

**BERJAYA BUSINESS SCHOOL****FINAL EXAMINATION**

Student ID (in Figures) :

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Student ID (in Words) : _____

Subject Code & Name : **BBM 2311 INTERNATIONAL BUSINESS**
Trimester & Year : JANUARY - APRIL 2018
Lecturer/Examiner : Lee Yee Wan
Duration : 3 Hours

INSTRUCTIONS TO CANDIDATES

1. This question paper consists of 2 parts:
PART A (25 marks) : Answer TWENTY FIVE (25) multiple choice questions. Answers are to be shaded in the Multiple Choice Answer Sheet provided.
PART B (75 marks) : Answer FIVE (5) structured answer questions. Answers are to be written in the Answer Booklet provided.
2. Candidates are not allowed to bring any unauthorized materials except writing equipment into the Examination Hall. Electronic dictionaries are strictly prohibited.
3. This question paper must be submitted along with all used and/or unused rough papers and/or graph paper (if any). Candidates are NOT allowed to take any examination materials out of the examination hall.
4. Only ballpoint pens are allowed to be used in answering the questions, with the exception of multiple choice questions, where 2B pencils are to be used.

WARNING: The University Examination Board (UEB) of BERJAYA University College of Hospitality regards cheating as a most serious offence and will not hesitate to mete out the appropriate punitive actions according to the severity of the offence committed, and in accordance with the clauses stipulated in the Students' Handbook, up to and including expulsion from BERJAYA University College of Hospitality.

Total Number of pages = 9 (Including the cover page)

PART A : **MULTIPLE CHOICE QUESTIONS (25 MARKS)**
INSTRUCTION(S) : **TWENTY FIVE (25)** questions. Write your answers on the Answer Booklet(s) provided.

1) Which of the following could be considered a major reason that a city would want to host the Olympic Games?

- A) to prevent the economic growth of competing nations
- B) the long-term benefits of tourism
- C) to test the capacity of national infrastructure
- D) to promote international harmony

2) _____ is the buying of products made in other countries for use or resale in one's own country.

- A) Exporting
- B) Importing
- C) Merchandising
- D) Transporting

3) Companies doing international business are more likely to be successful when they _____.

- A) conduct frequent performance appraisals
- B) understand local market characteristics
- C) employ primarily local managers
- D) rely on experienced expatriates

4) Which of the following aspects about Canada is a concern to many international investors?

- A) legal system instability
- B) separatist movement
- C) weak infrastructure
- D) education system

5) The Japanese term, keiretsu, refers to a(n) _____.

- A) major Japanese bank
- B) family of interrelated companies
- C) export trading company
- D) supplier

6) Statutory law is primarily based on _____.

- A) legislative actions
- B) historic precedents
- C) moral judgments
- D) religious beliefs

7) Religious law is primarily based on _____.

- A) legislative actions
- B) judges' court decisions
- C) codifications of permissible acts
- D) officially established rules governing a faith

8) Which virtue of a job candidate would most likely be perceived as valuable by a Japanese employer?

- A) unity
- B) a competitive nature
- C) individualism
- D) quantifiable material goals

9) Which of the following is not a component of social structure?

- A) individual roles
- B) stratification of society
- C) individual mobility within society
- D) societal dress codes within regions

10) In which of the following countries is social mobility likely to be highest?

- A) the United States
- B) India
- C) the United Kingdom
- D) Hong Kong

11) Behavior that fails to conform to generally accepted social norms is considered _____.

- A) ethical
- B) unethical
- C) illegal
- D) unregulated

12) BP's program to prepare managers at headquarters for assignments in Russia is an example of _____.

- A) ethics training
- B) selection procedures
- C) corporate socialization
- D) employee orientation

13) Which term refers to a decision that benefits an individual to the possible detriment of the organization?

- A) conflict of interest
- B) confidentiality
- C) ethical behavior
- D) breach of privacy

14) _____ is a commodity that consists of currencies issued by countries other than one's own.

- A) Eurozone
- B) Foreign exchange
- C) Floating exchange
- D) International monetary fund

15) The price of foreign exchange is set by _____.

- A) the international monetary fund
- B) the gold standard
- C) demand and supply in the marketplace
- D) administrators of the World Bank

16) _____ assume exchange rate risks by acquiring positions in a currency and hoping that they can correctly predict changes in the currency's market value.

- A) Commercial customers
- B) Speculators
- C) Arbitrageurs
- D) Individuals

17) _____ implies that the national government exerts minimal influence on the exporting and importing decisions of private firms and individuals.

- A) Fair trade
- B) Free trade
- C) Managed trade
- D) Equitable trade

18) The "level playing field" argument is primarily used to justify government policies that _____.

- A) reduce import tariffs
- B) restrict foreign competition
- C) establish regional trade blocs
- D) manipulate foreign exchange

19) The determination of which industries deserve infant industry protection is often done _____.

- A) on a political basis
- B) on an economic basis
- C) by happenstance
- D) on an environmental basis

20) What is the best means of promoting economic development in Mexico?

- A) trade
- B) mercantilism
- C) protectionism
- D) export substitutions

21) What organization replaced the GATT?

- A) World Bank
- B) World Trade Organization
- C) International Trade Commission
- D) NAFTA

22) _____ is the process of developing a particular international strategy.

- A) Strategic planning
- B) Global management
- C) Multinational flexibility
- D) International strategic management

23) _____ occur(s) when firms build factories that serve more than one country and lower their production costs.

- A) Multinational flexibility
- B) Economies of scale
- C) Location efficiencies
- D) Economies of scope

24) Which of the following is not one of the three steps in increasing market share, revenue, and profits?

- A) assess alternative markets
- B) evaluate respective costs, benefits, and risks
- C) perform a situation analysis
- D) select market with most potential for entry or expansion

25) Which theory listed below is useful in deciding which mode of entry to use when entering foreign markets?

- A) ownership advantage theory
- B) internalization theory
- C) eclectic theory
- D) relative factor endowments

END OF PART A

PART B : STRUCTURED ANSWER QUESTIONS (75 MARKS)
INSTRUCTION(S) : FIVE (5) questions. Write your answers in the Answer Booklet(s) provided.

QUESTION 1 – Answer the Three (3) Sub-Questions below:-

- a. Explain Comprehensive Alliance and Functional Alliance. (5 marks)
 - b. Discuss factors that should be considered prior to selecting a strategic alliance partner and the Five (5) factors that threaten the success of strategic alliance. (5 marks)
 - c. Identify Three (3) types of management agreements used for strategic alliances and explain does a shared management agreement work. (5 marks)
- (Total 15 marks)**

QUESTION 2 – Answer the Three (3) Sub-Questions below:-

- a. Explain the difference between needs and values and the meaning of motivation. (5 marks)
 - b. Discuss why it is important for an international manager to understand motivation. (5 marks)
 - c. Draw a diagram illustrate the need levels in Maslow's hierarchy of needs and explain what role these needs play in international management. (5 marks)
- (Total 15 marks)**

QUESTION 3 – Answer the Three (3) Sub-Questions below:-

- a. Explain contract manufacturing and identify Three (3) advantages and disadvantages of contract manufacturing. (5 marks)
 - b. Explain the meaning of Internalization Advantages and Ownership Advantages. (5 marks)
 - c. Discuss the difference between International Licensing and International Franchising and explain briefly the advantages of each entry mode. (5 marks)
- (Total 15 marks)**

QUESTION 4 – Answer the TWO (2) Sub-Questions below:-

- a. Briefly describe the Four (4) strategic alternatives for international business. (9 marks)
 - b. Describe the acronym of SWOT and explain the purpose of conducting a SWOT analysis. (6 marks)
- (Total 15 marks)**

QUESTION 5 – Answer the TWO (2) Sub-Questions below:-

- a. Explain the difference between a high-context and low-context culture. Provide examples of each to illustrate your answer. (5 marks)
 - b. Identify the Four (4) basic components of strategy development and explain the meaning of each component. (10 marks)
- (Total 15 marks)**

END OF EXAM PAPER