|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1. An inpatriate is a subsidiary employee that transfers to operations in the parent-country.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 2. The international HR department may be a major user of language translation services.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 3. The IHR department does not get involved in the employee’s personal lives such as marital status and children when the employee is considered for assignments.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 4. Less developed countries tend to have cheaper labor but more government regulations.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 5. Culture shock is a phenomenon experiences by people who move across cultures.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

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| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 6. A domestic HRM is involved with employees within one national boundary.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

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| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 7. Compensation and benefit programs are not an activity of internal human resource management.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 8. Awareness of cultural differences is not essential for the HR manager at corporate headquarters. It is only important for expatriate employees as well as those at the host location.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 9. A multidomestic industry is one in which competition in each country is essentially independent of competition in other countries.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 10. Multinational organizations need to strive for consistency in the ways of managing people on a worldwide basis in order to build, maintain and develop their corporate identity.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 11. Cultural awareness is reflected by knowing that local employees may feel an obligation to employ extended family even if they are unqualified for the position.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 12. If a firm is in a multidomestic industry, the role of HR department will most likely be more domestic in structure and orientation.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 13. A large home market is one of the key drivers for seeking a new international market.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 14. Local HR activities, such as human resource planning and staffing, changes as a foreign subsidiary matures.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 15. The nationality of an employee is not a major factor in determining the person “category” in an international firm.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 16. Human considerations are as important as financial and marketing criteria in making decisions about multinational ventures.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | True |

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|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 17. A global mindset is necessary for the success of an international company.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

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| --- | --- |
| *ANSWER:* | True |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 18. Most of the Fortune 2016 Global 500 Top 10 firms are US companies.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 19. The way diversity is managed within a single national context transfers to a multinational context without modification.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 20. It is a correct assumption that culture is usually used as a synonym for nation or national difference represents culture differences.

|  |  |  |
| --- | --- | --- |
|   | a.  | True |
|   | b.  | False |

|  |  |
| --- | --- |
| *ANSWER:* | False |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 21. An expatriate:

|  |  |  |
| --- | --- | --- |
|   | a.  | Is an employee transferred out of their home base to the firm’s international operation |
|   | b.  | Is an employee transferred into a parent organization |
|   | c.  | Is an employee who understands international business operations |
|   | d.  | Is an employee who has worked in more than one country |

|  |  |
| --- | --- |
| *ANSWER:* | a |

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| 22. Which of the following is not a category of an employee in an international firm?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Third-country national | b.  | Host-country national |
|   | c.  | Parent-country national | d.  | Multi-country national |

|  |  |
| --- | --- |
| *ANSWER:* | d |

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| 23. Which department of an international organization uses language translation services most?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Tax | b.  | Shipping |
|   | c.  | Human resources | d.  | Operations |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 24. Tax equalization policies concerning expatriates are designed to :

|  |  |  |
| --- | --- | --- |
|   | a.  | Ensure no tax incentives are associated with any particular international assignment |
|   | b.  | Ensure taxes are paid |
|   | c.  | Ensure employees are aware of tax responsibilities |
|   | d.  | Keeps records up to date |

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| --- | --- |
| *ANSWER:* | a |

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| 25. The direct cost of international assignment failure can be as high as \_\_\_times the cost of similar failure in a domestic assignment:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Five | b.  | Three |
|   | c.  | Ten | d.  | Eight |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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| 26. A major difference between domestic and international HRM is:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Staff training | b.  | Tax equalization |
|   | c.  | Housing relocation | d.  | Risk |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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|  |  |  |  |  |  |  |  |  |  |  |  |  |
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| 27. Which of the following is not a function of internal resource management?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Staffing | b.  | Training and development |
|   | c.  | Government regulations | d.  | Compensation |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 28. Which of the following is not a major external factor that influences IHRM?

|  |  |  |
| --- | --- | --- |
|   | a.  | The state of the economy |
|   | b.  | Type of government |
|   | c.  | Generally accepted practices of doing business |
|   | d.  | Regulatory requirements |

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| *ANSWER:* | d |

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| 29. Cultural difference is not necessarily equivalent to:

|  |  |  |
| --- | --- | --- |
|   | a.  | Social Factors |
|   | b.  | Values and beliefs |
|   | c.  | National Differences |
|   | d.  | Shared and recognized ways of looking at the world |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| 30. A multidomestic industry is:

|  |  |  |
| --- | --- | --- |
|   | a.  | One in which competition in each country is essentially independent of other countries |
|   | b.  | One in which a firm’s competitive position in one’s country is significantly influenced by its position in other countries. |
|   | c.  | One in which domestic products are not sold |
|   | d.  | One in which many products are sold |

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| --- | --- |
| *ANSWER:* | a |

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| 31. Examples of a global industry include all of the following except:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Commercial aircraft | b.  | Semi-conductors |
|   | c.  | Copiers | d.  | Insurance |

|  |  |
| --- | --- |
| *ANSWER:* | d |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 32. Series of linked domestic industries in which rivals compete against each other on a worldwide basis is:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Multidomestic industry | b.  | Global industry |
|   | c.  | Conglometric industry | d.  | Automobile industry |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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| 33. ‘Emic’ refers to which kind of aspect of concepts or behaviors?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Language-specific | b.  | Culture-specific |
|   | c.  | Country-specific | d.  | History-specific |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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| 34. What is a key driver for firms seeking international markets?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | A small home market | b.  | Tax regulations |
|   | c.  | Large home markets | d.  | Managerial incompetence |

|  |  |
| --- | --- |
| *ANSWER:* | a |

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| 35. Which ratio is not part of the “index of transnationality”?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Foreign assets to total assets | b.  | Foreign sales to total sales |
|   | c.  | Foreign debt to total debt | d.  | Foreign employment to total employment |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| 36. Which of the following is a global mindset?

|  |  |  |
| --- | --- | --- |
|   | a.  | Focus on domestic issues |
|   | b.  | Minimizing differences between international and domestic environments |
|   | c.  | Transferability between domestic and international HRM practices |
|   | d.  | Formulating and implementing HR policies that develop globally oriented staff |

|  |  |
| --- | --- |
| *ANSWER:* | d |

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| 37. An asymmetric event is:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Terrorist attack on 9/11 | b.  | London 2012 Olympics |
|   | c.  | HR activities | d.  | Weekly staff training |

|  |  |
| --- | --- |
| *ANSWER:* | a |

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| 38. All of the following is a difference between international and domestic HR except:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Risk exposure | b.  | More external influences |
|   | c.  | More HR activities | d.  | Less involvement in employee lives |

|  |  |
| --- | --- |
| *ANSWER:* | d |

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| 39. What activity in international HR would not be required in a domestic environment?

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Staff orientation | b.  | Tax equalization |
|   | c.  | Terrorism considerations | d.  | Relocation assistance |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 40. As foreign subsidiaries mature, the local HR activities:

|  |  |  |
| --- | --- | --- |
|   | a.  | Have broadening responsibilities |
|   | b.  | Revert to the home office |
|   | c.  | Decrease as government relations are understood |
|   | d.  | Stay largely the same |

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| --- | --- |
| *ANSWER:* | a |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 41. Which three dimensions are presented in Morgan’s model of IHRM?

|  |  |  |
| --- | --- | --- |
|   | a.  | Types of employees, countries, and industries |
|   | b.  | Types of employees, countries, and human resource activities |
|   | c.  | Types of products, industries, and human resource activity |
|   | d.  | Types of employees, labor problems, and human resource activity |

|  |  |
| --- | --- |
| *ANSWER:* | b |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 42. Differences between domestic and international HRM include:

|  |  |  |
| --- | --- | --- |
|   | a.  | The cultural environment, the extent of reliance of the multinational on its home country or domestic market, and the attitudes of senior management |
|   | b.  | The industry, the technology employed, and communication capabilities |
|   | c.  | The cultural environment, the industry, and the technology employed |
|   | d.  | The cultural environment, the attitudes of senior management, and the organizations authority structure |

|  |  |
| --- | --- |
| *ANSWER:* | a |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 43. Senior managers with little international experience:

|  |  |  |
| --- | --- | --- |
|   | a.  | Are very successful in multinational operations |
|   | b.  | Assume that there is no transferability between domestic and international HARM practices |
|   | c.  | Assume that there is a great deal of transferability between domestic and international HRM practices |
|   | d.  | Are usually very eager to take on international responsibilities |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| 44. Successful internationalizing of the HR function requires all EXCEPT:

|  |  |  |
| --- | --- | --- |
|   | a.  | A close-adherence to home-country HR practices |
|   | b.  | The right people to manage |
|   | c.  | Global mindset |
|   | d.  | International taxation procedures |

|  |  |
| --- | --- |
| *ANSWER:* | a |

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| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 45. In Porter’s value-chain model:

|  |  |  |
| --- | --- | --- |
|   | a.  | HRM is described as a primary activity |
|   | b.  | HRM is described as a support activity |
|   | c.  | HRM is not mentioned as an activity |
|   | d.  | HRM is described as an incidental activity |

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| --- | --- |
| *ANSWER:* | b |

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| 46. HRM in the multinational context contains an overlap between elements of:

|  |  |  |
| --- | --- | --- |
|   | a.  | Cross-cultural management and leadership |
|   | b.  | Cross-cultural management and strategic management |
|   | c.  | Strategic management, comparable HR, and industrial relations systems |
|   | d.  | Cross-cultural management, comparable HR, and industrial relations systems |

|  |  |
| --- | --- |
| *ANSWER:* | d |

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| 47. A Japanese citizen working in Hong Kong for a Japanese multinational would be classified as:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | A host country national (HCN) | b.  | A third country national (TCH) |
|   | c.  | A parent country national (PCN) | d.  | A related country national (RCN) |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| 48. Human Resource Management (HRM) activities include all of the below EXCEPT:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | Human resource planning | b.  | Performance management |
|   | c.  | Personal family planning | d.  | Training and development |

|  |  |
| --- | --- |
| *ANSWER:* | c |

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| 49. International HRM is reflected in:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   | a.  | The need for a narrower perspective | b.  | The need for a short-term perspective |
|   | c.  | The need for a judgmental perspective | d.  | The need for a broader perspective |

|  |  |
| --- | --- |
| *ANSWER:* | d |

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| 50. As a foreign subsidiary matures:

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|   | a.  | The local HR unit’s responsibilities for planning, training, and compensation broaden |
|   | b.  | The responsibilities of planning, training, and compensation narrow |
|   | c.  | The local HR unit’s responsibilities for planning, training, and compensation stay the same |
|   | d.  | The local HR unit’s responsibility for planning, training and compensation end |

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| *ANSWER:* | a |

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| 51. What are the 3 broad approaches for international human resource management and how do they relate to each other?

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| *ANSWER:* | Cross-cultural management, comparative industrial relations, and aspects of HRM in multinational firms, also known as IHRM in the multinational context. This third approach overlaps some with both of the two other approaches. |

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| 52. What are the 3 categories of employees in an international firm?

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| *ANSWER:* | Host-country nationals (HCN), parent-country national (PCN), and third-country nationals (TCN) |

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| 53. What are two types of risk exposure that international companies incur that domestic companies are not as liable to incur?

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| *ANSWER:* | 1. Human and financial consequences of failure are more severe due to under-performance and high cost.2. Terrorism impacts planning meetings and assignments. The cost of terrorism protection may be higher and more time and energy is invested in emergency evacuation procedures for volatile assignment locations. |

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| 54. Why is an awareness of cultural differences important in an international company?

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| *ANSWER:* | It facilitates work performance for the employee in a different cultural context.  It helps the worker’s family adjust and enjoy the international assignment and hence the likelihood that the employee will stay in the assignment for its duration is enhanced. |

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| 55. What is the difference between a multidomestic industry and a global industry?

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| *ANSWER:* | A multidomestic industry is one in which the competition is in each country is independent of the competition in other countries.  A global industry is one in which competition in one country is linked or dependent on the position of the firm in other countries. |

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