

Seat No.: _____

Enrolment No. _____

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER 3– • EXAMINATION – WINTER 2016**Subject Code: 2830503****Date: 05/01/2017****Subject Name: International Human Resource Management (IHRM)****Time: 02.30 PM TO 05.30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q – 1 (A) Multiple Choice Questions. Each is carrying 1 mark.**6**

- 1 Citizens of country other than host country or home country are classified as;
 - a. Host country nationals
 - b. Expatriates
 - c. Home country nationals
 - d. Third country nationals
- 2 In managing international compensation, approach in which package compensation equalizes cost between home country and international employees is called
 - a. Headquarters approach
 - b. Cash flow approach
 - c. Income statement approach
 - d. Balance sheet approach
- 3 Corporation orientation in which managers of host country understand behavior and culture of host country market is classified as
 - a. Ethnocentric
 - b. Polycentric
 - c. Geocentric
 - d. Expat centric
- 4 A major difference between IHRM and domestic HRM is the
 - a. Increased complexity such as currency functions, foreign HR policies and practices and differing labor laws
 - b. Number of employees covered by the HR policies
 - c. Ease with which employees adjust to new culture
 - d. Development of effective cross border mgt. style
- 5 When a person from one culture communicate with a person from another culture they are engaging in;
 - a. Cross cultural communication
 - b. Two way communication
 - c. Multi focus communication
 - d. Verbal communication
- 6 Factors creating the global market place include all of the following except;

- | | |
|--|--|
| a. Lowering of cost of doing business globally | b. Privatization and globalization of govt. services |
| c. Growth in domestic business | d. Satellites and computer technology |

- 4**
- Q – 1 (B)** Give the meaning of the following. Each is carrying 1 mark.
1. TCN
 2. Tax Equalization Allowance
 3. Expatriate
 4. COLA
- 4**
- Q – 1 (C)** Which are the ways to enter into foreign market? **7**
- Q – 2 (A)** Explain repatriation process in detail. **7**
- Q – 2 (B)** What is 'Social dumping' & discuss effects of social dumping. **7**
- OR**
- Q – 2 (B)** Discuss variable affecting expatriate performance? **7**
- Q – 3 (A)** Discuss Hofstede's model of cultural dimensions in detail. **7**
- Q – 3 (B)** You are from corporate headquarters, as a member of the HR dept., you are responsible for managing international assignments. You have to select an expatriate, suggest staffing approach you would like to use and why? **7**
- OR**
- Q – 3 (A)** You are appointed as an expatriate for an international assignment. Explain role of an expatriate. **7**
- Q – 3 (B)** How will you appraise the employees working for an international assignment? **7**
- 7**
- Q – 4 (A)** You are the group HR director for a small company that has begun to use international assignments. You are considering using an external consulting firm to provide pre-departure training for employees. Design components of pre-departure training in detail.
- Q – 4 (B)** Explain factors contribute to re-entry shock? **7**
- OR**
- Q – 4 (A)** Explain consequences of dual career couples and suggest ways to handle these consequences. **7**
- Q – 4 (B)** Explain the following approaches of international compensation: **7**

1. The going rate approach
2. The balance sheet approach

Q – 5 Case Study: Unwanted Promotion**14**

Mrs. Wilfred joined Toyota as an automobile engineer in its USA operations. She is in her late 40s and supporting the education of her two children and the unemployed husband. In fact, her husband was retrenched consequent upon 2008 global economic crisis. The company plans to start its operations in Georgia.

She could not get any kind of promotion in USA during her 20years career. Her superior attributes her performance as the reason and she attributes the glass – ceiling as the reason for being not promoted.

One day, her superior Mr. Michael called her and appraised her that the company is contemplating to start its operations in its Georgia plant in three months time and she was promoted as Head of the Operations department of the Georgia plant with double her current remuneration as base salary along with a number of allowances like hardship allowance, educational allowance for children, exchange rate stability allowance, COLA, settling in allowance. Her total remuneration in Georgia would be three times of her current remuneration. Further, the company is contemplating to provide a suitable job to her husband in Georgia plant.

Mrs. Wilfred listened coolly and replied without any kind of emotions, that I can't accept this promotion.

Questions:

1. Do you think that the management's action of not promoting Mrs. Wilfred in USA's operation is the reason for declining the offer by Mrs. Wilfred?
2. Is it due to the political conditions in Georgia, Mrs. Wilfred did not accept the promotion?
3. If you were at the place of Mrs. Wilfred which decision you take? Why?

OR**Q – 5 Case Study: Whom do you satisfy? Expatriates or Nationals?****14**

Hi-tech electronics Limited was established in 2010 in Kaulalumpur, Malayisa. It produces and markets all types of electronic goods in most of the Asian and Pacific countries. It has been one among the

top five companies as for the level of technology and one among the top three companies regarding marketing of the products in Malaysia. The company's policies and practices concerning human resources management are top in the country. The company's salary administration policies and practices were taken as guidelines not only by the other companies but also by various wage boards and pay commissions in the country. But this company has been struggling a lot because of a minor problem relating to administration of salary and benefits. The problem is stated here under.

The company employed nearly 400 national young graduate and post graduate engineers and 20 expatriate engineers. These employees are from the cream of the company's present human resource. The expatriate employees occupied higher positions in all the departments including Human Resource Department. The company's salary policy and benefits policy were formulated mainly on the basis of the expatriate employees' desires. The base salary of the company is the same for both the expatriate and national employees. But expatriates receive additional allowances like international market allowance, housing allowance and entertainment allowance, educational allowance, risk allowance, settling in allowance, car allowance, housing allowance and entertainment allowance. Thus, expatriates receive nearly 250% more salary than the nationals doing the same job.

The national employees demanded the management to pay equally with that of expatriates immediately. According to them, the pay pocket frustrates them severely.

Questions:

1. What is the crucial issue in this case?
2. If you were the HR manager of the company, whom do you satisfy?
