

Question Paper Code : 3778

MBA(CBCS) (Semester-IV) Examination, 2018

CROSS CULTURAL MANAGEMENT

[SC-432]

Time : Three Hours]

[Maximum Marks : 70

Note : Answer **five** questions in all. Question **No.1** is **compulsory**. Besides this, **one** question is to be attempted from each unit.

1. Read the case given below and answer the questions that follow :

CASE

The Venture Group - a mother company in India, with its branch head, Mr Soota- received an offer to invest \$2 million in a joint venture between Brigitte Zankyl GmbH in Munich and DXB-AI Fayed Corporation in Saudi Arabia. The proposed project was to build a plant in a small town near Riyadh to make blood transfusion tubes to sell in the Middle-East. The German company had the technical

expertise; the knowledge, capital and funding required was to be provided by Venture Group. At this point, Venture was in the process of negotiating the contract.

DXB-AI Fayed was a partner in the business because it had managed to negotiate and win a favourable contract with the government for the purchase of the plastic tubes. The Saudi Arabian company was in a very comfortable position: it had no financial stake in the project and was a 35 percent partner in the business by virtue of its good contacts with the Saudi government and its in-depth knowledge of the local market.

A few senior managers from the Venture Group were asked to go to Riyadh to explore the viability of the investment. Two weeks later, after the managers returned, the company was more convinced than ever that this was going to be a wonderful project. The company had to wait for another three weeks since the German negotiating party was going to negotiate and conclude the contract after having received the necessary approval from the company.

A large delegation of nine people, including lawyers from Germany, prepared themselves for the negotiations.

(b) Explain the reasons for the failure of expatriates in foreign employment. [5]

9. Using three of the Hofstede's national cultural dimensions, explain in what ways national culture is linked to, and affects HRM practices in Multinational Enterprises. [10]

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UNIT-II

4. Discuss Harry Triandi's (1972) model of Cross Cultural Analysis. How does it help in understanding behaviour patterns as a function of antecedents that impact culture ? [10]
5. What are the dimensions of culture ? How do such dimensions make a difference in the culture of an organization ? [10]

UNIT-III /

6. In the thinking and decision-making process, how do cross-cultural differences exert influence ? [10]
7. Write short notes on : [5+5=10]
 - (a) Proactive technology culture
 - (b) Technology transition process

UNIT-IV

8. (a) Explain the conditions under which polycentric approach can be used by MNCs in recruitment[5]

On the first evening after negotiations had started it was heard by phone from the German side that things were looking good.

The next day, however, a call was received from the Saudi Party : They informed that they were not willing to sign any contract with the German party and, if possible, will try instead to team up with them. Mr Habib commented on the phone: 'I am sure that we can work with you, but Mr Zankyl and Mr Kirchdorfer are people we do not trust! We get the feeling that they are trying to fleece us. They are trying to pretend they are doing us a big favour ; they think they are lords, but Allah is there watching us all. There is no place for being crooked. We have tried to work with Westerners before and they always try to be difficult. The only solution I can see is that we contract with you: you run the project. We don't care if you outsource the technology and expertise from Brigitte Zankyl, but our only condition is that they do not become a partner in our business !'

Mr Soota was becoming concerned and, to try and diffuse the situation, asked Mr Habib to calm down. 'Mr Habib', he said, 'I apologize on behalf of my business

partners in case there has been any misunderstanding. I am sure we can resolve the matter. Would you like me to fly down there early tomorrow morning so that we can resume discussions using a clean slate ?'

Mr Habib appreciated Mr Soota's remarks, adding: 'I wish the German side could understand us as much as we understand each other. They do not care about what we think ! All that matters to them is dollars, dollars and more dollars. Our esteemed minister Mr Sherrif gave us his word and promised us that, Insha-Allah, the government would sign the purchase contract next month, but the German lawyers told us that they would only like to see contracts in black and white and said that our word was not enough. Do they want to imply that, I, Sheikh Habib, am a liar ? If they don't trust us, then I have to be honest and admit that we do not even trust them since business should be for mutual benefit and not dictated. I am sorry, but please do not expect me to respect somebody who thinks that we are dishonest and unprofessional in our approach. Mr Kirchdorfer said that our small family concern needs to gear up and act more professionally to manage the new project ! But we know how to run our business - we don't

need the Germans for that !'

Source : Adapted from Brawaeys and Trompenaars (2000) : case 4

Questions :

- (a) Why do you think Mr. Habib did not want to do business with Brigitte Zankyl GmbH ? [10]
- (b) What would have been the most appropriate attitude for the Germans to adopt ? Explain in the light of cross cultural dimensions. [10]
- (c) What would you do next if you were in Mr. Soota's position ? Explain why. [10]

UNIT-I

- 2. Explain the different layers of culture. What factors influence their formation ? Discuss. [10]
- 3. Explain the concept of diversity management. Why does an organization need to consider cultural diversity management ? Illustrate with the help an example from any Multinational Organization. [10]

[illegible]

