International Management 7.5 ECTS

Ladok code: 
The exam is given to: Registered students 

Name: ____________________________

Personal number: ____________________________

Date of exam: 2nd of June
Time: 09:00 – 14:00

Means of assistance: No assistance

Total amount of point on exam: 60 points in total

Requirements for grading:
< 35 points = FX; 36 – 39 points = E; 40 – 42 points = D; 43 – 47 points = C
48 – 53 points B; 54 – 60 points = E.

Additional information:
Students can choose to answer in English or Swedish.

Next re-exam date:
Next exam in end of August 2014

The results are, for the most part, posted within three weeks after the exam, otherwise it’s the following date:

Important! Do not forget to write your name on each sheet you hand in.

Good Luck!

Examiner: Helgi-Valur Fridriksson
Phone number: 070 530 6628
Theme 1: Multiple-choice questions. Total credits 30, i.e. 2 points for each question. Mark your answer with a circle. Only one circle is valid.
Right answer will give you 2 points; wrong answer – 0.5 points; no answer 0 points.

1) Which of the following best explains China's success in exporting?
   A) low costs and steady stream of capital
   B) geographic location in the world
   C) high educational standards
   D) close ties with Japan

2) Which of the following is an advantage of e-business?
   A) lower cost of production
   B) easy availability of technology
   C) convenience in conducting business worldwide
   D) increased availability of information

3) In recent years, which of the following has lessened the criticisms of MNCs?
   A) increasing economic differences among countries
   B) greater emphasis on social responsibility by MNCs
   C) limited emphasis on social responsibility and ethical behavior
   D) dissolution of MNCs in developing countries

4) Which of the following is a business benefit from corporate social responsibility?
   A) revenue decreases
   B) cost increases
   C) increase in brand value
   D) risk assessment

5) Which of the following is NOT categorized as a sociocultural variable of culture?
   A) religion
   B) economy
   C) education
   D) language

6) Which of the following is an advantage of organizational culture?
   A) long-term commitment
   B) tendency to adopt changes quickly
   C) excessive domestic focus
   D) individuality

7) Which of the following terms refers to any cultural variables that undermine the communication of intended meaning?
   A) cultural ethics
   B) cultural empathy
   C) cultural noise
   D) cultural attribution
8) Which of the following will help an international business manager cultivate trust in cross-cultural communications?
   A) staying away from conflicts that need to be addressed
   B) making communications as formal as possible and refraining from open communications
   C) socializing when possible and making friendly contacts with persons involved
   D) establishing trust and achieving hidden agenda without being conspicuous

9) Which of the following is the most common reactive reason for a firm to extend its operations overseas?
   A) tax incentives
   B) economies of scale
   C) globalization of competitors
   D) resource access and cost savings

10) Which of the following is the proactive reason that prompts firms to expand overseas?
    A) avoiding restrictive trade barriers
    B) solving logistics-related problems
    C) responding to foreign competition
    D) seeking economies of scale

11) Which of the following is the most beneficial aspect of an international joint venture?
    A) the international partner receives the entire profit
    B) the responsibility of risks is solely taken by the international partner
    C) the partner's local contacts and markets will be utilized
    D) the entire cost of production will be borne by the local partner

13) Which of the following is NOT a typical reason for forming cross-border alliances?
    A) to avoid import barriers
    B) to share R&D costs and risks
    C) to gain access to specific markets
    D) to test marketing campaigns overseas

14) Which of the following should ideally dictate the organizational structure and staffing needs of the firm?
    A) the firm's customers
    B) the size of the firm
    C) the firm's strategy
    D) the firm's short-term objectives

15) Which of the following is true with regard to the global staffing approach?
    A) As a rule, companies keen on "acting local" adopt a global staffing approach.
    B) In the global staffing approach, key managerial positions are generally filled with people from headquarters—that is, parent-country nationals.
    C) In a global staffing approach, local managers—that is, host-country nationals—are hired to fill key positions in their own country.
    D) Recruiting third-country nationals is a common aspect of the global staffing strategy.
**Theme II: True and false questions. 10 points, i.e one point each question**

<table>
<thead>
<tr>
<th>Question</th>
<th>True</th>
<th>False</th>
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<tbody>
<tr>
<td>1. The quantitative approach evaluates a country's economic risk by assessing the competence of its leaders and analyzing the types of policies they are likely to implement.</td>
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<td>2. Social responsibility deals with decisions and interactions mostly on an individual level.</td>
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<td>3. Improved customer attraction and retention; improved reputation; and improved employee recruitment, motivation, and retention are business benefits of corporate social responsibility.</td>
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<td>4. Contingency management requires managers to adapt to the local environment and people, and to manage accordingly.</td>
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<td>5. Stereotyping occurs when a person assumes that every member of a society or subculture has the same characteristics or traits.</td>
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<td>6. It is impossible for small businesses, such as those with fewer than 500 workers, to do business overseas.</td>
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<td>7. MNCs often partner with local small enterprises to capture new ideas and innovations.</td>
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<td>8. To maximize the long-term use of their global cadre, companies need to make sure that the foreign assignment and the reintegration process are positive experiences.</td>
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<td>9. Research indicates that correspondence through e-mails is the best way to kick off a virtual team project.</td>
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<td>10. Local managers are, by and large, ineffective in dealing with problems in sensitive political situations.</td>
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Theme III: Short essay questions. 20 points, i.e. 10 points for each question.

Question 1)
What is strategy? What is strategic planning?
Question 2)
What are some of the complexities of managing and implementing a global alliance? How can e-commerce enablers assist the process?