

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA – SEMESTER 3– EXAMINATION – SUMMER 2016**

Subject Code: 2830503

Date: 09/05/2016

Subject Name: International Human Resource Management (IHRM)

Time: 10.30 AM TO 01.30 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** **06**
- 1 An expatriate is;
    - A) Is an employee transferred out of their home base to the firm's International operation
    - B) Is an employee transferred into a parent organization
    - C) Is an employee who understands international business operation
    - D) Is an employee who has works in more than one country
  - 2 Which department of an organization is the major use of language translation service?
    - A) Tax department
    - B) Shipping department
    - C) Human Resource department
    - D) Operations
  - 3 One major difference between domestic and international HRM is;
    - A) Staff hiring
    - B) Tax equalization
    - C) Housing Relocation
    - D) Risk
  - 4 Which of the following is not a major external factor that influences IHRM?
    - A) The state of the economy
    - B) Type of Government
    - C) Generally accepted practice of doing business
    - D) Regulatory requirements
  - 5 What activity in IHRM would not be required in a domestic environment?
    - A) Staff Orientation
    - B) Tax equalization
    - C) Terrorism consideration
    - D) Relocation assistance
  - 6 The concept of stagnation in the context of recruitment means;
    - A) Lack of appropriate selection criteria
    - B) HR staff having very limited experience outside the HR function
    - C) Over reliance on the internal labor market to fill new positions
    - D) Lack of integration of R&S into the wider HR function
- Q.1 (b) Explain the following terms; **04**
- i) Pre-Departure Training
  - ii) Tax equalization allowance
- Q.1 (C) Write a note on ethnocentric and polycentric approach. **04**
- Q.2 (a) 'Companies can hire or buy in values by the way they recruit and select staff' In pairs, or in small groups, discuss this statements in the context of the following: **07**
- The recruitment and selection process in the country.

	• How would these 'fit' with the concept of hiring and buying in corporate values?	
	(b) Are female expatriate different? Explain	07
	<b>OR</b>	
	(b) What should be the main objective and bases for a multinational firm with regard to its compensation policies?	07
<b>Q.3</b>	(a) What factors contribute to re-entry shock?	07
	(b) What is 'Social dumping' and why should unions be concerned about it?	07
	<b>OR</b>	
<b>Q.3</b>	(a) Discuss the major variables associated with appraisal of expatriate managerial performance.	07
	(b) Discuss different modes of entering in international business.	07
<b>Q.4</b>	(a) What is culture? Discuss cultural issues for an expatriate.	07
	(b) Explain the role of non – expatriate.	07
	<b>OR</b>	
<b>Q.4</b>	(a) Discuss the factors influencing the global work environment.	07
	(b) What is the difference between global manager and global mindset?	07
<b>Q.5</b>	Case Study:	14
	<b>Training issues in KPMG</b>	
	KPMG one of the major accounting firms – provides accounting, auditing and tax services. Majority of its employees are Chartered Accountants and CPAs. The company has ambitious plan for expansion in view of boom in consultancy industry consequent upon globalization. Company's policy is promoting within and therefore, most of its senior level employees are promoted from entry – level accountants. In view of its promotion policy, the company invests heavily on training of employees in the form of development of in-house educational and training facilities. Most of its employees receive training at frequent intervals in the company's training colleges.	
	Majority of training investments of the company is on technical and procedural training for entry – level accountants in the areas of accounting, finance, tax, auditing project reports and report writing. However, KPMG has problems in attracting dynamic energetic young graduates from the colleges and universities. This situation, sometimes, discourages clients to continue with KPMG in case of existing clients and approaching KPMG in case of new clients. This situation to some extent is due to the 'fast – in, fast – out style of big – time consulting.' Employees of the company gradually learn to interpret the subtleties of clients needs and sometimes employees have been let go due to the absence of interpersonal skills.	
	The training colleges of the company therefore suggested to providing training in interpersonal skills. But the line managers point out that the company has conducted training in client and customer relations, just two years back. They added that there is no improvement in customer relations and the return on money spent on training can't be justified. The senior managers of the company feel that much investment on training is unnecessary as some of the trained employees join other organizations.	
	However, most of the managers feel that investment on training is essential, but the dilemma is that which part of the skill should receive more attention and investment.	
	Questions:	
	1. Will training correct the problem of interpersonal relations?	
	2. Is training cost effective?	
	3. Is KPMG training the right knowledge and skills?	
	<b>OR</b>	
<b>Q.5</b>	Case Study:	14
	<b>Failed Expatriate</b>	

Mr. Amar Ali Khan – a Malaysian national and an MBA from 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 Ali Khan as its Marketing Manager on a contract basis for a three year period. Mrs. Khan was excited 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 situation of Ghana are quite different 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 telikom could not arrange for their work permit, visa, and air tickets before the date fixed by Mrs. Khan. Than Mrs. Khan asked her husband to arrange for visitor's visa for all of them and buy the tickets from their savings as Ghana telecom any how reimburses the cost of travel. Mr. Khan could not displeased his wife and ultimately they landed and Accra as planned by Mrs. Khan.

The housing and schooling facilities in Accra are quiet inferior to the expectations of the Mr. and Mrs. Khan. However, she initially did not complain as everything 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 felt sick and Mr. khan have to spend 50% of his savings for her medical expenses, as Ghana Telikom's pay package does not include the medical allowances for other than employee, spouse, and children of employees. Sooner or later, Mrs. Khan's father – in – law also fell sick and started experiencing financial crisis.

Mrs. Khan's honeymoon stage was over within 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 they 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 for 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 telikom did not pay for their return fare, as he did not honor the contract of working for three years. His superior expressed his unhappiness over the resignation, as the Ghana telikom has to restart the selection process for the job of Marketing Manager. Mr. Khan requested his friends in Malaysia to send money for their return fares as his savings were just dismal. Finally, the whole family landed in Malaysia.

Answer the following questions:

1. Discuss the major reasons for the failure of Mr. Khan.
2. To what extent Ghana Telikom is responsible for failure of Mr. Khan?
3. What strategies do you suggest for the prevention of such expatriate failures?

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