

ROLL No.

SHAMBHUNATH INSTITUTE OF ENGINEERING AND TECHNOLOGY

Subject Code: KMBHR05 Subject: International Human Resource Management

MBA

SEMESTER: IV

**FIRST SESSIONAL EXAMINATION, EVEN SEMESTER (2019-2020)
BRANCH: MBA**

TIME-1hr 30 min

Maximum Marks-30

SECTION –A

1. Attempt all questions in brief.

(1*5=5)

Q.N.	QUESTIONS	MARKS	CO	BL
a	Who is an expatriate? ANS. An expatriate is an individual living in a country other than his or her country of citizenship, often temporarily and for work reasons.	1	1	1
b.	What is meant by MNEs? Ans -Multinational enterprises (MNEs), defined as firms that hold assets or employees in more than one country	1	2	2
c.	Give a valid reason for transfer of expatriate Ans- The main Reason is Expatriate Development and , Knowledge transfer	1	2	2
d.	What does term TCNs stand for? Ans- Third Country National (TCN) is a term stand for.	1	2	2
e.	What is meant by an expatriate failure? Ans- An Expatriate Failure means the Premature return of an expatriate to his home country,	1	1	2

SECTION -B

2. Attempt any TWO of the following:

(2*5=10)

Q.N.	QUESTIONS	MARKS	CO	BL
a.	What do you know about HCN,PCN and TCNs? What are the advantages and disadvantages of HCNs, PCNs and TCNs of global employees? Ans. TCN: Third Country National (TCN) describes and individuals of other nationalities hired by a government or government sanctioned contractor who represent neither the contracting government (Home Country) nor the host country or area of operations.	5	4	4

	<p>ADVANTAGES :</p> <p>1.Salary and benefit requirements may be lower than for PCNs</p> <p>2.it may be better informed than PCNs about the host country environment</p> <p>Disadvantages;</p> <ul style="list-style-type: none"> • Host government may resent hiring of TCNs. • They may not want to return to their home country after the assignment. <p>PCN (Parent-country nationals) are employees whose nationality is the same as that of the firm headquarters — for example, a German employee of a German company who is working at a Chinese subsidiary.</p> <p>ADVANTAGES:</p> <ol style="list-style-type: none"> 1. Familiarity with home office, goal practices. 2. Easy organizational control and coordination. <p>DISADVANTAGES:</p> <ul style="list-style-type: none"> • Difficulty in adapting to foreign currency. • Excessive cost of selecting, training and maintaining expatriates. <p>HCN: Host Country National(HCN): When a company of a country runs their business in another country and recruits employees from that country then it is known as HCN</p> <p>Advantages:</p> <ul style="list-style-type: none"> • Lower hiring cost. • Local motivated due to promotional opportunities. <p>Disadvantages:</p> <ul style="list-style-type: none"> • Communication problem with home office personnel. • Limited career opportunity outside the subsidiary 			
b.	<p>What are reasons for transferring staff for business activities and What are the types of business international assignments?</p> <p>Ans- Transferring of international management has identified three key organizational reason for use of various form of international assignments:</p> <ol style="list-style-type: none"> 1.poition filling 2.management development 3.organizational development <p>Types of business international assignments:</p> <p>Employees are transferred internationally for varying length of time depending on the purpose of transfer and nature of task to be performed</p> <p>MNE’s tend to classify types according to the length of duration of the assignment :</p> <ol style="list-style-type: none"> 1.Short term 2 Extended 3.Long term 	5	4	3
c.	<p>What are the main approaches which determine for staffing choices in global context?</p>	5	3	3

	<p>Ans: To sustain the global staffing is an important function of HR manager .We examine the various approaches taken by staffing international operation and allocation of human resources to the firm varied international operation to ensure effective strategic outcome.</p> <p>Approaches to staffing –IHRM approaches to managing and staffing their subsidiaries. The international executive have four primary attitudes towards staffing procedure .</p> <ol style="list-style-type: none"> 1.Ethnocentric 2.Polycentric 3.Geocentric 4.Regio-centric <p>Determination of staffing choice;. These are (Ethnocentric , Polycentric, Geocentric and Region centric are considered for staffing choice as -</p> <ol style="list-style-type: none"> 1. Context specification; <ul style="list-style-type: none"> A Cultural context B. institutional context C. Staff availability D Type of industry 2.Company specificities <ul style="list-style-type: none"> A.MNE structure and strategy B. International experience C .Corporate governance D. Organizational culture 3.local unit specificities <ul style="list-style-type: none"> A. Establishment method B .Strategic role and importance C. Need for control D. Locus of Decision 4.IHRM practices <ul style="list-style-type: none"> A. Selection B. Training and development C. Compensation D. Career management 			
d.	<p>Describe the major differences between Domestic & International IHRM.</p> <p>Ans. Operating in different countries and employing different national categories of workers is a key variable that difference domestic and IHRM.</p> <p>Complexity can be attributed to six factor as per IHRM Performed developing :</p> <ol style="list-style-type: none"> 1.More HR activities 2.Need of broader perspective 3.More involvement in employee personal lives. 4.Change in emphasis a the workforce mix of expatriate and local varies. 5.Risk Exposure 6.Broader external influence 	5	3	3

SECTION -C

3. Attempt any ONE part of the following: (1*5=5)

Q.N	QUESTIONS	MARKS	CO	BL
a.	<p>Discuss the aim of International Performance Management. How it helps to an individual improvement? Ans :In global terms the PM can Be described a a process which allow an MNEs to evaluate and constantly[improve individual and corporate performance in relation to pre set goals and targets. Aim of Performance Management. We can meet expectation only through our capability and if we get support from the management through process, system and resources.</p> <ul style="list-style-type: none"> • Goal setting for expatriates • Performance appraisal <p>Individual performance and appraisal:</p> <ul style="list-style-type: none"> • Appraisal process 1. Expatriarte performance 2. Compensation package 3. Task 4. Headquarter support 5. Host environment 6. Cultural adjustment <p>IPM in an MNE s can be achieved by global strategy by balancing standardization with localization.</p>	5	3	3
b.	<p>Explain the challenges of IHRM. Discuss the reason for expatriate failure. ANS; At the modern age of globalization IHRM find various kind of challenges as illustrated by:</p> <ol style="list-style-type: none"> 1.advancement technology 2.change in legal environment 3. globalization 4. management of information 5.changing profile of workplace 6.need for quality human resource 7.Managing workforce diversity 8.Empowerment of workers <p>Reason for expatriate failure: These are the following reasons for expatriate failure-</p> <ol style="list-style-type: none"> 1.Inability of spouse to adjust 2.manager is enable to adjust 3.Other family problems 4.lack of technical competence 	5	1	1

5. Difficulty with new environment			
6. Inability to cope with larger overseas responsibilities.			

4. Attempt any ONE part of the following: (1*5=5)

Q.N.	QUESTIONS	MARKS	CO	BL
a.	<p>What is global Compensation practice? Further explain type of allowances offered to a global employee.</p> <p>ANS.</p> <p>Global enterprises require global compensation systems that allow the organization to maintain the flexibility and ease of transfer between countries and regions while providing employees a just wage. A compensation system must be designed to work regardless of where the expatriate is sent on assignment.</p> <p>Features;</p> <ol style="list-style-type: none"> 1. Compensation is an integral part of HRM. 2. it does not include salary. 3. Can directly and indirectly be in the form of monetary and non monetary benefits . 4. Almost all MNCs take up assignment in various company due to compensation package . <p>Component of global compensation package allowances;</p> <p>Allowances are a kind of compensation which is other head than base salary and incentive pay .It includes</p> <ul style="list-style-type: none"> • Cost of living • Housing allowance • Educational allowance • Medical allowance • Insurance allowance • Relocation allowance • Hardship allowance 	5	2	3
b.	<p>Difference between Expatriates, Non - expatriates and Inpatriates in term of International human staffing.</p> <p>Expatriate : A person who has citizenship in at least one country, but who is living in another country. Most expatriates only stay in the foreign country for a certain period of time, and plan to return to their home country eventually, although there are some who never return to their country of citizenship.</p> <p>Role of expatriate:</p> <p>The expatriate function such as</p> <ol style="list-style-type: none"> 1. An agent of direct control. 2. An agent of socialization 3. As a network builder 4. As a boundary spanner 5. <p>Non-expatriates: people who travel internationally but are not considered expatriate as they do not relocate to another country .The non- expatriate are also called international business travellers. E.g. road warrior, global rotters.</p>	5	3	2

	<p>Inpatriates: They are local authority ,help HCN and PCN for high potential employee when expatriate function are not optimum. They think global and act local.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 20%;">COUNTRY</th> <th style="width: 20%;">PCN</th> <th style="width: 20%;">TCN</th> <th style="width: 20%;">EXPATRIATE</th> <th style="width: 20%;">INPATRIATE</th> </tr> </thead> <tbody> <tr> <td>BRITISH MNEs</td> <td>56</td> <td>37</td> <td>7</td> <td></td> </tr> <tr> <td>GERMAN MNEs</td> <td>79</td> <td>12</td> <td></td> <td>12</td> </tr> </tbody> </table> <p>An expatriate (often shortened to expat) is a person temporarily or permanently residing in a country other than that of their citizenship. ... An inpatriate is an employee of a multinational company who is from a foreign country, but is transferred from a foreign subsidiary to the corporation's headquarters</p> <p>Non expatriate :Factors affecting non expatriates: Travel logistic and host country issue.</p>				COUNTRY	PCN	TCN	EXPATRIATE	INPATRIATE	BRITISH MNEs	56	37	7		GERMAN MNEs	79	12		12			
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5. Attempt any ONE part of the following: (1*5=5)

Q.N.	QUESTIONS	MARKS	CO	BL
a.	<p>What are important factors affecting IHRM? And Discuss different IHRM activities?</p> <p>Ans International Human Resource Management (IHRM) can be defined as a set of activities targeting human resource management at the international level. It strives to meet organizational objectives and achieve competitive advantage over competitors at national and international level.</p> <p>Factor affecting IHRM;</p> <ul style="list-style-type: none"> • Legal and Political Factors. The nature and stability of political systems vary from country to country. ... • Economic Factors. • Cultural Factors. • POWER DISTANCE. • INDIVIDUALISM. • MASCULINITY/FEMININITY • UNCERTAINTY AVOIDANCE. • LONG-TERM ORIENTATION. <p>Different IHRM Activities:</p> <ul style="list-style-type: none"> • Job analysis and human resource planning • Recruitment and selection • Training and development • Performance appraisal management • Managing cross culture issue 	5	1	2

b.	<p>What are the factor driving standardization and localisation?</p> <p>ANS;</p> <p>The theory demonstrates HRM is context specific and it is influenced by both macro and micro variables. Hence, HRM policies and practices can be localized, integrated or standardized when they are transferred by a multinational company to its subsidiaries in other countries due to macro and micro variables.</p> <p>FACTOR AFFECTING STANDARDIZATION:</p> <ul style="list-style-type: none"> • Pursues a multinational or transnational corporate strategy. • Supported by a corresponding organizational structure. • Reinforced by a shared worldwide corporate culture. <p>Factor affecting localization :</p> <ul style="list-style-type: none"> • The cultural environment • The institutional environment 	5	2	2