

SULIT



BAHAGIAN PEPERIKSAAN DAN PENILAIAN
JABATAN PENDIDIKAN POLITEKNIK
KEMENTERIAN PENDIDIKAN TINGGI

JABATAN PERDAGANGAN

PEPERIKSAAN AKHIR
SESI DISEMBER 2015

DPP 2013: INTRODUCTION TO INTERNATIONAL BUSINESS

TARIKH : 9 APRIL 2016
MASA : 11.15 AM – 1.15 PM (2 JAM)

Kertas ini mengandungi **SEPULUH (10)** halaman bercetak.
Bahagian A: Objektif (25 soalan)
Bahagian B: Esei (3 soalan)
Dokumen sokongan yang disertakan : Tiada

JANGAN BUKA KERTAS SOALAN INI SEHINGGA DIARAHKAN

(CLO yang tertera hanya sebagai rujukan)

SULIT

SECTION A

OBJECTIVES (25 marks)

INSTRUCTION:

This section consists of TWENTY FIVE (25) objective questions.

Answer ALL questions in the answer booklet.

- CLO1
C1
1. _____ is defined as the economic system of exchanging goods and services, conducted between individuals and businesses in multiple countries.
- A. Domestic market
 - B. Global market
 - C. International business
 - D. Exporting
- CLO1
C1
2. A firm that operates in other country is known as
- A. Home country
 - B. Host country
 - C. Independent country
 - D. Colonial country
- CLO1
C1
3. Akhtar Aman Company from Malaysia purchases Abaya from Qatar and sell in stores in Malaysia. Which international business activity does this represent?
- A. Importing
 - B. Exporting
 - C. franchise
 - D. investments

- CLO1
C1
4. Which of the following is the key player in international business
- Multinational Enterprise (MNEs)
 - Small and Medium sized International Enterprises
 - International Direct Venture Firms (IDVFs)
 - All of the above
- CLO1
C1
5. Which of the following is an example of importing?
- A factory from Singapore bought a container of fruits from Malaysia
 - Mark purchased antiques table from Morocco for his new house.
 - The Indonesia government bought 3 tonnes of rubber from Malaysia..
 - All the above
- CLO1
C1
6. Which of the following statements describes business risk in international business.
- Business risks are the potentially adverse effects on company operation and profitability hole resulting from development in the political, legal and economic environment in a foreign country.
 - Business risk is the a potential risk adverse effect due to unexpected fluctuations in exchange trade, inflation and others.
 - Business risk is a firm's potential loss or failure from poorly developed or poorly executed business strategies, tactics, or procedures.
 - Business risk involves a situation or event whereby cultural miscommunication can put a damper on business dealings and at the same time place human values at a risk.

- CLO 1
C1
7. The following information are true about why firms go international EXCEPT: _____
- To maximize return on investment
 - To minimize cost
 - To avoid competition in a local market
 - To gain market power and maximized production possibilities.
- CLO 1
C1
8. Globalization creates the environment below _____
- Strategic imperatives and environmental changes
 - Capital supplied by residents of one country to residents of another
 - International trade and international investment
 - Facilitate globalization processes; consists of political and technological environments
- CLO 1
C1
9. Globalization affects the world in different areas. There are _____
- Industrial and financial sectors
 - Economic and political sectors
 - Language and environment
 - All of the above
- CLO1
C1
10. Coca Cola firm is an example of _____ firm.
- Global company
 - Multidomestic company
 - Transnational company
 - Small medium enterprise

- CLO 1
C1
11. Yusrin has subsidiaries in several countries. The subsidiaries provide a great deal of discretion to respond to local conditions. Each subsidiary has its own manufacturing, marketing, research, and human resource functions. This refer, to_____.
- A Small Medium Enterprise
B Multidomestic Company
C Global Company
D Transnational Company
- CLO 1
C1
12. Which term best describes Clarks?
- A Global Company
B International joint venture
C Multilateral contract
D International commodity agreement
- CLO 1
C1
13. Which of the following are the main criteria for MNE?
- A Structure, Behavior, Performance and Coordination
B Structure, Behavior and group style
C Performance , Capital and financial
D Performance , Coordination and result
- CLO 1
C1
14. Regarded as one of the most successful and profitable businesses in highly competitive technology industry in the world, Apple has a history of introducing state-of-the-art consumer products like the iPhone and iPad. Which type of entry mode strategy is used by Apple.
- A. Mutidomestic Company
B. Global Company
C. Transnational Company
D. Domestic Company

- CLO 1
C1
15. Which one of the following influences company's decision for foreign investment.
- A. Distance from the company's home country
B. Main language
C. Market
D. Population size
- CLO 1
C1
16. Access to cheap labor can be categorized as _____.
- A. Leverage of core competencies
B. Acquisition of resources
C. Access to new markets
D. All of the above
- CLO 1
C1
17. A multinational corporation is a business organization which manufactures and markets products in many different countries and has multinational stock ownership and multinational management. Which of the corporations listed below does not belong to the top five of the largest corporation?
- A. BP
B. Wal-Mart
C. Exxon Mobil
D. Microsoft
- CLO2
C2
18. Which of the following is a characteristic of a licensing agreement?
- A. The licensor might provide access to some of its patents or trademarks
B. The licensor might provide access to technology.
C. It might be used to avoid the risks of foreign involvement.
D. All of the above
- CLO 2
C2
19. Wholly owned subsidiary can also be done with _____
- A. Exporting
B. Joint venture
C. Acquisition
D. Turnkey project

- CLO 2
C2
20. McDonald's, KFC, and Subway are examples of _____
- Joint Venture
 - Licensing Agreement
 - Wholly Owned Subsidiaries
 - Franchise
- CLO 2
C2
- 21 Toyota Motor Corporation, a Japanese automotive manufacturer headquartered in Aichi, Japan, built a subsidiary from scratch in Malaysia. This is an example of:
- Franchising
 - Greenfield Operation
 - Joint Venture
 - Licensing
- CLO 2
C2
- 22 Which of the following is **NOT** a mode of entry into foreign markets?
- Exporting
 - Internationalisation
 - Licensing
 - Joint venture
- CLO 2
C2
- 23 The definition of a joint venture company is _____.
- where foreign investors join with local investors to share ownerships and control
 - where two people or more own the firm jointly
 - where foreign investors join with others to own the firm
 - where ownership is by investors of foreign firms

- CLO 2
C2
24. Fuji-Xerox, a company formed by an agreement between Fuji Photo and Xerox this is an example of:
- Exporting
 - Internationalization
 - Licensing
 - Joint venture
- CLO 2
C2
- 25 All of the following are benefits of acquisitions **EXCEPT**:
- Quick and easy to execute
 - Less risk as compared to green-field ventures
 - Preempt their competitors
 - Less expensive when compared to green-field ventures

INSTRUCTION:

This section consists of **FOUR (4)** essay questions. Answer **ALL** questions.

QUESTION 1CLO1
C1

a. Before firms go international, they should consider the risk for the company.

Describe the external environment to international business as stated below:

- i. Economic Environment [5 marks]
- ii. Political Environment [5 marks]
- iii. Cultural Environment [5 marks]

CLO1
C2

b. Multinational Enterprises (MNEs) also known as Multinational Company

(MNC). Describe the types of MNE as stated below:

- i. Multidomestic firm [5 marks]
- ii. Multinational firm [5 marks]

QUESTION 2CLO2
C2

Nur Cemerlang Sdn Bhd plans to expand its textile products to Chinese market.

a. As the manager of the company, Identify three basic decision before entering into foreign markets.

[10 marks]

CLO2
C2

b. Discuss **THREE (3)** modes of entry in international business.

[15 marks]

QUESTION 3CLO3
C3

a) Explain **THREE (3)** types of country risks

[9 marks]

CLO3
C3

b) Apply Japanese's culture based on Hofstede's **FOUR (4)** dimensions of culture framework

[16 marks]

END OF QUESTION