

CONFIDENTIAL

P4504: INTERNATIONAL BUSINESS

INSRTUCTION

Answer **four (4)** Questions Only

QUESTION 1

(a) Describe cultural differences across country as below:

- i. Language
- ii. Religion
- iii. Values and attitudes
- iv. Education level
- v. Technology and Material Culture

(10 marks)

(b) Describe **FIVE (5)** Hofstede's 5 Dimension of National Culture.

(15 marks)

POLITEKNIK
Jabatan Pengajian Politeknik

EXAMINATION AND EVALUATION DIVISION
DEPARTMENT OF POLYTECHNIC EDUCATION
(MINISTRY OF HIGHER EDUCATION)

COMMERCE DEPARTMENT

FINAL EXAMINATION
DECEMBER 2011 SESSION

P4504: INTERNATIONAL BUSINESS

DATE : 25 APRIL 2012 (WEDNESDAY)
DURATION : 2 HOURS (8.30 AM – 10.30 AM)

This is a paper consisting of **SIX (6)** pages including the front page.
Essay (5 questions – answer 4 questions)

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CHIEF INVIGILATOR

QUESTION 3

(a) Describe the following economic system

- i. Centrally planned economy
- ii. Mixed economy

(5 marks)

(b) Explain the following key economic indicator that affect the level of economic development of a country:

- i. Per capita income
- ii. Quality of life
- iii. Purchasing of power
- iv. Structure of production

(7 marks)

(c) Usually managers who are involved in international business will categories the country through a country's level of economic development. Explain each of the categories.

- i. Developed countries
- ii. Developing countries
- iii. New industrializing countries (NICs)

(12 marks)

QUESTION 2

(a) Describe the following political risk:

- i. Ownership risk
- ii. Operating risk
- iii. Transfer risk

(6 marks)

(b) Discuss the impact of political risks that can adversely affect the value of the firm's business.

- i. Expropriation and confiscation
- ii. Terrorism
- iii. Civil War

(9 marks)

(c) Explain the following political ideologies:

- i. Communism
- ii. Capitalism
- iii. Socialism
- iv. Conservative or Liberal

(10 marks)

QUESTION 4

(a) Here is a common organizational structure used by the company either at home or foreign country in order to meet local market needs as well as the headquarters globalization strategy. Discuss the following structure:

i. International Division (5 marks)

ii. Global Functional Division (5 marks)

iii. Product Division (5 marks)

(b) Explain the method used to control companies at local or international level as below:

i. Corporate culture

ii. Reports

iii. Management vs. subsidiary performance

iv. Cost and accounting comparability (10 marks)