

THE OPEN UNIVERSITY OF SRI LANKA
 MASTER OF BUSINESS ADMINISTRATION IN HUMAN RESOURCE
 MANAGEMENT
 FINAL EXAMINATION – MAY 2023
 HRPA443/MSPA443/ MCP2253–INTERNATIONAL HUMAN RESOURCE
 MANAGEMENT
 DURATION: 03 HOURS



Date: 04 MAY 2023

Time: 1.30p.m. to 4.30p.m.

Answer **FIRST** question (compulsory question) and any **THREE (3)** questions from others.

All answers must be written neatly and focused.

This question paper consists of **FIVE** questions.

[1]. Case study: *Long-term development plans of a German Multinational in the USA*

A German firm had developed its activities in the electrical industry in the USA for two years and the CEO Peter Hansen was happy with their current performance: market share for important products had increased significantly and progress was better than expected. The number of employees had increased, including quite a few local American managers in high-level management positions – a situation which was rather unusual for a subsidiary of a German multinational in its early stage of development. The CEO's goal from the beginning was to avoid an ethnocentric approach to the American activities of his firm and to take a polycentric approach that supported recruitment of local managers.

One of these US local managers was John Miller, the marketing director of the company. During the last two years, he has been thoroughly prepared for his job. The company had sent him to various high-level training programs at top business schools and had provided him with a long-term career plan, which included short-term vertical career advancement. While Peter Hansen wanted to support the development of an American management style, he nevertheless tried to transfer some HR practices which are highly valued in Germany – particularly investing in training and taking a long-term intra-organizational career perspective. While some US firms took this approach, these ideas were not as widely accepted in the US as in Germany. However, Peter Hansen assumed that these policies would be valued by the new US employees of the firm and would provide an important incentive for employee retention.

One morning, Peter Hansen was shocked to learn that John Miller was about to quit his job. A competitor had offered John a challenging position – in large part because he had systematically

built up his knowledge and experience base – supported by his German employer. How can you interpret Peter Hansen's surprise from a cultural point of view?

Questions:

a). Relate the described situation to one of the cultural dimensions identified by Hofstede. Can you explain Peter Hansen's surprise using this theory?

(15 marks)

b). How does this situation compare to comparable situations in your home country? What are the limits of a cultural explanation?

(25 marks)

[2]. a) Identify a number of HRM problems that typically arise with expatriate assignments. In what ways might the core ethical values and guidelines can be identified to apply them?

(06 marks)

b) Briefly discuss the factors involved in a new combination of various cultural elements that is taking place in the MNC with suitable examples.

(06 marks)

c). What are the specific HRM challenges in a networked firm? What factor should you consider to make the virtual assignment effective?

(08 marks)

[3]. Expatriate failure and success are obviously critical and related issues for global firms. Both topics have been intensively examined by IHRM researchers for decades. Explain, how would you prepare an expatriate for an international assignment?

(20 marks)

[4]. The role of small and medium-sized companies (SMEs) is often not discussed in international management literature. The strong position of SMEs in their national economies is not reflected to the same extent in the international business environment. When internationalizing their operations, SMEs experience different challenges than large organizations.

Briefly discuss what are the barriers to internationalization for SMEs? and what are some of the typical challenges for HRM in internationalized SMEs?

(20 marks)

[5]. Write short notes on the following.

- a. Business Ethics
- b. Dual Career Couples
- c. Off-shoring activities
- d. Expatriate failure

(4X5 = 20 marks)

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