



**PART A : Multiple Choice Questions**

**INSTRUCTION(S) :** Answer ALL questions on the answer sheet provided.

---

**Part A (25 Marks)**

1. Which of the following statement is well-founded?

When doing business internationally, a businessman has the following right knowledge:

- a. must be aware of the differences between their home market and the host market.
- b. need not be aware of the differences between their home market and the host market.
- c. must be conscious of the difference of business practice in the regional economic alliance
- d. must be aware of the internal strategic direction.

2. Almost any large international company you work for must have the right circumstance:-

- a. Understand the importance of continuous improve in market share
- b. Will have international operations or be affected by the global economy.
- c. Need to plan for new product introduction to maintain the market position
- d. Must maintain its domestic market share.

3. The growth of international business activity depends on which of the condition:

- a. dependent on spread of globalization
- b. influence by the economic condition
- c. facilitated by political changes, and by technological changes.
- d. directed by government incentive

4. Which of the following condition is factual in international business? Political change has opened more markets to international businesses; and technological change

- a. has given them the ability to compete in these newly opened market!
- b. has not induce any industry activities
- c. has deter any enthusiasm in new product development
- d. has not deter any enthusiasm in new product development

5. Even though China GDP growth has slow down since 2015, the country has achieved some positive position

- a. was forced to change direction to improve
- b. have faced many FDI withdrawal
- c. still among the largest market in the world.
- d. is facing further economic slowdown.

6. An important trade alliance ASEAN is now one of the most important trading areas.
- third largest in the world after the European Union and the North American.
  - most disorganized economic alliance.
  - economic alliance that has lost the direction
  - poorest region in Asia
7. Every country established its own accounting standard and practices may face some issue?
- .which simplify the tasks of interpreting and comparing the financial statements of firms domiciled in different countries
  - which complicated the tasks of interpreting and comparing the financial statements of firms domiciled in different countries
  - which complicated the tasks of compiling the required national accounting standard
  - which required specific training to meet the statutory requirement
8. Which of the following condition is factual in international business?
- A high context cultures addressing the tasks at hand is more important than building relationship; in low-context culture the reverse is true
  - A low- context cultures addressing the tasks at hand is more important than building relationship; in high-context culture the reverse is true
  - Low or high context has no significant impact on building international business relationship
  - Building international business and accomplish tasks are dependence on position of strength.
9. Which of the following is a necessity in doing international business?
- International business need not to develop strategies and policies for dealing with their different expectations on corporate roles.
  - International business need to develop strategies and policies for dealing with their different expectations on corporate roles.
  - Dealing with different expectation on corporate roles is a norm not to be overly excited
  - Use delay or procrastinate tactic to cool off the differences on expectations on corporate roles.

10. Which of the following apply to international market entry?

- a. Foreign Direct Investment (FDI) is not induced by supply, demand and political factors.
- b. Foreign Direct Investment (FDI) can be motivated by supply, demand and political factors
- c. Foreign Direct Investment (FDI) is through relationship building
- d. Foreign Direct Investment (FDI) happen by accident

11. Which of the following apply to international investment?

- a. Countries often do provide economic development incentives to encourage FDI and the jobs that FDI creates.
- b. Country often uses local resource as inducement to attract and encourage FDI and the jobs that FDI creates.
- c. Investor often follows the “wild-geese” migration pattern in FDI entry in new market
- d. Countries often provide economic development incentives to encourage FDI and the jobs that FDI creates.

12. Which of the following apply to foreign exchange control?

- a. There is only one primary type of Exchange rate system: flexible exchange rate systems
- b. There is only one primary types of Exchange rate system: fixed exchanges rate systems
- c. There are many primary types of Exchange rate system
- d. There are two primary types of Exchange rate system: flexible exchange rate systems and fixed exchanges rate systems

13. Which of the following is appropriate to foreign exchange control?

- a. The price of a foreign currency – its exchange rate-is determined by the supply and demand, just like prices in thousands of other market using direct and indirect quote
- b. The price of a foreign currency – its exchange rate-is not determined by the supply and demand, just like prices in thousands of other market using direct and indirect quote
- c. The price of a foreign currency – its exchange rate-is determined by the central bank of the country, just like pricing the product and service by the marketers
- d. The price of a foreign currency – its exchange rate-is determined by the currency dealers in forward buying and / or hedging through international banking transaction.

14. Which of the following is best suited to international business activities?

- a. A firm’s decision to undertake foreign investment will never be influenced by supply market including production costs, logistics and natural resources
- b. A firm’s decision to undertake foreign investment is influenced only by supply market
- c. A firm’s decision to undertake foreign investment is influenced only by logistics and availability of natural resources
- d. A firm’s decision to undertake foreign investment is influenced by supply market including production costs, logistics and natural resources

15. Which of the following is the major barriers to international trade?

- a. tariffs, quotas and other trade barriers.
- b. transportation costs
- c. Market potential
- d. labour costs

16 . Which of the following is appropriate to the world organization?

- a. The WTO's powers are weaker and its agenda is narrower than GATT
- b. The WTO's powers are controlled by stronger members and its agenda is controlled
- c. The WTO's powers are stronger and its agenda is broader than GATT
- d. The WTO's powers are control by China and Asian countries

17. Free trade area is the most basic form of economic cooperation. Member countries remove all barriers to trade between themselves. Which of the following is appropriate to the situation?

- a. but are not free to independently determine trade policies with non member nations.
- b. but are free to independently determine trade policies with non member nations.
- c. but are allow to determine trade policies with non member nations in a areas not confrontational to members.
- d. but can only allow to determine trade policies with non member nations after full approval from the member group.

18. Which of the following is applicable in international strategic management?

- a. Given the simplicity of international business strategic management, a corporate strategy need not be supported by business and functional strategies to be realizable.
- b. Given the complication of international strategic management, no corporate strategy can be implemented with business strategy.
- c. Given the complexity of international strategic management, a corporate strategy must be supported by business and functional strategies to be realizable.
- d. Given the simplicity of international strategic management, there is no need to have a corporate strategy

19. Which of the following is fully achievable in Strategic alliance?

- a. Strategic alliance occurs when one company has an arm's length relationship with another
- b. Strategic alliance can happen by chance due to convenience
- c. Strategic alliance occurs when two or more companies agree to cooperate to achieve a mutual objective
- d. Strategic alliance occurs when one company has a normal business transaction with supplier.

20. Which of the following is correct in Strategic alliance?

- a. Joint ventures are often created to facilitate market entry but not share risks, transfer knowledge and expertise and promote synergies and competitive advantages
- b. Joint ventures are often created even if they cannot facilitate market entry, share risks, transfer knowledge and expertise and promote synergies and competitive advantages.
- c. Joint ventures are often created to facilitate market entry, share risks, transfer knowledge and expertise and promote synergies and competitive advantages.
- d. Joint ventures are often created to facilitate market entry, share risks, transfer knowledge and expertise but not promoting synergies and competitive advantages

21. What is an emerging economy? Which of the following is NOT valid?

- a. A nation with an economy that is progressing towards developed status.
- b. A nation with an economy that is already developed status.
- c. An economy with a high annual growth rate, measured using gross domestic product (GDP).
- d. Growth may be taking place across a wide variety of economic sectors, including services as well as manufacturing exports.

22. Which of the following statement is inaccurate?

Four Global Foundations of Law are

- a. Islamic law, Socialist law, Common law, and Civil law
- b. Islamic law, Theocratic law, Common law, and Civil law
- c. Islamic law, Socialist law, Common law, and Customary law
- d. Islamic law, Socialist law, customary law, and Civil law

23. Which of the following is not correct?

- a. Compatibility of partners will jeopardize effective strategic alliance.
- b. Incompatibility of partners will jeopardize effective strategic alliance.
- c. Partners can contribute to business success even if they are not agreeing with strategy
- d. Partnership do not require good relationship

24. Which of the following is not preferred?

- a. Conflict of interest and changing circumstances have very limited impact the success of strategic alliance,
- b. Conflict of interest and changing circumstances will not seriously impact the success of strategic alliance,
- c. Conflict of interest and changing circumstances may enhance the success of strategic alliance.
- d. Conflict of interest and changing circumstances will seriously impact the success of strategic alliance

25. Why use an NDA (Non-Disclosure Agreement)? It performs several functions, which of the following in not collect?

- a. Protect sensitive information
- b. Define what is considered confidential
- c. Limit the use of confidential information
- d. Cannot prevent the forfeiture of parent right

**End of Part A**

**PART B : ESSAY QUESTIONS (75 MARKS)**  
**INSTRUCTION(S) : Answer Only Five (5) essay questions out of Seven (7). Answers are to be written in the Answer Booklet provided.**

---

Part B (75 Marks)

**Question 1**

Intellectual property is an important asset for most multinational companies. Protecting their rights to the property is a critical priority for international firms from both legal and strategic perspective.

(15 Marks)

a. Name three types of intellectual property rights

(5 Marks)

b. What are the three essential requirements of a Trade Secret?

(5 Marks)

c. List 3 situations where the value of a brand is affected?

(5 Marks)

**Question 2**

National and regional cultures often view common business practices very differently. A gift may be viewed as an appropriate acknowledgement of a business relationship in one culture but as a bribe in another culture.

(15 Marks)

a. List 3 arguments against for Bribery

(5 Marks)

b. List 3 arguments for Bribery

(5 Marks)

c. How would you propose to manage ethic across border?

(5 Marks)

**Question 3**

Globalization has become a necessity in current economic environment. Economic globalization is the international integration of goods, technology, labour, and capital.

(15 Marks)

a. There are five major kinds of drivers that are leading international firms to the globalization of their operations. List three of them!

(5 Marks)

b. List 3 factors contributing to rapid growth of International business

(5 Marks)

c. Globalization has created the need for institutions to help manage, regulate and police the global marketplace. Please name three of them!

(5 Marks)



#### Question 4

Exchange Rate Regime which is the arrangement whereby a government manages its country's currency in relation to the rest of the world and the resulting structure through which the price (i.e., exchange rate) of that country's currency is determined on foreign exchange markets.

(15 Marks)

a. Please state the structures for determining the exchange rate:

(7.5 Marks)

b. Please discuss the role of *Banks in the Foreign Exchange Market*?

(7.5 Marks)

#### Question 5

Products become more fashionable and prices are cascading downward rapidly and continuously. Think global business is all about leading-edge, high-tech gadgets, consumer products, or industrial manufacturing items. Thus International strategic alliance becomes important.

(15 Marks)

a. Can you list three benefits that strategic alliance can provide?

(5 Marks)

b. What types of Strategic Alliances are available?

(5 Marks)

c. List four (4) problems that Strategic Alliance may encounter?

(5 Marks)

#### Question 6

Given the increasing complexity of international business, many MNCs find it a necessity to develop strategic management to ensure better financial results.

(15 Marks)

a. Identify the three levels of strategic management that an international company must use.

(5 Marks)

b. Identify the 5 generic competitive strategies that Porter has popularized

(5 Marks)

c. Select only one of the 5 generic competitive strategies you have identified and name three advantages

(5 Marks)

**Question 7**

Assume that you are an International business in Malaysia located in Selangor with annual sales volume of RM 3 billion. Suppose you have a division wants to invest into Middle Eastern country, please answer the following questions

(15 Marks)

a. List three determinants of organization structure

(5 Marks)

b. List 4 factors that Influence the Amount of Centralization of an organization.

(5 Marks)

c. List 3 each of advantages and disadvantages of decentralized organization.

(5 Marks)

**END OF EXAM PAPER**