

Eastern University, Sri Lanka
Faculty of Commerce & Management
Final Year Second Semester Examination in Bachelor of Business Administration
(Specialization in Human Resource Management)
2016/17 (March 2019)
(Proper/Repeat)

HRM 4063 International Human Resource Management

Answer all (five) Questions

Time: Three Hours

Read the case study and answer the questions given below.

Waiting in New Delhi

Richard was a 30 years old American Manager sent by his Chicago based company to set up a buying office in India. The new office's main mission was to source large quantities of consumer goods in India: cotton garments, accessories and shoes as well as industrial products such as tent fabric and cast iron components.

India's Minister of Foreign Trade(MFT) had invited Richard's company to open this buying office because they knew it would promote exports, bring in badly needed foreign exchange and provide manufacturing know-how to Indian factories. This was in fact the first international sourcing office of Richard's company to be located anywhere in South Asia. The MFT wanted it to succeed so that other Western and Japanese companies could be persuaded to establish similar procurement offices.

The expatriate manager decided to set up the office in the capital, New Delhi, because he knew he would have to meet frequently with senior government officials. Since the Indian government closely regulated all trade and industry, Richard often found it necessary to help his suppliers to obtain import licenses for the semi-manufacturers and components they required to produce the finished goods his company has ordered.

Richard found these government meetings frustrating. Even though he always phoned to make firm appointment, the bureaucrats usually kept him waiting for hours before they met with him. Not only that meetings would be continuously interrupted by phone calls and unannounced visitors as well as by clerks bringing in stacks of letters and documents to be signed. Because of all the waiting and the constant interruptions, it regularly took him half a day or more to accomplish somethings that could have been done back home in 20 minutes.

Three months into this assignment Richard began to think about requesting a transfer to a different part of the world- "somewhere where things work". He just could not understand why the Indian officials were being so rude. Why did they keep him waiting? why did not the bureaucrats hold their incoming calls and sign those papers after the meeting to avoid constant interruptions?

After all, the Government of India had actually invited his company to open this buying office. So did not he have the right to expect reasonably courteous treatment from the officials in various ministries and agencies he had to deal with?

Questions

Discuss what IHRM actions this company must take for their expatriates-

- a) Suggest recruitment and selection procedure for selecting expatriates in this company. (05 Marks)
- b) Recommend a good pre-departure training for the expatriates in this company. (05 Marks)
- c) Design a cross-cultural training programme for Richard that this company could have done for him before he came to India. (06 Marks)

(Total 16 Marks)

Q2. a) Answer the following questions.

1. State one advantage and one disadvantage of Globalization.
2. Who is an Expatriate?
3. What are two common challenges that expatriate face when working in a new country?
4. Name two elements of a well-planned pre-departure training programme.
5. What is COLA (Cost of Living Allowance)?
6. What are the two challenges of dual-career couples in sending an expat on a foreign assignment?
7. What is the Performance Management Cycle?

(07x 02 = 14 Marks)

b) How does International Human Resource Management (IHRM) differ from Domestic Human Resource Management(HRM)? and what challenges do these differences present for HR Professionals? (06 Marks)

c) Discuss two HR activities in which a MNC must engage that would not be required in a domestic environment. (04 Marks)

(Total 24 Marks)

Q3. a) What are the strengths and weaknesses of Workforce Diversity? and why should MNC manage Workforce diversity? (06 Marks)

b) How is International Business broader in scope compared to International Trade and explain the significance of IHRM. (04 Marks)

c) What are the challenges faced in training expatriate managers? and Why do some multinationals reluctant to provide basic pre-departure training? (06 Marks)

d) Explain what are PCN and HCN. Briefly describe the two (02) advantages and disadvantages each offers the multinational in establishing and controlling the subsidiaries of a multinational enterprise. (06 Marks)

(06 Marks)

(Total 22 Marks)

Q4. a) What is the difference between a global manager and a global mindset? and Outline the main characteristics of the four approaches to International HRM. (06 Marks)

(06 Marks)

b) What is Glass- Ceiling? and why does it take place for women employees and employees belonging to minority group? (06 Marks)

(06 Marks)

c) What is Expatriate system in the process of selection of employees by MNCs? and why do expatriate fail to perform as well as continue the employment in MNC? (05 Marks)

(05 Marks)

- d) Briefly explain the role expectations of an employee. How the role expectations from a foreign employee influence International Performance Management? (05 Marks)

(Total 22 Marks)

- Q5. a) Indicate four (04) objectives of an International Compensation System? Explain any two (02) approaches used by International Organization to pay expatriates who go to work in the host country. (06 Marks)

- b) Why do the International Human Resource Manager find it challenging in managing performance of the employees? (04 Marks)

- c) The Geert Hofstede Scores for the following countries are given below. Discuss what each country's score means.

| Country | Power Distance | Individualism | Masculinity | Uncertainty Avoidance |
|---------------------------|----------------|---------------|-------------|-----------------------|
| France | 68 | 71 | 43 | 86 |
| China | 80 | 20 | 66 | 30 |
| UAE(United Arab Emirates) | 90 | 25 | 50 | 80 |
| United States | 40 | 91 | 62 | 46 |

(06 Marks)

(Total 16 Marks)