

## IMT- 74

### MANAGING HUMAN RESOURCE IN GLOBAL ENVIRONMENT

**Notes:**

- Write answers in your own words as far as possible and refrain from copying from the text books/handouts.
- Answers of I<sup>st</sup> Set (Part-A), II<sup>nd</sup> Set (Part-B), III<sup>rd</sup> Set (Part – C) and Set-IV<sup>th</sup> (Case Study) must be sent together.
- Submit the assignments in IMT CDL H.O. along with the assignments Question Papers for evaluation .
- Only hand written assignments shall be accepted.

**A. First Set of Assignments**

5 Questions, each question carries 1.5 marks.

**B. Second Set of Assignments**

5 Questions, each question carries 1.5 marks.

**C. Third Set of Assignments**

5 Questions, each question carries 1.5 marks. Confine your answers to 150 to 200 Words.

**D. Forth Set of Assignments**

Two Case Studies : 7.5 Marks. Each case study carries 3.75 marks.

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#### SECTION - A

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- What are the major challenges in international HRM? What do you think are the causes of the complexities that exist in IHRM?
- Differentiate between Expatriation and Repatriation in detail .
- What are the major sources of cultural differences? Why do international managers need to understand cultural differences and adjust their style accordingly?
- Discuss ways in which expatriates can be prepared for the coming assignment abroad and how the HR department can help them to go abroad in as easy a way as is possible.
- Discuss the methods used to select expatriates. What are the major concerns for selecting employees for expatriate assignments?

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#### SECTION - B

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- Elaborate upon the reasons for using international assignments.
- What is Cost of Living Allowance? Explain the reasons behind the same and elaborate on some of the concerns in deciding the amount for the same.
- Comment upon the current ways in which an expatriate's performance is appraised. Describe the challenges being faced and outline potential solutions.
- Discuss the emerging trends in industrial relations from the organization's point of view.
- Why is it important for IHRM to focus on retaining talent? Discuss the important factors related to retention and development of repatriates and host country national (HCN) employees.

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#### SECTION - C

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**Write Short Notes on:**

- The ways in which MNCs try to help the spouse of the expatriate
- Reverse culture shock

3. Advantages of using a standardized performance appraisal form
4. Problems of dual-career couples
5. Expatriation as a tool for managerial development
6. Female Expatriates
7. Culture shock
8. Hardship Allowance
9. PCN, HCN and TCN
10. Ethnocentric, polycentric, and geocentric approaches to recruiting employees

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## CASE STUDY - 1

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### **(Green Giant Runs for the Border)**

To generations of consumers, the image of the Jolly Green Giant with his trusty sidekick Little Sprout has symbolized the convenience and dependability of frozen vegetables from America's agricultural heartlands.' However, the "Ho, Ho, Ho" of this genial figure is now being heard increasingly from the fields of Mexico, where Green Giant's production has been shifted in recent years. Today, Green Giant employs fewer than 150 people in Watsonville, California and over 850 in Irapuato, Mexico and in California as a whole, roughly one-half of all frozen-food processing firms have gone south, taking over 16,000 jobs with them. An estimated 40 percent of all frozen vegetables sold in the United States are now imported from Mexico.

The economic benefits for Green Giant's move to Mexico are immense. The wages of plant workers in Watsonville averaged \$7.50 per hour or about \$15,600 annually. Their counterparts in Irapuato receive \$4.50 a day for an annual income of around \$1,400. Even after other costs are counted, Green Giant is estimated to save \$13,224 per worker by moving jobs to Mexico. With fringe benefits that raise the pay by almost 60 percent, Green Giant's wages are slightly above the local rate, and unsuccessful union organizers have had to admit that the company's workers are quite content. Still, their income allows them only a very minimal standard of living and falls short of the guarantee in the Mexican constitution of a minimum wage sufficient to support a wife and children.

The job gains in Mexico benefit the new hires at Green Giant, which is known locally as Gigante Verde, and the Mexican economy as a whole receives a needed boost, not only from the foreign investment but also from the exposure to more advanced technology. The move of Green Giant and countless other American companies to Mexico increases the competitiveness of both countries in the global economy, but the benefit to Mexican citizens also comes at a price. The conversion of vast acreage to vegetables for the American table increases the price of beans and corn, which are the staples of the local diet. The Green Giant facility in Irapuato pumps more than half a million gallons of well water each day, and the water table, which used to be between 30 and 60 feet, is now over 450 feet. Few local residents can afford to drill wells that deep, and so most are forced to rely on the heavily polluted Guanajuato River. The use of well water to process vegetables protects American consumers from contaminants in the river but increases the health hazards for the citizens of Irapuato.

American companies are not required to observe U.S. standards for worker health and safety and for protection of the environment, and the applicable Mexican standards are generally much lower and weakly enforced. Although Green Giant claims to operate by the same standards on both sides of the border, the record of many other companies is not as clean. In maquiladora plants, which receive special tax treatment, sweatshop conditions are known to prevail, and

toxic wastes – which, by law, should be shipped back to the United States for proper disposal now pollute the Rio Grande.

**Questions:**

Q1. What are the advantages to Green Giant in moving to Mexico?

Q2. What are the advantages and disadvantages to the local residents of Irapuato from Green Giant's new facility in their city?

Q3. What are the ethical responsibilities of Green Giant towards the citizens and workers at Irapuato? Does Green Giant discharge them effectively?

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## CASE STUDY - 2

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**(Carlos Ghosn – The Quintessential Global Manager)**

Carlos Ghosn (*pronounced kar/os go:n*), the CEO of Renault and Nissan, two of the world's biggest carmakers, is one of the most successful and admired global CEOs. He is also an example of a multicultural corporate leader. Carlos Ghosn was born in Brazil to Lebanese parents. He then moved to Lebanon, and went on to France to study in top engineering schools there. He is fluent in Arabic, Portuguese, French, and English. He can also speak Japanese.

Carlos Ghosn began his career with the French tyre manufacturer Michelin where he worked for 18 years. As CEO of Michelin, North America, which took over the Goodrich Tyre Company, he was credited with successfully integrating the French and US cultures in the company. He joined the French Renault Group in 1996. After Renault's takeover of the ailing Japanese automotive company Nissan, he was deputed to Nissan in 1999, and was appointed the CEO of Nissan in 2001.

Ghosn is credited with the remarkable turnaround of Nissan. He shut down many of Nissan's ailing plants and laid-off workers. These were steps unheard of in Japan, where lifetime employment is the norm. However, he did not take these steps unilaterally. Ghosn went through a long process of 'sense-making', talking to over one thousand Nissan employees and other stakeholders and established cross-functional teams to tackle issues. He used both a 'top-down' and a 'bottom-up' approach.

Carlos Ghosn was termed as 'Le Cost Cutter' at Renault, France, and 'the Samurai' in Nissan, Japan, for being very efficient in reducing costs and increasing profitability. He is greatly admired in Japan and even has a *manga* comic written on him, which is called *The True Story of Carlos Ghosn*. Ghosn is said to get the sort of adulation in Japan normally reserved for rock stars and football players. He is often mobbed by fans asking for his autograph.

He has won numerous awards including the Knight Commander of the Order of the British Empire. He has been nominated 'Man of the Year' by several institutions. In spite of being a globally admired business leader, Carlos Ghosn is not a single-minded manager. He is also a family man. He is reputed to have said that one of the biggest honours he received in his life was being named as 'Father of the Year' by a Japanese community group in 2001.

**Answer these questions:**

Q1. What is so good about Ghosn's approach to global business?

Q2. Comment on the strategies used by Ghosn in turning Nissan around .

Q3. What are the important characteristics/skills/traits required in order to be a successful global manager/leader?