

FINAL EXAMINATION
NOVEMBER 2023

COURSE TITLE	INTERNATIONAL BUSINESS
COURSE CODE	RMGT3413
DATE/DAY	24 FEBRUARY 2024 / SATURDAY
TIME/DURATION	09:00 AM - 11:00 AM / 02 Hour(s) 00 Minute(s)

INSTRUCTIONS TO CANDIDATES :

1. Please read the instruction under each section carefully.
2. Candidates are reminded not to bring into examination hall/room any form of written materials or electronic gadget except for stationery that is permitted by the Invigilator.
3. Students who are caught breaching the Examination Rules and Regulation will be charged with an academic dishonesty and if found guilty of the offence, the maximum penalty is expulsion from the University.

(This Question Paper consists of 5 Printed Pages including front page)

*****DO NOT OPEN THE QUESTION PAPER UNTIL YOU ARE TOLD TO DO SO*****

This question paper consists of TWO (2) sections. Answer ALL questions in the answer booklet provided. [60 MARKS]

SECTION A

(40 Marks)

There are TWENTY (20) questions in this section. Answer ALL questions in the answer booklet.

1. Currency issued by countries other than one's own is:
 - A. Eurozone.
 - B. Foreign exchange.
 - C. Floating exchange.
 - D. International monetary fund.

2. A(n) _____ is the value of one country's currency expressed in relation to the currency of another country.
 - A. Tariff
 - B. Quota
 - C. Exchange rate
 - D. Subsidy

3. Outright forward transactions involve the exchange of currency on a future date beyond two business days at a fixed exchange rate, known as the:
 - A. Option rate.
 - B. Forward rate.
 - C. Spot rate.
 - D. Reverse transaction rate.

4. In a country like Russia, where there is a great deal of corruption, a multinational enterprise MNE would most likely use _____ to fund corporate activities.
 - A. Debt
 - B. Equities
 - C. Cash
 - D. Countertrade

5. The global capital market offers all of the following advantages to firms EXCEPT:
 - A. Financing at a reduced cost.
 - B. Numerous investment opportunities.
 - C. Wide array of financing sources.
 - D. Short-term financing options.

6. Strategy is:
 - A. A quality of executive management that provides inspirational guidance and motivation to personnel, leading the firm to a better future.

- B. The pattern of shared values, behavioural norms, systems, policies, and procedures that employees learn and adopt.
- C. A planned set of actions that managers employ to make the best use of the firm's resources and core competencies to gain competitive advantage and accomplish organisational objectives.
- D. The procurement of selected value-chain activities, including production of intermediate goods or finished products, from independent suppliers.
7. Phillip is an international business manager with Corbin Manufacturing. Which of the following serves as an external influence on the business decisions that Phillip makes?
- A. Host country monetary policy.
- B. Production plant locations.
- C. Supply chain linkages.
- D. Product design standards.
8. A(n) _____ outlines a firm's ultimate goal and its guiding values in broad terms.
- A. Mission
- B. Strategy
- C. Vision
- D. Imperative
9. A strategy that focuses on lowering operating costs is referred to as a:
- A. Differentiation strategy.
- B. Cost leadership strategy.
- C. Niche market strategy.
- D. Diversification strategy.
10. A company that employs a(n) _____ strategy creates value by generating customer insights and translating those insights into innovations.
- A. Differentiation
- B. Diversification
- C. Cost leadership
- D. Innovation
11. Which of the following transactions refers to the sale of goods or services produced by a company based in one country to customers that reside in a different country?
- A. Importing.
- B. Countertrading.
- C. Exporting.
- D. Freight forwarding.
12. A Swedish accounting firm prepares the books of a Swedish company that exports to foreign markets. The Swedish accounting firm will be performing a(n):

- A. Indirect merchandise export.
- B. Merchandise export.
- C. Indirect service export.
- D. Indirect service import.

13. Which of the following is **NOT** one of the three main types of importers?

- A. importers looking for suppliers abroad to concentrate their operating risks.
- B. Importers looking for any product around the world they can deliver to local citizens for a profit.
- C. Importers looking to foreign sourcing to get the highest quality products at the lowest possible price.
- D. Importers using foreign sourcing to optimise their supply chains.

14. Which of the following is **NOT** a general type of importer?

- A. Optimizers.
- B. Opportunism.
- C. Arbitrageurs.
- D. Countertrader.

15. All of the following are common problems associated with exporting and importing **EXCEPT**:

- A. Finding reliable intermediaries.
- B. Managing financial risks.
- C. Matching foreign rivals' prices.
- D. Establishing distribution networks.

16. Historically, managers built organisations by focusing on the boxes and lines of a(n):

- A. Innovative structure.
- B. Formal structure.
- C. Collaborative structure.
- D. Flexible structure.

17. The balance between centralisation and decentralisation of authority in a company is known as:

- A. Systemic differentiation.
- B. Horizontal differentiation.
- C. Schematic differentiation.
- D. Vertical differentiation.

18. Johnson & Johnson distributes decision-making power among departments and divisions. This policy provides managers with a sense of ownership and control at the company. Johnson & Johnson is best described as a:

- A. Vertical organisation.

- B. Decentralised organisation.
 - C. Horizontal organisation.
 - D. Centralised organisation.
19. Which of the following gives headquarters considerable authority and control over the firm's activities worldwide?
- A. Nationalisation.
 - B. Home replication strategy.
 - C. Centralised approach.
 - D. Decentralised approach.
20. Functional structures for international operations are most likely found among those companies that:
- A. Have a narrow range of products that rely on economies of scale.
 - B. Have multiple products that share few common technologies.
 - C. Rely on differentiated marketing methods.
 - D. Compete in unstable industries.

SECTION B

(20 Marks)

There are **THREE (3)** questions in this section. Answer any **TWO (2)** questions in the answer booklet.

1. Strategic alliances refer to cooperative agreements between potential or actual competitors.
- a) State **FOUR (4)** reasons why strategic alliances are attractive. (4 marks)
 - b) Describe **THREE (3)** factors that lead to the success of strategic alliances. (6 marks)
2. Organisational architecture is the totality of a firm's organisation, including organisational structure, control systems and incentives.
- a) Describe what is organisational culture. (6 marks)
 - b) List **FOUR (4)** ways to maintain organisational culture. (4 marks)
3. Human resource managers in international business make decisions on the types of staffing policy or approach to use for effective human resource development.
- a) Explain what is staffing policy. (4 marks)
 - b) Discuss **THREE (3)** main approaches to staffing policy. (6 marks)

***** END OF QUESTION PAPER *****