## A/ ASSIGNMENT RECAP

- Write a 1500-word essay answering 2 main questions
  - Critically discuss key IHRM frameworks, models, or theories, comparing differences, similarities, pros, and cons
  - Examine the influence of cultural and institutional distance on MNCs' international staffing approaches, especially the use of expatriates

#### **Suggested Structure:**

- I. Introduction (Suggested 150 words)
- **II.Question 1** 
  - A. Concept Analysis (Suggested 500 words)
    - 1. IHRM Concept 1
    - 2. IHRM Concept 2
  - B. Comparison of Concepts (Suggested 250 words)
- III.Question 2
  - A. Cultural Distance (Suggested 300 words)
  - B. Institutional Distance (Suggested 300 words)
- IV. Conclusion (Suggested 100 words)

## **B/ KEYWORD EXPLANATIONS**

#### **Essential keywords relating to Internation Human Resources Management:**

- 1. **Institutional Distance (ID):** Refers to the differences between the regulatory, cognitive, and normative institutions of two countries. It encompasses disparities in legal systems, financial regulations, labor laws, and business practices.
- 2. **Cultural Distance (CD):** The extent of differences in cultural values, traditions, language, lifestyles, attitudes toward time, and social behaviors between countries.
- 3. **Parent-Country Nationals (PCNs):** Employees who are citizens of the country where the multinational company (MNC) is headquartered.
  - Example: An American working in a Chinese subsidiary of an American MNC.
- 4. **Host-Country Nationals (HCNs):** Employees who are citizens of the country where the MNC subsidiary is located.
  - Example: Chinese employees working in the China-based subsidiary of an American
- 5. **Strategic International Human Resource Management (SIHRM):** A branch of IHRM that focuses on aligning human resource strategies with the overall strategic goals of the MNC, emphasizing global efficiency and competitiveness.
- 6. **Ethnocentric Approach:** A staffing policy in international HRM where key positions in foreign subsidiaries are filled by parent-country nationals.
- 7. **Polycentric Staffing Approach:** An international staffing strategy where the MNC staffs its foreign subsidiaries with host-country nationals.

- Example: An American MNC employing Indian managers for its operations in India.
- 8. **Expatriates**: Employees of a multinational company who are sent to work in a foreign country, typically for a temporary period, e.g.: A British manager working temporarily in the Indian branch of a UK-based MNC.
- 9. **Multinational Enterprise (MNE):** A corporation that owns and controls production or service facilities in one or more countries other than its home country.
  - Example: Toyota, a Japanese company, has manufacturing plants in various countries including the United States and the United Kingdom.

# **C/ References:**

- Question 1: Critically Discuss Key IHRM Frameworks, Models, or Theories
  - a. Academic Resources:
    - Boxall, P. F., & Purcell, J. (2016). <u>Strategy and human resource</u> <u>management.</u> Palgrave Macmillan. (Classic text on IHRM frameworks)
    - ii. Dowling, P. J., Welch, D. E., & Schuler, R. S. (2023). <u>International human resource management: Managing people in a globalized world</u>.
      Routledge. (Comprehensive textbook on IHRM)
    - iii. Collings, D.G., Wood, G.T. and Szamosi, L.T. (2018). Human Resource Management. [online] Routledge. Available at: <a href="https://www.routledge.com/Human-Resource-Management-A-Critical-Approach/Collings-Wood-Szamosi/p/book/9781138237551">https://www.routledge.com/Human-Resource-Management-A-Critical-Approach/Collings-Wood-Szamosi/p/book/9781138237551</a> (Offers critical perspective on IHRM concepts)

#### b. Websites:

- i. Society for Human Resource Management (SHRM): <u>SHRM</u> (Offers resources and articles on IHRM)
- ii. World Business Council for Sustainable Development (WBCSD):
  World Business Council For Sustainable Development (WBCSD)
  (Provides insights into sustainable IHRM practices)
- iii. International Labour Organization (ILO): <u>ILO</u> (Offers information on global labor standards and fair employment practices)

# Question 2: Influence of Cultural and Institutional Distance on MNCs' Staffing Approaches

- c. Academic Resources:
  - Ghoshal, V., & Bartlett, C. A. (2015). <u>The differentiating dilemma:</u>
     <u>Managing the multinational corporation in the world's most complex</u>
     <u>markets.</u> Harvard Business Review Press. (Examines the challenges
     of managing cultural differences in MNCs)
  - ii. <u>Hofstede, G. H. (2011). Culture's consequences: International differences in work-related values. Sage Publications.</u> (Provides a framework for understanding cultural differences)
  - iii. North, D. C. (1990). <u>Institutions, institutional change and economic performance.</u> Cambridge University Press. (Explores the impact of institutions on economic development)

iv. Dowling, P. J., Welch, D. E., & Schuler, R. S. (2023). <u>International human resource management: Managing people in a globalized world</u>. Routledge. (Discusses the influence of cultural and institutional distance on staffing decisions)

#### d. Websites:

i. The Hofstede Centre: <u>Hofstede Insights</u> (Provides information on Hofstede's cultural dimensions and their applications)