



THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

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MAIN EXAMINATION

MAY – JULY 2015 TRIMESTER

FACULTY OF COMMERCE

DEPARTMENT OF MARKETING AND MANAGEMENT

EVENING PROGRAMME

CMH 423: GLOBAL HUMAN RESOURCE OPERATIONS

Date: JULY 2015

Duration: 2 Hours

INSTRUCTIONS: Answer Question ONE and ANY OTHER TWO Questions

Q1. Read the following passage and answer question one.

In a global economy, business processes can be copied anywhere in the world. Work requiring little training or specialist skill will go to the lowest cost operators, producers in Asia, where labor costs are significantly lower, have overtaken manufacturers in Europe and America. Likewise, call centres have moved to India. In the twenty first century it is the quality and added value of your people that will determine whether or not your organization will be successful. Work will go where staff are competent and where the costs are lowest. The question that we need to ask is globalization as issue for HR? As such globalization is the process by which national barriers are breaking down in the market within which organizations operate. Some companies already regard the entire world as their target market, while for others this will always remain a dream which is far fetched. For example, coca-cola is a truly world's brand readily identifiable by consumers in virtually every country. On the other hand, the giant life insurance industry has few global players even when companies such as Zurich Insurance and Allianz work across frontiers, their products tend to follow to requirements of each single market place. The move towards global market place has been accelerated by the growing acceptance that barriers to trade are essentially unproductive and serve only to reduce the level of demand for goods and services overall, as well as inhibit customer's choice. Initiatives by the World

Trade Organization (formerly GATT) constantly improve the prospects of free trade. Whereas once, the existence of trading blocks such as European Union, North American Free Trade Association were seen to favour only the selected few member countries to the detriment of others, the increase in cooperation between nations and trading organizations is gradually breaking down the barriers.

The most vivid illustration of trading across international frontier as well as the many draw backs. Paul Hirst writing in 1992 stated that “national economies and cultures are dissolving before the great flows of trade, finance and information... unconstrained global markets for capital and goods allow companies to allocate resources to maximize benefits for customers” This support the view that the world is becoming a single market as if borders did not exist.

The global market is an aspiration rather than a reality. In Britain you can buy a car made at home (Rover) The EU (BMW) Japan (Mitsubishi) or Malaysian (Hyundai) This does not automatically mean that the global market is with us yet. Many services remain subject to trade restrictions and others will never cross international frontiers due to their very nature.

The global market for labor has developed slowly though it is unlikely that this will ever mature to a significant level, given immigration controls and different international emphases on skills and other technical requirements.

- a) What do you understand by the phrase “ Global Human Resource Management” **(4 marks)**
- b) Discuss at least EIGHT aspects that affect Human Resource Managers at Global Human Resource Operations. **(13 marks)**
- c) Discuss the FOUR recent trends in Global Human Resource Operations. **(13 marks)**

Q2. Discuss the various traits/characteristics that expatriate managers should possess so as to be successful in their foreign assignments. **(20 marks)**

- Q3. a) What do you understand by the following terms
- i Ethnocentric. **(2 marks)**
 - ii Polycentric. **(2 marks)**
 - iii Geocentric. **(2 marks)**
 - iv Codetermination right. **(2 marks)**

v Localization policy. **(2 marks)**

b) Briefly explain Prof. Hofstede's FIVE dimensions of culture. **(10 marks)**

Q4. In the past, Kenyans were worried more of HIV/AIDS pandemic. Today, insecurity and terrorism are taking centre stage both in rural and urban centre. What are the effects of terrorism on Global Human Resource Management Practices? **(20 marks)**

END