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MS-29

MANAGEMENT PROGRAMME (MP)

Term-End Examination

June, 2020

**MS-29 : INTERNATIONAL HUMAN RESOURCE
MANAGEMENT**

Time : 3 Hours

Maximum Marks : 100

Weightage : 70%

Note : (i) *There are two Sections—A and B.*

(ii) *Attempt any three questions from Section A. Each question carries 20 marks.*

(iii) *Section B is compulsory and carries 40 marks.*

Section—A

1. Describe the importance of Business Ethics and discuss the ethical dilemmas MNCs face with relevant examples.

P. T. O.

2. What is Global Compensation Management ? Describe different approaches to compensate expatriate employees for MNCs.
3. What type of the strategies to be formulated for licensing and franchising to enter foreign markets ? Illustrate with an example.
4. Briefly discuss cultural differences and similarities and explain the strategies for dealing with cultural differences.
5. Write short notes on any *three* of the following :
 - (a) Global trends in training and development
 - (b) Cross-cultural differences in leadership
 - (c) Expatriate performance management
 - (d) Geo-centric approach
 - (e) Managing diversity

Section—B

6. Read the case carefully and answer the question given at the end.

Background Information

On a summer's day in 2008, Charles Ramoz-Ramirez was chairing a meeting of the six most senior employees of the HR consultancy he established almost five years ago. His decision to establish the consultancy was an extremely difficult one for him, as he held a senior, well-paid, and secure position as an HR executive within an MNC based in New York. This HR position within the MNC involved training and developing professional executive staff such as engineers and project managers to undertake overseas assignments mainly in Spanish speaking countries of South America.

At this meeting with his senior staff, Charles reminded them about the history of the consultancy for which they now work. He reminded them that there were two main

reasons which underpinned his decision to leave the employment of the MNC and set up the consultancy business. First, he found himself being invited to deliver, on an increasingly frequent basis, specialized training sessions on expatriate programmes organized by independent training organizations and even other MNCs. He concluded from the frequency of these requests that there was a scarcity of HR professionals who possessed genuine expertise in preparing US executives for assignments in Mexico. Second, he did not agree with his HR director's view of expatriate training which was very much a case of 'send them and see'. That is, his HR director did not doubt that pre-departure training for expatriates was helpful but she did not see it as a critical success factor. Charles's view was that pre-departure training of expatriates was not just helpful; he saw it as a prerequisite for any overseas assignment no matter what its duration. His belief in the value of pre-

departure training thus became a key operating principle of the CRR Expatriate Development consultancy organization which he formed on the day he left the employment of the MNC. In essence, Charles established a consultancy which aimed to design and deliver in-house pre-departure training programmes for employees of US MNCs who would be taking up assignments in Spanish-speaking countries in South America.

The approach by the MNC : problems with employees pre-departure training

After reminding his senior staff of how the consultancy came into being, Charles explained to them that a recent event had served to convince him that the emphasis he placed on the training of expatriates was fully justified. Charles informed them that he had recently been approached by the current HR director of the MNC which had previously employed him. (The previous HR director for whom Charles worked had retired approximately two years

ago.) The current HR director told Charles that, over the last 12 months, the senior management of the MNC had become increasingly concerned about the general failure of its expatriate workforce to adjust to life in Mexico. As a result, the HR department had commissioned an independent training needs analysis. Part of this analysis was based on responses from 40 engineers who had returned home in the last two years from assignments in Mexico. Charles proceeded to inform his staff about the findings of this analysis which were supplied to him by the HR director of the MNC.

The independent analysis provided a fascinating insight into the pre-departure training that the 40 employees had received. Notably, only 25 of them had received any formal pre-departure training at all. Subsequent investigations revealed no obvious explanation as to why the remaining 15 staff had received no formal training. Further, when

the MNC's training records were examined, the showed that the duration of the training received by the 25 staff varied tremendously (see Table 1.)

Table 1 : Length pre-departure training received by the 25 employees :

	1 to 5 Days	6 to 10 Days	11 to 15 Days	More than 15 Days
Number of employees	6	3	11	5

Again, organizational records offered no obvious explanation as to why these 25 employees received training which varied so much in terms of duration.

The training needs analysis document proceeded to report further information about the nature of the pre-departure training received by the group of 25 employees. The 25

employees experienced various pre-departure training methods such as lectures and tutorials including basic language classes, access to online material about Mexico, and cultural awareness workshops delivered by an outside training agency. Prior to their assignments, four of the 25 employees were offered the opportunity to undertake seven day field visits to Mexico. These visits enabled them to meet colleagues already based in Mexico and to visit organizations and places in Mexico that were linked to their assignments. The variation in the pre-departure training received by the 25 employees made it difficult to evaluate the employees' views about the effectiveness of the pre-departure training they had received. Some anecdotal evidence presented in the analysis

did, however, indicate that seven employees who accessed online training material found it to be of little value in terms of cultural preparation for their assignments.

Finally, with an eye on future training, the 40 employees who had returned from assignments in Mexico were asked to identify the two biggest challenges that they had faced when working in Mexico. A summary of their responses to this question is presented in Table 2.

Biggest Challenge	Number of employees citing this challenge*
Communication problems with local workers	28
Technical issues relating to their work	15
Travelling within Mexico	10

Health and diet issues	10
Accommodation issues	6
Loneliness/boredom	4
Safety including crime	3
Pressure from family in U. S. A.	2
Other challenges cited by only 1 employee	2

*Total number of responses is 80, that is, two responses per employee.

The implications of the analysis

At this point of the meeting, Charles revealed to his team that, on reading the fairly scathing independent report on pre-departure training, the Board of Directors of the MNC reached the conclusion that training for employees undertaking assignments in Mexico was a priority issue. The members of the Board decided that they wanted to bring in an external consultancy with real expertise in this

area. It was opportune that the independent investigation into current training arrangements had unearthed a number of documents in which Charles, during the time he was employed by the MNC, had expressed his concern with the training that employees were receiving to prepare them for their overseas assignments. It was quickly established that Charles had left the MNC in order to open a consultancy specializing in this very issue.

Charles then informed his colleagues : "The HR director of the MNC is commissioning CRR Expatriate Development to design and facilitate a 10-day long pre-departure programme for 30 engineers and project manager who will be taking up medium term (that is, six months to one year) assignments in Mexico over the next year. Using the information we already have from the independent analysis, I want us to put

together an initial draft of what this training programme should look like.

Questions :

- (a) Assume that you are a member of the senior team of CRR Expatriate Development, highlight what you think should be included in the content of the new 10-day pre-departure programme for the 30 engineers and project managers.
- (b) What necessary element you think are essential for this programme and why ?
- (c) What should be length of the programme interms of its diration and why ?