Enrollment No./Seat No.:

GUJARAT TECHNOLOGICAL UNIVERSITY

MBA - SEMESTER - III EXAMINATION - SUMMER 2026

Subject Code: MB03092141 **Date: 18-05-2026**

Subject Name: International HRM

Time: 02:30 PM To 05:30 PM **Total Marks: 70**

Instructions

1. Attempt all questions.

2. Make suitable assumptions wherever necessary.

3. Figures to the right indicate full marks.

4. USE of SIMPLE calculators AND non-programmable scientific calculators are permitted.

			Marks
Q.1		ALL 7 Questions must be Compulsory.	**14**
	(a)	Global Human Resources	
	(b)	Repatriation	
	(c)	Ethnocentric	
	(d)	Dual career groups	
	(e)	Social dumping	
	(f)	HCN employees	
	(g)	Retrenchment	
Q.2	**(a)**	Explain the meaning of HRM and IHRM. Bring out the significant differences between Domestic and International HRM with related illustrations.	**07**
	(b)	'Expatriate (or "expat") and a non-expatriate primarily revolves around their relationship to the country they are living or working in'. Discuss fully the role of Expatriates and Non-expatriates.	**07**
		OR	
	(b)	'Corporate HR functions manage the employee lifecycle'. Justify the statement by elaborating the role of the corporate HR functions.	**07**
Q.3	**(a)**	What is recruiting and selecting staff for International assignments? Explain in detail the issues in staff selection specifically for the international assignments.	**07**
	(b)	Describe the Repatriation process by illustrating relevant cases.	**07**
		OR	
	(a)	'Honey' is one of the international brands in Africa. Since they are willing to recruit the staff from India, suggest the company the role of expatriate training that they can apply for the effective results.	**07**
	(b)	What do you understand by International compensation? Explain at length the key components of an international compensation.	**07**

Q.4 **(a)** Analyze the global issues in HRM particularly in retaining and retrenching the staff in the most dynamic global market. **07**

(b) Evaluate the Performance Management mechanisms of International employees with the help of suitable illustrations. **07**

OR

(a) Examine the key issues in International Industrial relations which is observed to be more complex and challenging. **07**

(b) Assess the system of Performance Appraisal of International employees and justify as to how it is effective for HR practices. **07**

Q.5 **Case Study:**

GlobalTech is a rapidly expanding American-based MNC specializing in software development and IT services. It has recently opened major development and support centers in Bangalore (India) and Krakow (Poland) to leverage diverse global talent pools and reduce operating costs. The Head of Global HR, based at the US headquarters, implemented a new, standardized global compensation and performance management system. The goal was to ensure "fairness and equity" across all locations by tying salary increases and bonuses directly to an individual's performance appraisal score, using a common global metric. All subsidiaries were instructed to use this system strictly. The Issues Arising:

1. Staffing and Expatriate Management (Bangalore): To launch the Bangalore center, GlobalTech sent a team of US managers (Parent-Country Nationals, or PCNs) as expatriates. The HR package for the PCNs included generous housing allowances, cost-of-living adjustments (COLA), and educational support for their children, significantly exceeding the local Indian management compensation (by a ratio of 10:1 or more). This disparity was perceived as unfair by the highly skilled local Host-Country National (HCN) engineers, leading to high turnover among key local personnel.

2. Compensation Structure Conflict (Krakow): In Krakow, the standardized global compensation system dictated a lower base salary than local Polish competitors, but offered higher variable pay (performance bonuses). However, Polish workers, influenced by strong local labor traditions and a history of economic instability, placed a significantly higher value on predictable, higher base salaries and benefits (like a strong pension) rather than risky, performance-based bonuses. This misalignment led to difficulties in attracting top local talent.

3. Performance Management (Global): The global performance appraisal system was designed with a highly individualistic, US-centric approach, emphasizing personal achievement and direct, sometimes confrontational, feedback. In the Bangalore office, where a more collectivistic culture prevails, managers found the direct, critical feedback counterproductive. Employees preferred group recognition and often felt embarrassed or demotivated by one-on-one "negative" reviews, leading to resistance and poor engagement with the appraisal process.

Study the case and answer the following questions:

(a) What specific Global HRM concept is GlobalTech violating by offering significantly higher compensation and benefits to the US expatriates (PCNs) in Bangalore compared to the local Host-Country National (HCN) managers? **07**

(b) How does the difference in employee preference regarding base pay versus variable/bonus pay in Krakow illustrate a core challenge of global compensation management? **07**

OR

(a) What is the primary negative consequence of this practice? **07**

(b) What strategy should GlobalTech consider to better align their compensation system with the Polish subsidiary's cultural and institutional environment? **07**

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