

**MANAGEMENT PROGRAMME**

**Term-End Examination**

**June, 2021**

**MS-029 : INTERNATIONAL HUMAN RESOURCE  
MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

*(Weightage : 70%)*

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- 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.
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**SECTION A**

1. (a) Briefly discuss the growing importance of international assignments, and the approaches to the staffing MNCs.  
(b) What are the reasons for expatriate failures ? Explain the skills required to be successful. Give examples.
2. Describe and discuss the role of Training and Development in international context and the set of competencies required for a global mind-set.

3. What are the barriers to cross-cultural communication and how can they be reduced in order to be effective and successful in international assignment ?
4. Explain the role of Trade Unions and International Industrial Relations.
5. Write short notes on any *three* of the following :
  - (a) Mergers and Acquisitions
  - (b) Universalism in Leadership
  - (c) Variables Affecting Expatriate Performance
  - (d) Culture Shock
  - (e) Functions of International Human Resource Management

## SECTION B

6. Read the case given below and answer the questions given at the end :

Wipro Technologies of Bangalore, India, was having trouble persuading German companies to outsource offshore, their chip and software design work of Wipro, until the company hired Walter Ortmueller. The German engineer talks, looks, and thinks like the Indian outsourcer's prospective clients, and that puts him in a better position than his Indian bosses to overcome common local fears about sending high-tech production and back-office operations halfway around the world to workers who speak a different language. Using a middleman "from the same country generates automatic trust," says Mr. Ortmueller, whose twenty years of contacts in the industry now help him scout and win clients for Wipro. The company had only two technology-design customers when it found Mr. Ortmueller in March 2003, and a year later had ten, most of which it attributes to having a

center in Germany staffed with German engineers.

Outsourcing is finally beginning to crack the European market, once a staffing strategy was added of using a heavy sprinkling of local representatives from the same cultural background as the target clients. “Local presence was a must for the customers” in Europe, says, Sangita Singh, Wipro’s Chief Marketing Officer. European businesses “want to be sure that their voice can be heard within a large organization the doesn’t have its center of operations in Europe,” she says. Using locals also provides “the cultural and linguistic ties that make the clients smile and helps us build stronger relationships,” Ms. Singh adds. Mr. Ortmueller understands, for example, that German businesspeople would rather take a direct and unambiguous “no” response for an answer than receive a delayed response. Germans, he says, also are not as open to bargaining as Indian or U.S. companies are. “If

they don't like the price, they say 'thanks' and call the next provider," he says.

Offshore outsourcing is growing dramatically in Europe, although still behind the U.S. pace due to European labour laws that make relocating jobs through offshore outsourcing a long and costly process. To avoid layoffs, many European companies outsource only work and projects that require new hiring. But European businesspersons also are generally more reluctant than Americans to take risks or try out new ideas, Indian outsourcers say. But local hires like Mr. Ortmueller help clients overcome this reluctance. "Without a local partner, our clients would simply not do outsourcing. We bridge the distance between different geographies that can generate a lot of misunderstandings," says Ortmueller. When Mr. Debjit Chaudhuri first came to Germany in 1999 to open an outsourcing office for India's Infosys Technologies Ltd., a Bangalore based

consulting and IT services firm, German companies “didn’t know what I was talking about,” he says. “You need to build confidence, trying to keep it as German as possible, while giving you the benefits of outsourcing.”

Mr. Chaudhuri’s office hires Germans for their knowledge of the country’s laws and regulations as well as its markets. It also tends to use locals for face-to-face interactions with German customers to bridge language and cultural differences. Wipro has similar client-development centers in Sweden, Britain, the Netherlands, and Finland and puts the same emphasis on using locals in each country. The company also has sales offices in eight countries in Europe, and for each, the marketing team is about 90 percent locals, Ms. Singh says, compared with only 30 percent in the U.S. sales offices. She adds that in the United States, where language and cultural differences are less of an issue, the sales staff “could all be Indian.”

**Questions :**

- (a) Usually hiring locals is associated with a general multidomestic or polycentric overall strategic approach to international business. Is this the case with Wipro Technologies of Bangalore, India ?
  - (b) How does Wipro's and other similar companies' local staffing approach in Europe support company strategy and help achieve competitive advantage ?
  - (c) Why is this local staffing approach to support outsourcing client development so important in Europe compared to the United States ? Is this approach necessary in all global operations ?
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