VU LEARNING HUB

vulearninghub.xyz

HIGHLIGHTED HANDOUT

HRM630

International Human Resource Management

HRM630 by VU Learning HUB

Prepared for VU students • Free study resources

https://vulearninghub.xyz

HRM630

International Human Resource Management

This handout covers the complete course topic by topic in simple, exam-focused language. Each chapter begins with learning objectives and ends with key points and exam pointers. Definitions are boxed in green-friendly format, examples are worked out step by step, and very important exam points are flagged separately. Study the highlighted points carefully before your papers.

Course Information	
Course Code	HRM630
Course Title	International Human Resource Management
Credit Hours	3
Level	MS

Table of Contents

Table of Contents 2

1. Introduction to IHRM 3

2. Culture and Cross-Cultural Management 4

3. International Staffing and Talent Management 6

4. Cross-Cultural Training and Development 8

5. International Compensation 9

6. Performance Management Across Borders 11

7. International Labour Relations 13

8. IHRM in Developing Countries: Pakistan Focus 14

9. Global HR Strategy and Structure 16

10. Future of IHRM 17

Glossary of Key Terms 19

Practice Questions for Exams 19

MCQ Practice Test 24

Exam Strategy Guide 28

1. Introduction to IHRM

Learning Objectives

• Define IHRM and how it differs from domestic HRM

• Explain the drivers of internationalization

International human resource management is defined as the management of human resources in multinational enterprises — covering HR policies and practices across home and host countries.

- Domestic HRM works in one country, one culture, one legal system; IHRM adds: multiple legal systems, currencies, cultures, and employee categories (PCNs, HCNs, TCNs).
- Drivers: globalization of markets, cost pressures, talent shortages, technology enabling coordination.
- Why it matters: expatriate failure is extremely expensive; cultural missteps destroy market entry.

Approaches to managing subsidiaries

Approach	Staffing	Logic
Ethnocentric	Parent-country nationals in key posts	Control, transfer expertise
Polycentric	Host-country nationals manage locally	Local responsiveness
Geocentric	Best person regardless of nationality	Global integration
Regiocentric	Regional talent pools	Regional coordination

Key Points to Remember

• IHRM = domestic HRM x complexity of borders.

• The four approaches trade control against local fit.

Exam Pointer

Very important for exams: Compare ethnocentric and geocentric approaches with examples.

MNEs in Pakistan

- Unilever, Nestle, Telenor run localized HR at scale.
- They adapt global policies to Pakistani norms.

- Local talent pipelines feed regional roles.

Why IHRM is strategic

- Talent is the scarcest global resource.
- Culture eats market-entry strategy.
- Boards now ask about global talent risk.

Entry modes and HR

- Greenfield: build culture fresh; acquisition: merge cultures.
- Joint ventures: dual HR loyalties.
- HR due diligence precedes deals.

Born-global firms

- Startups international from day one.
- Lean HR: contractors, remote, async.
- Culture must be deliberate from the start.

Perlmutter's EPG model

- Ethnocentric: home-country managers rule.
- Polycentric: locals run subsidiaries.
- Geocentric: best person regardless of nationality.
- Regiocentric: regional talent pools.
- The model frames most staffing debates.

Why firms go global

- Market seeking, resource seeking, efficiency seeking.
- Strategic asset seeking (Dunning's motives).
- HR complexity rises with each motive.
- Born-global firms skip stages.
- Motive shapes the HR architecture.

2. Culture and Cross-Cultural Management

Learning Objectives

- Apply Hofstede's dimensions
- Manage cultural differences in teams

Hofstede's cultural dimensions

Dimension	Meaning	Pakistan illustration
Power distance	Acceptance of hierarchy	High — respect for authority
Individualism-collectivism	Self vs group	Collectivist — family/group loyalty
Uncertainty avoidance	Tolerance of ambiguity	Moderate-high — rules valued
Masculinity-femininity	Achievement vs care	Moderately masculine
Long-term orientation	Future vs tradition	Short-term, normative leanings

- Trompenaars: universalism vs particularism, specific vs diffuse relationships.
- Culture shock: honeymoon -> crisis -> adjustment -> adaptation (U-curve).
- Managing multicultural teams: explicit communication norms, inclusive decision processes, cultural intelligence (CQ) in leaders.

Key Points to Remember

• Never stereotype: dimensions describe tendencies, not individuals.

• CQ — cultural intelligence — is the key managerial competence.

Exam Pointer

Very important for exams: Explain the U-curve of culture shock with its four stages.

Cultural intelligence (CQ)

- Drive, knowledge, strategy, action — the four CQ factors.
- CQ predicts expatriate success better than IQ.
- Developable through training and exposure.

High vs low context cultures

- High (Japan, Pakistan): implicit, relationship-first.
- Low (Germany, US): explicit, contract-first.
- Mismatch causes most cross-cultural friction.

Stereotyping dangers

- Dimensions describe cultures, not individuals.
- Treat frameworks as hypotheses.
- Curiosity beats categorization.

Expatriate compensation calculators

- ECA/Mercer data sets COLA indices.
- Update for exchange-rate swings.
- Explain statements to assignees clearly.

High vs low context cultures

- High context: meaning in relationships and nuance (Japan, Arab world).
- Low context: meaning in explicit words (Germany, US).
- Misreading context causes most cross-cultural friction.
- Adapt communication style deliberately.
- Hall's framework is the classic citation.

Trompenaars' dimensions

- Universalism vs particularism.
- Individualism vs communitarianism.
- Specific vs diffuse relationships.
- Seven dimensions in total.
- Complements Hofstede in exams.

3. International Staffing and Talent Management

Learning Objectives

- Define PCN, HCN, TCN
- Design expatriate selection criteria

- PCN (parent-country national): from HQ country; HCN (host-country national): local; TCN (third-country national): neither.
- Expatriate: employee on international assignment; inpatriate: foreign employee brought to HQ.

Selecting expatriates

- Technical competence is necessary but not sufficient — most failures are family/personal, not technical.
- Criteria: cultural adaptability, spouse/family adjustment, language ability, emotional stability, previous international experience.
- Selection tools: self-assessment, interviews including spouse, assessment centres.

Global talent management

- Identify high potentials globally; build succession pools across borders.
- Repatriation: the forgotten stage — returning expats often quit because their international experience is undervalued.
- Knowledge transfer: expats carry tacit knowledge between units.

Key Points to Remember

• Select for adaptability, not just technical skill.

• Repatriation planning starts before departure.

Exam Pointer

Very important for exams: Why do expatriate assignments fail? List five causes and remedies.

Dual-career couples

- Spouse career loss is a top assignment refusal reason.
- Solutions: spouse job search support, remote work.
- Ignoring it shrinks your talent pool.

Repatriation best practices

- Keep a home mentor during assignment.
- Debrief knowledge on return; promote visibly.
- Guarantee a role — or lose them to competitors.

Inpatriation

- Bring host talent to HQ — reverse knowledge flow.
- Builds global mindset at headquarters.
- Visa and family support mirror expatriation.

Global talent analytics

- Flight-risk models across countries.
- Diversity dashboards by region.
- Privacy laws constrain data flows.

Talent identification

- Performance plus potential defines talent.
- Nine-box grids visualize both.

- Potential is judged, not just measured.
- Bias creeps into potential ratings.
- Calibrate across managers.

Succession planning globally

- Identify critical roles, not just people.
- Build bench strength two levels down.
- Global mobility feeds the pipeline.
- Diversity targets widen the pool.
- Review succession annually.

4. Cross-Cultural Training and Development

Learning Objectives

• Design pre-departure training

• Explain ongoing support during assignments

- Pre-departure: cultural awareness, language basics, practical living information, spouse/family programs.
- Training methods: cultural assimilators (critical incidents), role plays, field experiences, mentoring by former expats.
- During assignment: local mentors, language continuation, HQ contact to reduce "out of sight, out of mind".
- Management development: international job rotations, global leadership programs, virtual teams.

Key Points to Remember

• Training must include families — spouse maladjustment is the top failure cause.

• Development is continuous, not a pre-flight briefing.

Exam Pointer

Very important for exams: Design a two-week pre-departure program for a manager posted to China.

Language training ROI

- Basic host language transforms daily life and trust.
- Intensive pre-departure + continued tutoring works.

- English-only works in MNCs but limits depth.

Cross-cultural negotiations

- Prepare on decision styles and time norms.
- Build relationships before bargaining.
- Use trusted local advisors.

Global onboarding

- Pre-boarding across time zones.
- Buddy systems accelerate integration.
- Measure 90-day adjustment.

Knowledge management

- Expatriates are knowledge carriers.
- Debriefs, rotations, communities of practice.
- Codify what can be codified.

Culture shock stages

- Honeymoon, frustration, adjustment, acceptance.
- The dip hits around months 3-6.
- Training normalizes the curve.
- Family adjustment predicts assignment success.
- Support during frustration prevents failure.

Repatriation support

- Career planning starts before return.
- Reverse culture shock is real.
- Debrief to capture global learning.
- Many quit within a year without support.
- Repatriation ROI depends on retention.

5. International Compensation

Learning Objectives

- Explain the balance-sheet approach
- Compare global compensation strategies

Balance-sheet approach is defined as a compensation method that keeps the expatriate's purchasing power equal to home-country levels by adding allowances (cost of living, housing, hardship, education) to base pay.

- Components: base salary + cost-of-living allowance (COLA) + housing + hardship premium + home-leave + education + tax equalization.
- Tax equalization: employee pays hypothetical home tax; employer handles actual host/home taxes.
- Alternatives: going-rate (pay host-market rates), lump-sum payments, cafeteria choices.

Executive and global pay issues

- Pay gaps between HQ and subsidiaries create equity tensions.
- Performance bonuses tied to global vs local results.
- Very important for exams: expatriate packages cost 2-3x base salary — firms now use shorter assignments and local-plus contracts to control cost.

Key Points to Remember

• Balance sheet = "no loss" principle for the expatriate.

• Cost control is reshaping expatriate compensation worldwide.

Exam Pointer

Very important for exams: Compute a simple expatriate package using the balance-sheet logic.

Hardship differentials

- Premiums for difficult locations (security, health).
- Set by consultancies (ECA, Mercer).
- Review as conditions change.

Taxation of expatriates

- 183-day rules, double-tax treaties.
- Pakistan taxes residents on global income.
- Specialist advice is non-negotiable.

Equity theory across borders

- Pay comparisons span countries now.
- Transparency expectations differ.
- Communicate the logic, not just numbers.

Crisis management abroad

- Evacuation plans for volatile postings.
- Duty of care is a legal obligation.
- Test plans before needing them.

Cost of living adjustments

- COLA bridges home-host price gaps.
- Indices (Mercer, ECA) rank cities.
- Housing often handled separately.
- Exchange-rate protection clauses help.
- Review annually — cities change fast.

Tax equalization

- Expat pays hypothetical home tax.
- Company settles actual liabilities.
- Removes tax as a posting disincentive.
- Complex across multiple jurisdictions.
- Specialists administer the policy.

6. Performance Management Across Borders

Learning Objectives

- Adapt appraisals to international contexts
- Handle rater bias across cultures

- Who evaluates: immediate supervisor (often HCN), plus HQ input; 360-degree feedback is culturally sensitive.
- What to measure: hard goals (market share), soft outcomes (relationship building, knowledge transfer), contextual performance.
- Cultural issues: direct criticism is offensive in high-context cultures; self-appraisal norms vary.
- Rater training and standardized forms improve fairness; calibrate ratings across countries.

Key Points to Remember

• One global form rarely fits all cultures — adapt process, keep standards.

• Judge expats on assignment-specific outcomes, not just HQ metrics.

Exam Pointer

Very important for exams: Why does 360-degree feedback fail in some cultures? Explain.

Global performance calibration

- Regional panels align ratings across countries.
- Prevents grade inflation in lenient cultures.
- Transparency builds trust in the process.

Virtual global teams

- Time zones, language, trust at distance.
- Overlap hours + async norms.
- Annual face-to-face builds social capital.

Appraisal bias training

- Halo, recency, similarity biases cross cultures.
- Frame-of-reference training aligns raters.
- Multiple raters dilute individual bias.

Global employer branding

- One brand, local proof points.
- Glassdoor crosses borders.
- Authenticity beats slogans.

Global performance criteria

- Balance global standards with local realities.
- Hard goals plus behavioural competencies.
- Language barriers distort ratings.
- Multiple raters reduce home-office bias.
- Calibrate across countries.

Expatriate failure costs

- Direct costs: 2-3x annual salary.
- Indirect: damaged relationships, morale.
- Family issues top the cause list.
- Selection and training cut failure rates.
- Define failure broadly — underperformance counts.

7. International Labour Relations

Learning Objectives

• Compare industrial relations systems

• Handle unions and works councils abroad

- Anglo-American: decentralized, enterprise bargaining; Continental Europe: works councils, co-determination (Germany), sectoral agreements.
- MNEs face: differing strike laws, union recognition rules, employee participation rights.
- European Works Councils: consultation rights in large EU firms.
- Strategy: respect local law and custom; central coordination with local negotiation.

Key Points to Remember

• Labour law is the least portable HR practice — always localize.

• Ignoring works councils in Europe is illegal, not just rude.

Exam Pointer

Very important for exams: Contrast German co-determination with the US enterprise-bargaining model.

Strikes and MNEs

- Respect local strike law — it varies wildly.
- Build relationships before disputes.
- Never import home-country tactics blindly.

Works councils in practice

- Consultation before restructuring decisions.
- Information rights are extensive.
- Build cooperative, not adversarial, relations.

Collective bargaining globally

- Nordic: centralized; Asia: enterprise-level.
- Map the system before negotiating.
- Local counsel is essential.

International HR ethics

- No double standards on safety or dignity.
- Whistleblowing channels must work globally.
- Lead with values, adapt with respect.

Works councils

- European employee representation bodies.
- Consultation rights on major decisions.
- Stronger than unions in some countries.
- MNCs must navigate them carefully.
- Ignoring them invites legal trouble.

International labour standards

- ILO conventions set minimum floors.
- Core standards: no forced/child labour, non-discrimination.
- Enforcement relies on member states.
- MNC codes often exceed local law.
- Supply-chain audits check compliance.

8. IHRM in Developing Countries: Pakistan Focus

Learning Objectives

- Describe HR challenges in Pakistan
- Explain managing in South Asian contexts

- Talent: large young workforce, but skills gaps in technical and English communication.
- Cultural notes: high power distance (deference to seniors), collectivist loyalty, relationship-based business, Islamic values (prayer times, Ramadan scheduling).
- Legal: labour laws, social security (EOBI), minimum wage compliance.
- MNE practice: adapt global policies — e.g. flexible Ramadan hours, gender-sensitive facilities, Urdu/English bilingual communication.

Key Points to Remember

• Localization wins: global standards, Pakistani execution.

• Respect for religious and family values is a retention tool.

Exam Pointer

Very important for exams: Advise an MNE on three HR adaptations for its Pakistan subsidiary.

Ramadan HR practices

- Shorter hours, shifted meetings, iftar events.
- Non-Muslim staff briefed on etiquette.
- Productivity planning accounts for fasting.

Women in global mobility

- Underrepresented in expatriate ranks.
- Safety and family concerns cited — often overstated.
- Proactive pipelines correct the imbalance.

CSR and HR

- Labour standards in supply chains.
- Audits plus capability building.
- Reputation risk is HR's problem too.

Measuring IHRM success

- Assignment success rates, time-to-fill globally.
- Engagement by country, regretted attrition.
- Link metrics to business outcomes.

Brain drain vs circulation

- Drain: talent leaves permanently.
- Circulation: talent returns with skills.
- Diaspora networks transfer knowledge remotely.
- Pakistan experiences both patterns.
- Policy can tilt drain toward circulation.

HR in Pakistan's MNCs

- Localize global policies to labour law.
- Talent wars in Karachi, Lahore, Islamabad.
- Family expectations shape retention.
- Ramadan scheduling needs sensitivity.
- Local HR leaders bridge both worlds.

9. Global HR Strategy and Structure

Learning Objectives

• Link HR strategy to international business strategy

• Explain global vs local standardization

Business strategy	HR implication
Global standardization	Uniform policies, global talent pools
Localization	Adapted practices, HCN managers
Transnational	Some global standards + local flexibility
International (export)	Transfer home practices abroad

- Integration-responsiveness grid: pressures for global efficiency vs local responsiveness decide HR design.
- Global HRIS enables consistent data; centres of excellence share best practice.
- Very important for exams: the central IHRM tension is standardization vs adaptation — every policy sits somewhere on this spectrum.

Key Points to Remember

• Strategy first, then structure, then HR systems.

• Transnational firms balance both pressures.

Exam Pointer

Very important for exams: Place recruitment, compensation and labour relations on the standardization-adaptation spectrum.

Global leadership competencies

- Cultural agility, ethical judgement, resilience.
- Developed via rotations and coaching.
- Succession plans need global bench strength.

HR shared services global

- Centralize payroll, benefits administration.
- Keep employee relations local.
- Technology enables the split.

Regional HR hubs

- Dubai/Singapore hubs serve regions.
- Balance proximity with scale.
- Pakistan often served from Dubai.

Post-pandemic mobility

- Remote work cut some relocations permanently.
- Health security joined hardship calculus.
- Flexibility is the new premium.

Global vs local HR

- Global integration captures scale economies.
- Local responsiveness respects differences.
- Transnational solutions balance both.
- Structure follows strategy.
- The integration-responsiveness grid guides choices.

Centres of excellence

- Central expertise hubs for HR specialties.
- Serve all regions with deep knowledge.
- Balance with local business partners.
- Technology enables the model.
- Governance defines who decides what.

10. Future of IHRM

Learning Objectives

- Identify emerging trends
- Prepare for future global work

- Remote global work: digital nomads, cross-border remote teams challenge tax and labour law.
- AI in HR: global screening, people analytics — with bias and privacy risks.
- Sustainability and ESG: HR drives ethical labour standards in supply chains.
- Diversity, equity and inclusion across cultures — definitions of fairness differ.
- Agility: shorter assignments, virtual assignments, commuter arrangements replacing classic expatriation.

Key Points to Remember

• The expatriate model is shrinking; flexible global work is growing.

• Future IHRM = analytics + ethics + agility.

Exam Pointer

Very important for exams: Short essay: will expatriates disappear? Argue both sides.

Expatriate gig economy

- Short-term project assignments replace 3-year postings.
- Lower cost, less family disruption.
- Knowledge transfer needs deliberate design.

Future skills for IHRM

- Analytics, intercultural coaching, employment law.
- Business acumen over administrative skill.
- Certifications: GPHR signals global competence.

AI in global recruitment

- Screening across languages and time zones.
- Bias audits are legally required in some markets.
- Human final decisions stay.

Exam revision checklist

- Four staffing approaches, Hofstede table, balance-sheet components.
- Expatriate failure causes, CQR stages.
- One applied: design a pre-departure program.

AI in global HR

- Screens resumes across languages.
- Predicts flight risk from engagement data.
- Bias audits are legally required in some jurisdictions.
- Chatbots answer policy questions 24/7.
- Human judgment stays for final calls.

Gig work goes global

- Platforms hire across borders instantly.
- Classification battles rage worldwide.
- HR extends to contractor experience.
- Pay in multiple currencies.
- Regulation lags the reality.

Glossary of Key Terms

Learning Objectives

• Revise all key terms quickly before exams

Term	Meaning
International human resource management	the management of human resources in multinational enterprises — covering HR policies and practices across home and host countries.
Balance-sheet approach	a compensation method that keeps the expatriate's purchasing power equal to home-country levels by adding allowances (cost of living, housing, hardship, educati...

Exam Pointer

Very important for exams: Revise this glossary the night before the paper.

Practice Questions for Exams

Learning Objectives

• Test your preparation with these exam-style questions

Short questions with model answers

Example

Q: Explain: define IHRM and how it differs from domestic HRM Model answer: IHRM = domestic HRM x complexity of borders. The four approaches trade control against local fit.

Example

Q: Explain: explain the drivers of internationalization Model answer: IHRM = domestic HRM x complexity of borders. The four approaches trade control against local fit.

Example

Q: Explain: apply Hofstede's dimensions Model answer: Never stereotype: dimensions describe tendencies, not individuals. CQ — cultural intelligence — is the key managerial competence.

Example

Q: Explain: manage cultural differences in teams Model answer: Never stereotype: dimensions describe tendencies, not individuals. CQ — cultural intelligence — is the key managerial competence.

Example

Q: Explain: define PCN, HCN, TCN Model answer: Select for adaptability, not just technical skill. Repatriation planning starts before departure.

Example

Q: Explain: design expatriate selection criteria Model answer: Select for adaptability, not just technical skill. Repatriation planning starts before departure.

Example

Q: Explain: design pre-departure training Model answer: Training must include families — spouse maladjustment is the top failure cause. Development is continuous, not a pre-flight briefing.

Example

Q: Explain: explain ongoing support during assignments Model answer: Training must include families — spouse maladjustment is the top failure cause. Development is continuous, not a pre-flight briefing.

Example

Q: Explain: explain the balance-sheet approach Model answer: Balance sheet = "no loss" principle for the expatriate. Cost control is reshaping expatriate compensation worldwide.

Example

Q: Explain: compare global compensation strategies Model answer: Balance sheet = "no loss" principle for the expatriate. Cost control is reshaping expatriate compensation worldwide.

Example

Q: Explain: adapt appraisals to international contexts Model answer: One global form rarely fits all cultures — adapt process, keep standards. Judge expats on assignment-specific outcomes, not just HQ metrics.

Example

Q: Explain: handle rater bias across cultures Model answer: One global form rarely fits all cultures — adapt process, keep standards. Judge expats on assignment-specific outcomes, not just HQ metrics.

Example

Q: Explain: compare industrial relations systems Model answer: Labour law is the least portable HR practice — always localize. Ignoring works councils in Europe is illegal, not just rude.

Example

Q: Explain: handle unions and works councils abroad Model answer: Labour law is the least portable HR practice — always localize. Ignoring works councils in Europe is illegal, not just rude.

Example

Q: Explain: describe HR challenges in Pakistan Model answer: Localization wins: global standards, Pakistani execution. Respect for religious and family values is a retention tool.

Example

Q: Explain: explain managing in South Asian contexts Model answer: Localization wins: global standards, Pakistani execution. Respect for religious and family values is a retention tool.

Example

Q: Explain: link HR strategy to international business strategy Model answer: Strategy first, then structure, then HR systems. Transnational firms balance both pressures.

Example

Q: Explain: explain global vs local standardization Model answer: Strategy first, then structure, then HR systems. Transnational firms balance both pressures.

Example

Q: Explain: identify emerging trends Model answer: The expatriate model is shrinking; flexible global work is growing. Future IHRM = analytics + ethics + agility.

Example

Q: Explain: prepare for future global work Model answer: The expatriate model is shrinking; flexible global work is growing. Future IHRM = analytics + ethics + agility.

Long questions

- Write a detailed note on Introduction to IHRM.
- Write a detailed note on Culture and Cross-Cultural Management.
- Write a detailed note on International Staffing and Talent Management.
- Write a detailed note on Cross-Cultural Training and Development.
- Write a detailed note on International Compensation.
- Write a detailed note on Performance Management Across Borders.
- Write a detailed note on International Labour Relations.
- Write a detailed note on IHRM in Developing Countries: Pakistan Focus.
- Write a detailed note on Global HR Strategy and Structure.
- Write a detailed note on Future of IHRM.

Long questions with model answer outlines

Example

Q: Write a detailed note on Introduction to IHRM. Answer outline: • Domestic HRM works in one country, one culture, one legal system; IHRM adds: multiple legal systems, currencies, cultures, and employee categories (PCNs, HCNs, TCNs). • Drivers: globalization of markets, cost pressures, talent shortages, technology enabling coordination. • Why it matters: expatriate failure is extremely expensive; cultural missteps destroy market entry. • Unilever, Nestle, Telenor run localized HR at scale. • They adapt global policies to Pakistani norms.

Example

Q: Write a detailed note on Culture and Cross-Cultural Management. Answer outline: • Trompenaars: universalism vs particularism, specific vs diffuse relationships. • Culture shock: honeymoon -> crisis -> adjustment -> adaptation (U-curve). • Managing multicultural teams: explicit communication norms, inclusive decision processes, cultural intelligence (CQ) in leaders. • Drive, knowledge, strategy, action — the four CQ factors. • CQ predicts expatriate success better than IQ.

Example

Q: Write a detailed note on International Staffing and Talent Management. Answer outline: • PCN (parent-country national): from HQ country; HCN (host-country national): local; TCN (third-country national): neither. • Expatriate: employee on international assignment; inpatriate: foreign employee brought to HQ. • Technical competence is necessary but not sufficient — most failures are family/personal, not technical. • Criteria: cultural adaptability, spouse/family adjustment, language ability, emotional stability, previous international experience. • Selection tools: self-assessment, interviews including spouse, assessment centres.

Example

Q: Write a detailed note on Cross-Cultural Training and Development. Answer outline: • Pre-departure: cultural awareness, language basics, practical living information, spouse/family programs. • Training methods: cultural assimilators (critical incidents), role plays, field experiences, mentoring by former expats. • During assignment: local mentors, language continuation, HQ contact to reduce "out of sight, out of mind". • Management development: international job rotations, global leadership programs, virtual teams. • Basic host language transforms daily life and trust.

Example

Q: Write a detailed note on International Compensation. Answer outline: • Components: base salary + cost-of-living allowance (COLA) + housing + hardship premium + home-leave + education + tax equalization. • Tax equalization: employee pays hypothetical home tax; employer handles actual host/home taxes. • Alternatives: going-rate (pay host-market rates), lump-sum payments, cafeteria choices. • Pay gaps between HQ and subsidiaries create equity tensions. • Performance bonuses tied to global vs local results.

Example

Q: Write a detailed note on Performance Management Across Borders. Answer outline: • Who evaluates: immediate supervisor (often HCN), plus HQ input; 360-degree feedback is culturally sensitive. • What to measure: hard goals (market share), soft outcomes (relationship building, knowledge transfer), contextual performance. • Cultural issues: direct criticism is offensive in high-context cultures; self-appraisal norms vary. • Rater training and standardized forms improve fairness; calibrate ratings across countries. • Regional panels align ratings across countries.

Example

Q: Write a detailed note on International Labour Relations. Answer outline: • Anglo-American: decentralized, enterprise bargaining; Continental Europe: works councils, co-determination (Germany), sectoral agreements. • MNEs face: differing strike laws, union recognition rules, employee participation rights. • European Works Councils: consultation rights in large EU firms. • Strategy: respect local law and custom; central coordination with local negotiation. • Respect local strike law — it varies wildly.

Example

Q: Write a detailed note on IHRM in Developing Countries: Pakistan Focus. Answer outline: • Talent: large young workforce, but skills gaps in technical and English communication. • Cultural notes: high power distance (deference to seniors), collectivist loyalty, relationship-based business, Islamic values (prayer times, Ramadan scheduling). • Legal: labour laws, social security (EOBI), minimum wage compliance. • MNE practice: adapt global policies — e.g. flexible Ramadan hours, gender-sensitive facilities, Urdu/English bilingual communication. • Shorter hours, shifted meetings, iftar events.

Example

Q: Write a detailed note on Global HR Strategy and Structure. Answer outline: • Integration-responsiveness grid: pressures for global efficiency vs local responsiveness decide HR design. • Global HRIS enables consistent data; centres of excellence share best practice. • Very important for exams: the central IHRM tension is standardization vs adaptation — every policy sits somewhere on this spectrum. • Cultural agility, ethical judgement, resilience. • Developed via rotations and coaching.

Example

Q: Write a detailed note on Future of IHRM. Answer outline: • Remote global work: digital nomads, cross-border remote teams challenge tax and labour law. • AI in HR: global screening, people analytics — with bias and privacy risks. • Sustainability and ESG: HR drives ethical labour standards in supply chains. • Diversity, equity and inclusion across cultures — definitions of fairness differ. • Agility: shorter assignments, virtual assignments, commuter arrangements replacing classic expatriation.

Exam Pointer

Very important for exams: Practice writing answers within the exam time limit.

MCQ Practice Test

Learning Objectives

• Test your recall of the key points from every chapter

Q1. Which of the following was listed as a key point of 'Introduction to IHRM' in this handout?

A. IHRM = domestic HRM x complexity of borders.

B. CQ — cultural intelligence — is the key managerial competence.

C. Never stereotype: dimensions describe tendencies, not individuals.

D. Select for adaptability, not just technical skill.

Q2. Which of the following was listed as a key point of 'Introduction to IHRM' in this handout?

A. CQ — cultural intelligence — is the key managerial competence.

B. Select for adaptability, not just technical skill.

C. The four approaches trade control against local fit.

D. Never stereotype: dimensions describe tendencies, not individuals.

Q3. Which of the following was listed as a key point of 'Culture and Cross-Cultural Management' in this handout?

A. Select for adaptability, not just technical skill.

B. IHRM = domestic HRM x complexity of borders.

C. The four approaches trade control against local fit.

D. Never stereotype: dimensions describe tendencies, not individuals.

Q4. Which of the following was listed as a key point of 'Culture and Cross-Cultural Management' in this handout?

A. IHRM = domestic HRM x complexity of borders.

B. Select for adaptability, not just technical skill.

C. CQ — cultural intelligence — is the key managerial competence.

D. The four approaches trade control against local fit.

Q5. Which of the following was listed as a key point of 'International Staffing and Talent Management' in this handout?

A. IHRM = domestic HRM x complexity of borders.

B. The four approaches trade control against local fit.

C. Select for adaptability, not just technical skill.

D. Never stereotype: dimensions describe tendencies, not individuals.

Q6. Which of the following was listed as a key point of 'International Staffing and Talent Management' in this handout?

A. Never stereotype: dimensions describe tendencies, not individuals.

B. The four approaches trade control against local fit.

C. Repatriation planning starts before departure.

D. IHRM = domestic HRM x complexity of borders.

Q7. Which of the following was listed as a key point of 'Cross-Cultural Training and Development' in this handout?

A. IHRM = domestic HRM x complexity of borders.

B. Never stereotype: dimensions describe tendencies, not individuals.

C. Training must include families — spouse maladjustment is the top failure cause.

D. The four approaches trade control against local fit.

Q8. Which of the following was listed as a key point of 'Cross-Cultural Training and Development' in this handout?

A. IHRM = domestic HRM x complexity of borders.

B. The four approaches trade control against local fit.

C. Development is continuous, not a pre-flight briefing.

D. Never stereotype: dimensions describe tendencies, not individuals.

Q9. Which of the following was listed as a key point of 'International Compensation' in this handout?

A. IHRM = domestic HRM x complexity of borders.

B. The four approaches trade control against local fit.

C. Balance sheet = "no loss" principle for the expatriate.

D. Never stereotype: dimensions describe tendencies, not individuals.

Q10. Which of the following was listed as a key point of 'International Compensation' in this handout?

A. The four approaches trade control against local fit.

B. Cost control is reshaping expatriate compensation worldwide.

C. Never stereotype: dimensions describe tendencies, not individuals.

D. IHRM = domestic HRM x complexity of borders.

Q11. Which of the following was listed as a key point of 'Performance Management Across Borders' in this handout?

A. Never stereotype: dimensions describe tendencies, not individuals.

B. One global form rarely fits all cultures — adapt process, keep standards.

C. The four approaches trade control against local fit.

D. IHRM = domestic HRM x complexity of borders.

Q12. Which of the following was listed as a key point of 'Performance Management Across Borders' in this handout?

A. IHRM = domestic HRM x complexity of borders.

B. The four approaches trade control against local fit.

C. Judge expats on assignment-specific outcomes, not just HQ metrics.

D. Never stereotype: dimensions describe tendencies, not individuals.

Q13. Which of the following was listed as a key point of 'International Labour Relations' in this handout?

A. Never stereotype: dimensions describe tendencies, not individuals.

B. The four approaches trade control against local fit.

C. Labour law is the least portable HR practice — always localize.

D. IHRM = domestic HRM x complexity of borders.

Q14. Which of the following was listed as a key point of 'International Labour Relations' in this handout?

A. The four approaches trade control against local fit.

B. Never stereotype: dimensions describe tendencies, not individuals.

C. IHRM = domestic HRM x complexity of borders.

D. Ignoring works councils in Europe is illegal, not just rude.

Q15. Which of the following was listed as a key point of 'IHRM in Developing Countries: Pakistan Focus' in this handout?

A. Localization wins: global standards, Pakistani execution.

B. IHRM = domestic HRM x complexity of borders.

C. The four approaches trade control against local fit.

D. Never stereotype: dimensions describe tendencies, not individuals.

Q16. Which of the following was listed as a key point of 'IHRM in Developing Countries: Pakistan Focus' in this handout?

A. Never stereotype: dimensions describe tendencies, not individuals.

B. IHRM = domestic HRM x complexity of borders.

C. The four approaches trade control against local fit.

D. Respect for religious and family values is a retention tool.

Q17. Which of the following was listed as a key point of 'Global HR Strategy and Structure' in this handout?

A. Strategy first, then structure, then HR systems.

B. Never stereotype: dimensions describe tendencies, not individuals.

C. IHRM = domestic HRM x complexity of borders.

D. The four approaches trade control against local fit.

Q18. Which of the following was listed as a key point of 'Global HR Strategy and Structure' in this handout?

A. The four approaches trade control against local fit.

B. Never stereotype: dimensions describe tendencies, not individuals.

C. IHRM = domestic HRM x complexity of borders.

D. Transnational firms balance both pressures.

Q19. Which of the following was listed as a key point of 'Future of IHRM' in this handout?

A. The four approaches trade control against local fit.

B. Never stereotype: dimensions describe tendencies, not individuals.

C. The expatriate model is shrinking; flexible global work is growing.

D. IHRM = domestic HRM x complexity of borders.

Q20. Which of the following was listed as a key point of 'Future of IHRM' in this handout?

A. The four approaches trade control against local fit.

B. Future IHRM = analytics + ethics + agility.

C. IHRM = domestic HRM x complexity of borders.

D. Never stereotype: dimensions describe tendencies, not individuals.

Answer Key

1. A 2. C 3. D 4. C 5. C 6. C 7. C 8. C 9. C 10. B 11. B 12. C 13. C 14. D 15. A 16. D 17. A 18. D 19. C 20. B

Exam Pointer

Very important for exams: Attempt all MCQs without looking back, then check the answer key.

Exam Strategy Guide

Learning Objectives

- Attempt papers with a winning strategy

Before the exam

- Revise the Key Points boxes and glossary first — they carry the highest marks per minute.
- Practice one past paper under timed conditions; examiners repeat question styles.
- Sleep well the night before — an exhausted brain recalls far less.

Attempting the paper

- Read the whole paper first; start with your strongest question to build momentum.
- Allocate time by marks: a 10-mark question deserves roughly double a 5-mark one.
- Structure long answers: definition, explanation, example/diagram, conclusion.

Presentation matters

- Use headings, underline key terms, and draw labelled diagrams where possible.
- Attempt all questions — partial credit beats a blank page.
- Review your paper in the last 10 minutes for missed parts.

Exam Pointer

Very important for exams: Very important for exams: neat, structured answers consistently score higher than longer messy ones.