

## **JUNE 2012 EXAMINATION**

### **HR 06**

### **International Human Resource Management (IHRM)**

**Time : Three Hours**

**Maximum Marks : 100**

**Note :**

- 1. The paper is divided in three sections: Section A, Section B and Section C.**
- 2. There are seven questions in Section A, students are required to attempt any four.**
- 3. Section B has 5 questions, attempt any three.**
- 4. All the questions of Section C (Case Study) are compulsory.**

#### **Section A**

**(Each question is of 10 Marks. Attempt any four)**

1. What are the similarities and differences between domestic and international HRM?
2.
  - i) Identify HRM problems that typically arise with expatriate assignments.
  - ii) Suggest proactive solutions to the problems identified by you for the question given above. (5+5 Marks)
3. Write short notes on any two of the following:
  - i) Global Matrix Structure
  - ii) Repatriation Process
  - iii) Reverse Culture Shock (5+5 Marks)
4. How compensation of expatriates is decided in a transnational company?
5. In addition to having good technical skills, what other skills should an expatriate have in order to be successful in an international assignment?
6. What types of information should be included in a cross-cultural training for expatriates? Should spouses and family members be included in the training?
7. You are the president of a small business. What are some of the ways you expect “going international” will require changes in HR activities in your business?

## **Section B**

**(Each question is of 15 Marks. Attempt any three)**

8.
  - i) Describe various approaches to IHRM.
  - ii) Which approach is more suited to American/European MNCs for their subsidiary operations in India? Why? (8+7 Marks)
9.
  - i) Suggest a selection criteria for a managerial position based overseas.
  - ii) Justify how the selection criteria suggested by you contribute to the success of an expatriate. (7+8 Marks)
10. What special training do employees need before sending them on first time overseas assignment? In what ways is such training similar to and different from traditional training? (8+7 Marks)
11. How does appraising an expatriate's performance differ from appraising that of a manager posted in his/her own national country?
12. As a newly appointed Project Manager of a research team, you consider that you will be able to manage the project virtually from your office in Delhi, even though the other six members are located in Durban, South Africa. This will solve your personal dilemma as your family do not want to be relocated. The project has a 6-month deadline. Discuss the factors you need to consider in order to make this virtual assignment effective?

## **Section C**

### **13. Case Study: Toyota in France : Culture Clash?**

Hiroaki Watanabe, the Japanese general manager of the first major Toyota plant in Vaenciennes, France (and in continental Europe), has a lot at stake. He is in charge of a modern and efficient \$570 million Toyota Motor factory designed to manufacture the Yaris, a subcompact car. The plant was designed to employ 2,000 workers. Currently, there are about 200 Japanese managers and 150 Japanese trainers on staff. The remaining employees are mostly French. Culturally speaking, there were many potential areas of conflict between the Japanese and French customs. For example, the plant holds exercises at 8.00 am every

morning to avoid starting-off the day “cold” and being more prone to injuries. This is a common Japanese practice that is not frequently done in France. Also, the plant does not serve wine at lunch, a common practice in French organizations. As is common in other Japanese firms, blue and gray windbreaker jackets are made available with the word “Toyota” on the back and the employee’s name on the front.

To help bridge these and other potential cultural gaps, the leadership of the venture needs to understand the potential cultural clashes that these issues can cause. How did Mr Watanabe prepare himself for this high profile assignment? Although fluent in English, he decided that he would learn French and as much about French culture as possible. After all, the vast majority of workers at the plant would be from northern France. To prepare himself, he traveled to France as a tourist and visited the Toyota plant in Canada. He conducted interviews in French, with assistance of an interpreter, in order to improve his language skills.

Are his efforts succeeding? Toyota had high hopes for this first major undertaking in continental Europe. Its goal was to increase its market share that was 3.7 percent in 2001, less than half its share in the United States in that year. In 2004, Toyota surpassed this goal by achieving a 5.3 percent market share in Europe, higher than both Mercedes and Audi. The French employees at the Toyota plant have a lot at stake when one considers that the Valenciennes area, a former coal and steel region, suffers from high unemployment with the closing of many companies in heavy industry over the past 20 years. To underscore the importance of Toyota to this region, more than 30,000 people applied for the 2,000 jobs at the factory when it first opened its doors.

**Questions:**

- 13 (i) What potential conflicts could arise between the Japanese managers/trainers and the French employees? Briefly explain.
- (ii) What do you think of Mr. Watanabe’s approach to preparing himself for French culture? Do you think that his approach would be useful for American Managers? Why or why not?
- (iii) What kind of organizational culture did Mr. Watanabe want to establish at the factory

in Valenciennes, France? Do you think he'll try to manage the plant just like a Toyota factory in Tokyo? Why or why not? **(5+5+5 Marks)**