

Now Martin's mind was spinning. How could something that throws good honest people out of work be good for the country? The politicians said it would be good for trade, good for economic growth, and good for the three countries. On the other hand Martin has always felt that the success of his trade was partly due to the family atmosphere, which encourages worker loyalty, productivity and attention to quality, an atmosphere that has been built up over four generations.

(a) What are the socio economic costs and benefits to Martin's textiles of shifting production to the South?

(b) What seems to be the most ethical action?

MBA 3818

M.B.A. DEGREE EXAMINATION, JUNE 2007.

Fourth Semester

International Business

**Paper XVIII — CROSS CULTURAL BUSINESS
MANAGEMENT**

Time : Three hours

Maximum : 100 marks

PART A — (5 × 6 = 30 marks)

Answer any FIVE out of the following.

- 1. Analyse the nature of organizational culture.**
- 2. How can you measure the on going improvements in corporate culture?**
- 3. Describe the conditions that warrants organisational change.**
- 4. What are the skills needed for cross culture decision making?**
- 5. Discuss the structure of negotiation in an organisational context.**
- 6. Explain the concept of culture for a business context.**

7. Explain the cultural back ground of share holders.
8. Describe the different dimensions of culture of a winning business team?

PART B — (5 × 10 = 50 marks)

Answer any FIVE out of the following.

9. Explain with suitable examples the different steps that can be followed in designing the strategy for building cultural change?
10. Analyse the behaviours that are necessary to build high performance organizational personnel?
11. Explain the role of culture in the Globas business scenario.
12. Design a communication strategy for an Indian MNC.
13. Discuss the cultural implications for team building.
14. Analyse the process of multicultural negotiation between India and U.S?
15. Explain the process of strategy formulation and implementation in cross culture decision making.
16. Explain the cultural back ground of managers and employees.

PART C — (1 × 20 = 20 marks)

Compulsory.

17. Case study :

On August 12, 1992, Canada, Mexico and the U.S announced an agreement in principle, to the North American free trade agreement. Under the plan, all tariffs between the three countries would be eliminated within the next 10 to 15 years, with most being cut in five years.

Martin is the CEO of a New York based textile company – Martin's textiles. All production employees are union members and the company has never had a labour dispute.

Over the past 20 years, the company has experienced tough competition, both from overseas and at home. The strength of the dollar on the foreign exchange market enabled Asian producers to enter the US market with very low prices. Since then, although the dollar has weakened against many major currencies, the Asian producers have not raised their prices in response to the falling dollar. In a low skilled, labour intensive business such as cloth manufacturing, costs are driven by wage rates and labour productivity. Most of Martin's competitors in the north-eastern U.S responded to the intense cost competition by moving production south, where labour costs for textile workers were less than \$ 2 per hour. In contrast, wage rates are \$ 12.50 per hour at Martin's New York plant.