

However, GlobalTech India has encountered a significant challenge concerning the administration of salary and benefits, which has been impacting its workforce and overall performance.

The company's workforce comprises approximately 400 young national graduate and postgraduate engineers, along with 20 expatriate engineers. This group represents the cream of the company's present human resource. Interestingly, the expatriate employees hold senior positions across all departments, including the Human Resource Department. The company's salary and benefit policies have been predominantly influenced by the preferences of expatriate employees. While the base salary remains the same for both expatriates and nationals, the former receives additional allowances, including international market allowance, educational allowance, settling-in allowance, car allowance, housing allowance, and entertainment allowance. Consequently, expatriates earn nearly 250% more in total compensation than their national counterparts performing similar roles.

The national employees have voiced their concern and frustration, demanding equal pay with expatriates. They argue that the significant salary disparity is a cause of considerable dissatisfaction among them.

In this context, the important issue at hand is addressing the salary and benefit disparities between expatriate and national employees at GlobalTech India.

As the HR manager, the primary objective would be to find a balanced approach that aligns the interests of both expatriate and national employees while maintaining competitiveness in the market.

Factors contributing to the potential challenges of expatriates include salary disparities, potential cultural differences, language barriers, and the need to adapt to the local market and business environment.

To address these issues, HR management needs to conduct a comprehensive review of the compensation structure to ensure fairness and equity. It should also consider cultural sensitivity training, language support, and additional incentives to bridge the gap and ensure a harmonious and productive work environment.

Question-

- | | |
|---|---|
| (a) What is the crucial issue in this case? | 2 |
| (b) If you were the HR manager of the company, whom do you satisfy and how? | 4 |
| (c) What are the factors contributing to the Expatriate's Failure? | 4 |

Total No. of Questions: 7

Total No. of Printed Pages: 4

Enrollment No.....



Faculty of Management Studies

End Sem Examination Dec-2023

MS5EH07 International HRM

Programme: MBA

Branch/Specialisation: Management / HR

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d. Assume suitable data if necessary. Notations and symbols have their usual meaning.

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|--------|---|---|
| Q.1 i. | By which means do HRM practices and activities become International? | 1 |
| | (a) When a company employs foreign nationals | |
| | (b) When a company trades with a foreign market | |
| | (c) When a company expands to a foreign market | |
| | (d) When a company adopts best practices | |
| ii. | Which trend is expected to influence the future of IHRM significantly? | 1 |
| | (a) Centralization of HR functions | |
| | (b) Decreased reliance on technology | |
| | (c) Globalization of business operations | |
| | (d) Reduced cultural diversity | |
| iii. | In the context of recent trends in international staffing, which approach focuses on hiring the best talent regardless of their nationality and allows for global mobility within the organization? | 1 |
| | (a) Ethnocentric staffing | |
| | (b) Geocentric staffing | |
| | (c) Polycentric staffing | |
| | (d) Regiocentric staffing | |
| iv. | What is the primary goal of expatriate training in the context of international staffing? | 1 |
| | (a) To promote cultural assimilation and eliminate diversity | |
| | (b) To provide a vacation for employees working abroad | |
| | (c) To discourage employees from accepting international assignments | |
| | (d) To enhance expatriates' skills and competencies for their international roles | |
| v. | When assessing subsidiary performance in an international context, what is typically a key consideration? | 1 |
| | (a) Employee's personal preferences | |
| | (b) Alignment with the parent company's strategy | |
| | (c) Office location and design | |
| | (d) Government regulations in the host country | |

- vi. What is one of the challenges in international performance management? **1**
 (a) Balancing local and global performance standards
 (b) Consistent application of standardized metrics
 (c) Lack of cultural diversity in the workplace
 (d) Frequent cross-cultural training
- vii. Which of the following is a primary objective of compensation in an international context? **1**
 (a) Promoting competition among employees
 (b) Ensuring uniform compensation across all countries
 (c) Simplifying administrative tasks
 (d) Attracting and retaining talent
- viii. What is a fundamental component of compensation strategy in international HRM? **1**
 (a) Aligning compensation with business objectives
 (b) Offering fixed compensation with no variability
 (c) Ignoring regional and cultural differences
 (d) Focusing solely on cash compensation
- ix. What is one of the primary challenges repatriates face when returning to their home country after an international assignment? **1**
 (a) Overcoming language barriers
 (b) Adjusting to the local work environment
 (c) Difficulty in adapting to the local culture
 (d) Preparing for the international assignment
- x. What does "repatriation" refer to in the context of international HRM? **1**
 (a) The process of sending employees on international assignments
 (b) The process of bringing employees back to their home country after an international assignment
 (c) The process of transferring employees to a subsidiary in a foreign country
 (d) The process of recruiting international talent
- Q.2 i. What is International Human Resource Management (IHRM)? Explain its scope. **3**
 ii. Discuss the major differences and challenges that HR professionals face when managing employees in a single domestic context versus a global context. Provide real-world examples to support your analysis. **5**
- OR iii. Enumerate the major factors that influence international HRM. **5**
- Q.3 i. Discuss the significance of pre-departure training for expatriates in the context of international assignments. **3**
 ii. How have advancements in technology and the rise of remote work influenced the way MNCs staff their global teams? Provide examples of how virtual teams are reshaping the international staffing landscape. **5**

- OR iii. Discuss emerging trends in training for competitive advantage. **5**
- Q.4 i. Imagine you are an HR manager tasked with selecting an expatriate for an overseas assignment. What criteria and considerations would you use to assess the readiness of potential expatriates for success in a foreign location? **3**
 ii. Outline the steps involved in a global performance management system (PMS). Explain how each step contributes to the overall success of the system in a multinational organization. **5**
- OR iii. List any five methods and approaches organizations can use to assess the performance of their subsidiaries operating in various countries and card approach only. **5**
- Q.5 i. How do the compensation objectives in international HRM differ from those in a domestic context? **3**
 ii. Explain the relevance of compensation theories, such as equity theory and expectancy theory, in the context of international compensation. **5**
- OR iii. Identify and elaborate on the key issues and challenges faced by multinational corporations in the realm of international compensation. **5**
- Q.6 i. Provide a brief description of repatriation and explain its significance in the context of international human resource management (IHRM). **3**
 ii. Describe the key steps involved in the repatriation process, from the preparation phase to post-return reintegration. **5**
- OR iii. Brief notes on any two: **5**
 (a) The most common challenges that returning expatriates typically face during the repatriation process.
 (b) Offer a list of key tips or best practices that organizations should consider for successful repatriation management.
 (c) Benefits that organizations can derive from employees who have completed international assignments and are returning to their home country
- Q.7 Case Study-
 GlobalTech India, established in 2006 in Chennai, India, is a technology company that specializes in the production and marketing of various electronic goods across the Indian subcontinent. It consistently ranks among the top five companies in terms of technological advancements and stands as one of the top three companies in marketing electronic products in India. The company is renowned for its robust human resource management policies and practices, often serving as a benchmark for other firms and being referenced by labor boards and pay commissions.

[2]

[3]

Marking Scheme

MS5EH07 (T) - International HRM

Q.1	i)	C. When a company expands to a foreign market	1
	ii)	C Globalization of business operations	1
	iii)	B. Geocentric staffing	1
	iv)	D. To enhance expatriates' skills and competencies for their international roles	1
	v)	B. Alignment with the parent company's strategy	1
	vi)	A. Balancing local and global performance standards	1
	vii)	D. Attracting and retaining talent	1
	viii)	A. Aligning compensation with business objectives	1
	ix)	B Adjusting to the local work environment	1
	x)	B. The process of bringing employees back to their home country after an international assignment	1
Q.2	i.	Meaning	1
		Scope	2
	ii.	Major HR difference ,	2
		HR challenges	2
OR		Analysis of answer	1
	iii.	List out and explain at least five factors like (Cultural Differences , Legal and Regulatory Environment, Economic Factors, Political and Governmental Factors, Language Barriers: Global Business Strategy, Labor Markets , Technology, Diversity and Inclusion , Education and Skills, Expatriate Management, Host Country Relations, Ethical Considerations, Market Conditions, Cross-Cultural Training, Global Talent Management, Compensation and Benefits, Technological Infrastructure, etc:	5
Q.3	i.	Discuss any three aspects	3
	ii.	Technology advancements, application in IHRM etc	5
OR			3
	iii.	Challenges faced	2
		Recent Trends	3
Q.4	i.	Criteria and consideration , discussion	3

OR	ii.	PMS Steps and process explanation	5
	iii.	List the approaches	2
		Explain Balanced Score Card approach	3
Q.5	i.	Compensation objective in domestic and International environment	3
	ii.	Explain the relevance of two theories	5
OR	iii.	Identify the key issues and challenges	5
Q.6	i.	Explain meaning and relevant issues	3
	ii.	Repatriation process	5
OR	iii.	Relevant points - atleast 5 points	5
Q 7		Case Study	2
		The crucial issue (2)	
		significant disparity in salary and benefits, and discontentment arising from that	
		any 2 point, 2 per point with explanation)	4
		<ul style="list-style-type: none"> to find a balanced approach that aligns the interests of both expatriate and national employees. The objective would be to address the salary and benefit disparities while maintaining competitiveness in the market. Achieving a fair and equitable compensation structure is essential to satisfy both groups. 	
		Factors contributing to the potential challenges faced by expatriates include: (any 4, 1 per point with explanation)	4
		<ul style="list-style-type: none"> Salary Disparities, cultural Differences, Language Barriers, Lack of Local Knowledge, Any other point by students 	