PG – 584

IV Semester M.B.A. (Day) Examination, June/July 2010
(2007-08 Scheme)
MANAGEMENT
Paper – H.6 : International Human Resource Management

Time : 3 Hours Max. Marks : 75

Instruction : *Read the questions properly and answer.*

SECTION – A

Answer **any six** from the following : **(6×2=12)**

1. a) What is Culture-Shock ?
   b) Who are PCN, HCN and TCN ?
   c) What is Skills Inventory ?
   d) Mention any two advantages of HRIS.
   e) What is Succession Planning ?
   f) What is a Virtual Organization ?
   g) What do you mean by Etic and Emic Approach ?
   h) State the meaning of Outplacement.

SECTION – B

Answer **any three** from the following : **(8×3=24)**

2. What are the similarities and differences between domestic and international HRM ?
3. Discuss the proposition that most expatriate selection decisions are made informally, as suggested by the 'Coffee-Machine' solution.
4. How will you design a repatriation programme ?
5. How have Trade Unions responded to multinationals ? Have these responses been successful ?
6. Explain the contextual model of expatriate performance management.

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SECTION – C

Answer **any two** questions :

(12×2=24)

7. Should multinationals be concerned about expatriate failure ? If so, why ? Substantiate your stand with magnitude of phenomenon and cost of failure.

8. What is Repatriation ? Explain the steps involved in Repatriation Process.

9. 'One of the dangers of performance appraisal is that, because the focus is so much on a particular individual, the team work aspects gets lost. In an international location, it is perhaps desirable to focus more on how the PCN has settled in and is operating as part of a team rather than as an individual at the possible detriment of the team.' Do you agree with this statment ?

SECTION – D

10. **Compulsory** :

Read the case and answer the questions :

(15×1=15)

The Blue Sword Group : Chinese JV

Blue Sword Group used to be the Chengdu Beer Factory and was established in 1986. Its headquarters and main factory is located 59 kilometers from Chengdu, the capital city of Sichuan Province in China. The factory has 2,800 employees, among whom 573 are managerial personnel and engineers with medium or senior technical titles.

From taking over a small unknown beer factory that had gone bankrupt ten years earlier, Blue Sword has now become the largest manufacture of beer and beverages in the southwest of China, with an annual capacity of 60,000 tonnes. The industry structure, with beer as the leading product, includes soft drinks, medicine, food, packing, priniting and international trade and commerce, with total fixed assets of 980 million Yuan.

Blue Sword is a comparatively advanced enterprise compared with others in its sector in China. All of the production systems employ advanced equipment, technology and management expertise imported or introduced from America. Italy, France and Japan.

The reason for Blue Sword's development appears to be economic reform and the country's opening-up policy. However, its achievements also appear to be a result of Blue Sword's own efficient management systems. It has formed its own strong organizational culture and management styles. The main factors include the following :

a) ***Independence*** : From Figure 1, it can be seen that even though Blue Sword is regardd as a state-owned enterprise (SOE), it has successfully shifted from a transitional socialist management system to a marketing-oriented management system.

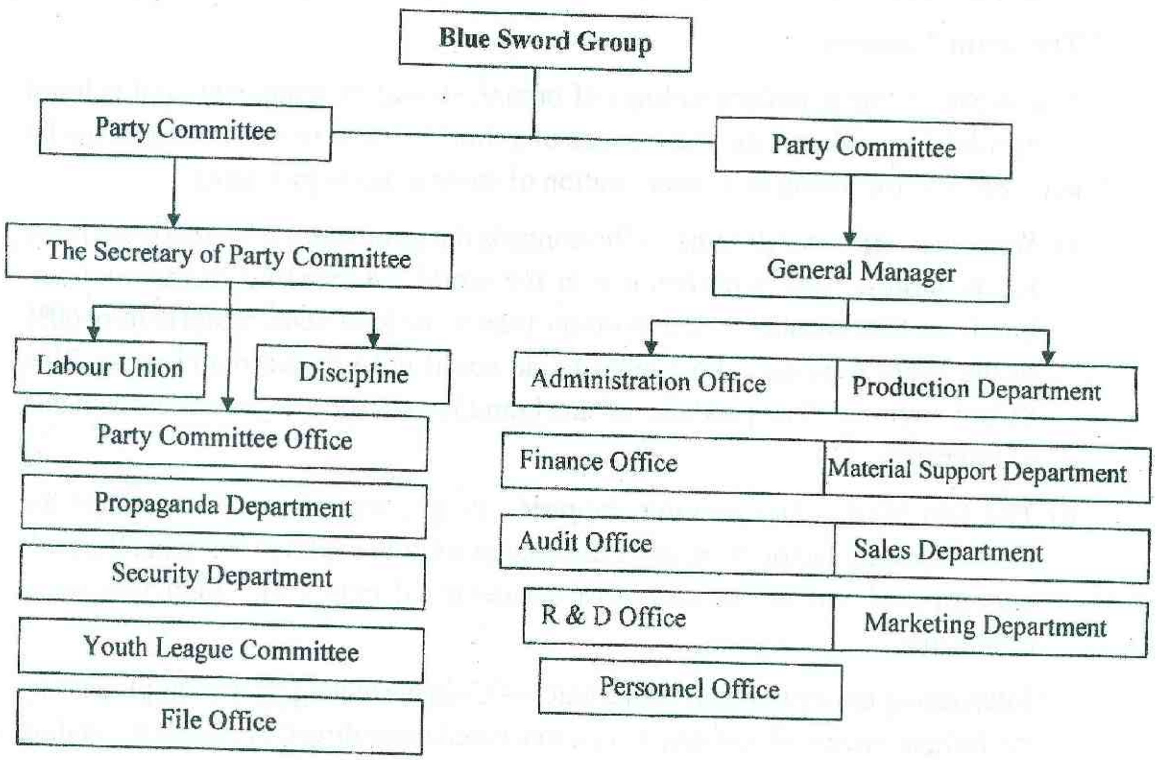

Figure 1 : Organizational Structure of Blue Sword (Party Committee Office of Blue Sword Group, June 1999).

In the Blue Sword Group, the general manager is responsible for all the business operational activities. However, being a Chinese SOE, Blue Sword still has to keep the traditional post of Secretary of the Party Committee.

b) ***Personal responsibility*** : All the managers from senior to junior positions in Blue Sword have obtained complete authority over their duties. Their ability and achievements are evaluated according to the profit they can make for the company.

c) ***Being Loyal to Organizations*** : Perhaps the most important factor in making Blue Sword more efficient than the other Chinese SOEs is its people. The company requires that all employees should be loyal to Blue Sword Group at all times : the decision-makers believe that only employees who are faithful to the enterprise will readily face setbacks or failure in a spirit of devotion. One of the strategies to achieve this aim is that all managers and staff in the Blue Sword Group hold shares in the enterprise.

The Joint Venture

Due to the different understandings of organizational management, and cultural compatibility problems, the frustrations of a short-lived joint venture could not be avoided. The following is an examination of some of these problems :

a) ***Same bed, different dreams*** : Who controls the joint venture ? 'Interbrew is the fourth largest beer manufacturer in the world'. According to the contract, Interbrew S.A. would invest 35 million Yuan in the joint venture and control 60% of the share holding. The Chinese side could not use the brand name Blue Sword anymore. The products of this brand have to be sought under the name of Interbrew.

b) ***The best plan – buy popular support*** : People management is perhaps the most important factor in ensuring the success of joint ventures in China. People's expectations and aspirations must be identified before any joint venture is established.

Misjudging the existing characteristics of Chinese managers and employees by the Belgian management may have contributed more directly towards the ending of this 'bitter marriage'.

Questions :

1) What are Blue Sword's organizational culture and management styles ?
2) Why did Blue Sword vehemently seek to enter into a joint venture with Belgian Company ?
3) What are the incompatibility problems that led to the collapse of the joint venture ?