

Critical Thinking and Discussion Questions

1. What are the main advantages and disadvantages of the ethnocentric, polycentric, and geocentric approaches to staffing policy? When is each approach appropriate?
2. Research suggests that many expatriate employees encounter problems that limit both their effectiveness in a foreign posting and their contribution to the company when they return home. What are the main causes and consequences of these problems, and how might a firm reduce the occurrence of such problems?
3. What is the link between an international business's strategy and its human resource management policies, particularly with regard to the use of expatriate employees and their pay scale?
4. In what ways can organized labor constrain the strategic choices of an international business? How can an international business limit these constraints?
5. Reread the Management Focus on McDonald's global compensation practices. How does McDonald's approach help the company take local differences into account when reviewing the performance of different country managers and awarding bonus pay?

Research Task globaledge.msu.edu

Global Human Resource Management

Use the globalEDGE™ site to complete the following exercises:

Exercise 1

The impact of strikes and lockouts on business activities can be substantial. Since your company is planning to develop operations in the Asian market, you have been tasked with identifying the countries least likely to have strikes and lockouts which could introduce instability at any future facilities. Using information from the *International Labour Organization* (ILO) to develop your report, locate the ILO's yearbook of labor statistics and identify the three Asian countries with the lowest rate of strikes and lockouts. Be sure to use the most recent

data available and include details for each country concerning the sectors most impacted.

Exercise 2

You work in the human resources department at the headquarters of a multinational corporation. Your company is about to send managers overseas as expatriates (or expats) to France, Russia, Singapore, and Thailand. To evaluate the possible issues each expat may encounter, you have been advised to use the *Expatriate Explorer* survey conducted by HBSC and found at the company's Expatriate Zone. Prepare a report indicating the potential issues your department may encounter during each expat's stay in these countries.

CLOSING CASE

AstraZeneca

AstraZeneca is one of the world's largest pharmaceutical companies. Headquartered in London, the company has 65,000 employees, 51 percent of whom are in Europe, 32 percent in the Americas, and 17 percent in Asia, Africa, and Australia. The company is active in more than 100 nations and has sales in excess of \$30 billion. A key strategic imperative for this multinational is to build a talented global workforce, led by managers who have a global perspective, are comfortable moving around the

world, interacting with people from other cultures, and doing business in different nations. It is not easy.

To help build international bench strength, the company moves managers to another country for up to three years. Such assignments are not cheap; the company estimates that it can cost two to four times an employee's annual salary to cover expenses. Expenses can include a child's school tuition, tax equalization, cultural training, and subsidized housing. Because of this expense,