (03 Marks) What is ethnocentric approach? b. What are the key components of an international compensation program? Explain. 4 (07 Marks) e. Explain various factors influencing the industrial relations policies and practices of multinational firms. (03 Marks) a. What is power distance? (07 Marks) 5 b. Explain the forces of change which caused the emergence of IHRM. c. Briefly explain various components of effective pre-departure training programs.(10 Marks) (03 Marks) What is differentiation and integration in IHRM? b. What are advantages and disadvantages of geocentric approach to staffing? (07 Marks) 6 (10 Marks) Explain various models of IHRM. (03 Marks) a. What is uncertainty avoidance? b. Explain the key reasons for transfering staff in the form of international assignment. 7
  - Explain different variables affecting expatriate performance. The key to expanding successfully overseas is to become one with the culture of the location, even if it means unionization of employees, Michael R. Quinlan, chairman and chief executive S officer of McDonald's Crop, tells conferees at a meeting of the HRM association of Chicago. After opening fast-food restaurants in 53 nations, McDonald's has learnt that it must follow the established practices of a foreign country to succeed there, Quinlan says. For example, a number of European countries and Australia have very strict unionization standards, and operations there are unionized as a condition of doing business. Acknowledging that McDonald's has had some "horrible union fights around the world', Quinlan advices employers considering expansion into other nations to "do it their way, not your way".

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The main implication of dealing with unions is the increased cost of wages and benefits. according to Quinlan. Still, he adds that he does not feel that unionization has interfered with employees' loyalty to McDonald's, or to the company's philosophy of service and employee motivation. Declaring that unions do not bring much to the equation "of employee employer relationship, Quinlan says McDonald's basically a non-union company' and intends to stay

Another source of difficulty for McDonald's in its expansion overseas lies in the fact that fast-food restaurants are unfamiliar in most nations. Opening the first McDonald's inside the communist in Yugoslavia, took 12 years, Quinlan notes. He also points out that company's policy is to staff its restaurants, from crew through management, only with nationals - for the 3300 foreign outlets, the corporation employs only 35 expatriate US citizens, and its goal is to have 100 percent local employees within 5 years.

i) What are the key issues involved in the case?

ii) What, you think, may have prompted McDonald's to accept unionization

iii) How a company like McDonald's can discount the ill-effects of unionization?

iv) What overall message, for global companies, you obtain from McDonald's experience in the area of industrial relations?

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#### 05MBAHR445/05MBAIB465

## Fourth Semester MBA Degree Examination, June-July 2009 International Human Resource Management

Time: 3 hrs.

Max. Marks:100

Note: 1. Answer any FOUR full questions from Q.No.1 to Q.No. 7. 2. Question No. 8 is compulsory.

1	b.	Define "International Assignee". Explain 5 P model, Harvard model and Contextual model of I.H.R.M. Discuss the difference between Domestic H.R.M and International Human Reso	
		Management.	(10 Marks)
2	a. b.	Define the trem "COLA" or Cost of Living allowance.  Explain the terms i) "Short term assignee", ii) Self initiated work expert	(03 Marks)
	iii)	iii) International Committees in I.H.R.M. Explain "MORGANS" model of I.H.R.M with diagram.	(07 Marks) (10 Marks)
3	a. b. c.	What is a "Trans National Corporation"? Explain the reasons for the failure of expatriate in foreign employment. What are the different activities and issues involved in I.H.R.M?	(03 Marks) (07 Marks) (10 Marks)
4	a. b. c.	Define the term "Third Country National".  Discuss the different selection techniques in Foreign Employment.  Discuss Hofstede's model of 4 culture Dimensions in terms of:  i) Power distance  ii) Individualism Vs Collectivism  iii) Uncertainty avoidance  iv) Masculinity.	(03 Marks) (07 Marks) (10 Marks)
5	a. b. c.	What is "Culture"? What are the role aspects of performance of foreign employees? What are the Different External and Internal environmental factors that affect International compensation management?	(03 Marks) (07 Marks) (10 Marks)
6	a. b. c.	Define "Virtual Expatriate".  What are the challenges of "International Performance Management"?  What are the objectives of "International Compensation Management"?	(03 Marks) (07 Marks) (10 Marks)
7	a. b. c.	C'Con an analysis of the control of	(03 Marks) (07 Marks) (10 Marks)

#### 8 CASE STUDY:

#### **FAILED EXPATRIATE**

Mr. Amar Alikhan – A Malaysian National and an MBA form International Islamic University Malaysia was unable to fulfill the long awaited desire of his wife of working and living in a foreign country. Finally situation has set in as Ghana Telikom, Accra, Ghana selected Mr. Amar Alikhan as its marketing manager on a contract basis for a three year period. Mrs Khan was exited and planned for the departure of the entire family including two children, her old parents. In fact Mr. Amar tried to convince his wife that he does not know anything of Ghana. In addition he informed his wife that the culture, climate. Living cost, social security and political situations of Ghana are quite different from that of Malaysia and he has no clear idea of all these aspects. But Mrs. Amar did not listen to him and ultimately she herself decided the date for their travel. The Ghana Telecom could not arrange for their work permit, visa and air tickets before the data fixed by Mrs. Khan. There Mrs Khan asked her husband to arrange the "visitors" visa for all of them and buy the tickets from their savings as Ghana Telecom any how reimburse the cost of travel. Mr.Khan could not displease his wife and ultimately they landed in Accra as planned by Mrs. Khan.

The housing and schooling facilities in Accra are quite inferior to the expectations of Mr. and Mrs Khan. However she initially did not complain as every thing was done as per her wishes. But the two children started complaining of the facilities in the school every day. Sooner or the later her mother fell sick and Mr. Khan had to spend 50% of his savings for her medical expenses, as Ghana Telekom's pay package does not include the medical allowances for other than employee. Sooner or the later Mrs. Khan's Father – in – Law also fell sick and Mr. Khan started experiencing financial crisis.

Mrs. Khan's honeymoon stage was over with in three months and her desire of living in a foreign country was also fulfilled. Sooner she developed a negative picture of Ghana and started feeling that they could not live properly as the food stuff may desire is not available in Ghana as well as the entertainment facilities are not according to their taste. She started murmuring and pressurizing Mr. Khan that we should go back to Malaysia as the home land is far better than any other country including Ghana. All the family members could muster the strength and support from Mrs. Khan. Thus all the members pressurized Mr. Khan that we should leave Ghana within 15 days.

Mr. Khan could not do anything except tendering his resignation and Ghana Telecom did not pay for their return fare as he did not honour the contract of working for three years. His superior expressed his unhappiness over the resignation, as the Ghana Telecom has to restart the selection process for the job of a marketing manager. Mr. Khan requested his friends in Malaysia to send money for their return tickets fares as his savings were just dismal. Finally the whole family landed in Malaysia.

#### Questions:

a.	Discuss the major reasons for the failure of Mr. Khan.	(05 Marks)
b.	To what extent Mrs. Khan is responsible for the failure of Mr. Khan?	(05 Marks)
c.	To what extent Ghana Telicom is responsible for the failure of Mr. Khan?	(05 Marks)
d.	What strategies do you suggest for the precaution of such expatriate failures?	(05 Marks)

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or Note: 1 On completing your answers, compulsorily draw diagonal cross lines on the remaining to talk pages.	2 Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.
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### 08MBAHR445/08MBAIB465

# Fourth Semester MBA Degree Examination, May/June 2010 International Human Resource Management

Time: 3 hrs. Max. Marks:100

Note:1. Answer any Four full questions from Q.No. 1 to 7. 2. Question no. 8 is compulsory.

1	h	Define International Human Resource Management. What are the different approaches to staffing in IHRM? What are the major traditional and non-traditional mechanisms of maintaining while allowing for a degree of differentiation?	(03 Marks) (07 Marks) integration (10 Marks)
2	b.	What do you understand by diversity? Explain the repatriation process. Explain the model of performance management cycle.	(03 Marks) (07 Marks) (10 Marks)
3	a. b. c.	What are the sources of organizational knowledge? Examine the potential constraints that trade unions may have on multinationals. Briefly explain the models of international HRM.	(03 Marks) (07 Marks) (10 Marks)
4	a. b. c.	What are the various recruitment methods the MNCs use to recruit international and How do you differentiate international HRM from domestic HRM? Discuss the various approaches to compensation management in international contractions.	(05 Marks) (07 Marks)
5	a. b. c.	performance?	(03 Marks) (07 Marks)
6	a. b. c.	What are the main components of international compensation package?	(03 Marks) (07 Marks) (10 Marks)
7	a. b. c.	What are the variables affecting expatriate performance?	(03 Marks) (07 Marks) (10 Marks)

#### 8 CASE STUDY:

#### **CEOs SALARY AND INEQUITY**

An issue there for two decades or more. Five years before Mr. Ahluwalia stumbled upon the debate in the United States, Merill Lynch, Lucent technologies, Citigroup and AT and T axed over 91,000 workers between them. The same year, their four CEOs took home more than \$130 million in pay. Lucent Technologies in fact reported a \$ 17 billion loss and sacked 56,000 workers. Then it gave its CEO a \$22 million pay off.

Management guru Tom Peters long ago suggested that CEOs be called CDOs: that is Chief Destruction Officers. Because "you essentially get paid for blowing up your own business before the competition does".

In India, the ILO reports that labour productivity shot up 84 percent between 1990 and 2002. But real wages in manufacturing fell 22 percent in the same period. It sees this as "indication of deterioration in the incomes and livelihoods of workers, despite the increasing efficiency of their labour" This was also a period when CEO salaries had begun clocking all – time records. Even now, top – end compensations in India are growing much faster than in the US.

As one writer puts it: "expressed as a percentage of profits, Indian company heads are far above their global counterparts. For every Rs 1 crore earned as profit, the Indian CEOs take home Rs 16,800; Global CEOs take home Rs 9,900".

Government cannot legislate CEO salaries but they do legislate low end wages. About the one thing Tony Blair can look back on without shame is his government's minimum wage law. The Guardian points out that as a result of it, "Britain's lowest – paid workers enjoyed a higher improvement in their standard of living since 2003 than those in any other European country".

Over five years ago, Paul Krugman, in a devastating piece on inequality in the U.S, found it obscene when a CEO there earned a thousand times what an ordinary worker did. What about us? Presently, the average package of the top five Indians CEOs is around Rs 13.5 crore. The lowest paid workers in their own companies would earn 15,000 – 20,000 times less. If we compare these top incomes to those of agricultural worker, the gap would be 32,000 : 1 or worse.

Dr. Krugman argued that it was not simply economic well – being that such levels of inequality threatened. It was democracy itself. In Dr. Krugman's own nation, long ago, Justice Louis said the same thing: "We can have concentrated wealth in the hands of a few or we can have democracy, but we cannot have both".

## **Questions**:

a. Explain why Tom Peters suggests calling CEOs as CDOs.
b. What role can the government play in regulating salary payouts?
c. In the case let, how is salary inequality compared with "democracy"?
(05 Marks)
(10 Marks)

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