



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION
DEPARTMENT OF MANAGEMENT**

QUALIFICATION: BACHELOR OF MANAGEMENT	
QUALIFICATION CODE: 07BBMA	LEVEL: 8
COURSE CODE: GBM811S	COURSE NAME: GLOBAL BUSINESS MANAGEMENT
SESSION: JUNE 2022	PAPER: 1
DURATION: 3 HOURS	MARKS: 100

SECONDT OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	Dr A Asa Ms O.N Kangandjo
MODERATOR:	Mr M B Simasiku

THIS QUESTION PAPER MEMO CONSISTS OF 3 PAGES (Including this front page)

INSTRUCTIONS	
1.	Answer all questions.
2.	Read all the questions carefully before answering.
3.	Marks for each question are indicated at the end of each question.
4.	Please ensure that your writing is legible, neat and presentable and start each Section on a new page.

PERMISSIBLE MATERIALS

1. Examination question paper
2. Examination answer sheet

SECTION A

Question 1

[80 Marks]

- 1.1 Explain what is meant by globalization of production. Why do companies pursue this form of globalisation? (5)
- 1.2 What are the implications of cultural differences for international businesses? (8)
- 1.3 What are state-owned companies? Why do they usually perform poorly? (4)
- 1.4 What is a country's legal system? Why is it important to international businesses? (6)
- 1.5 Compare and contrast a free trade area and a common market. Provide examples for each. (12)
- 1.6 Firms need to pursue strategies that increase profitability and profit growth. Differentiate between profitability and profit growth. What can firms do to increase profitability and profit growth? (10)
- 1.7 Elaborate on the types of competitive Pressures that exist in the Global Marketplace? (5)
- 1.8 International businesses need to respond to pressures to be locally responsive. Discuss the factors that lead to pressure for local responsiveness. (10)
- 1.9 Managers in multinational firms need to be sensitive to differences in ethical issues. Identify ethical issues that are most relevant in the international business setting which managers ought to be aware of. (10)
- 1.10 Discuss the cultural relativism approach to business ethics. What is the connection between this approach and the phrase "When in Rome do as the Romans"? How well does this approach hold up ethically? (10)

Question 2

[20 Marks]

Read the case below and answer questions 3.1 to 3.3.

A Typical Day in the Global Economy

Julie Valentine is a college junior majoring in business. On a recent Saturday, she went shopping at a local mall. First, she ordered a big breakfast, unaware that most of her meal was imported from abroad: bacon from Spain, juice from Brazil, and French-branded yogurt. Julie then headed to the department store to buy a gift for her father. She perused neckties with Italian and French brand names, and others made in China and Romania. She also considered electric shavers made by Braun (a German brand) and Philips (a Dutch brand). She eventually bought a Panasonic (a Japanese brand). Next, she headed to the perfume counter, where she tried various brands, including Chanel (France), French Connection (United Kingdom), and Shiseido (Japan).

Julie was dreaming of buying a laptop computer. At the electronics store, she explored several models made in China, Ireland, and Malaysia. As she passed a travel agency, she remembered her spring vacation was just around the corner and decided to consult her best friend, Melissa. Whipping out her Nokia cell phone (a Finnish brand, but made in Hungary and South Korea), Julie reached Melissa, who answered on her Motorola phone (from a U.S. firm, but made in Malaysia). The two chatted about their dream trip to the beaches of southern Spain, considered Mexico, but decided they will probably end up in Florida. Julie looked at a blouse made in Vietnam, but hesitated to buy it because she had read that some products from Southeast Asia are made with child labor.

Julie left the mall and drove away in her Hyundai (a Korean brand, made from Chinese, Korean, and U.S. parts). She liked Melissa's car, a BMW (German, but made in the United States from Asian and European components). Over the following weeks, Julie and her exchange-student friend Anders (her favorite Norwegian import), met several times at a restaurant featuring food from various countries, including France, India, and Lebanon. On Friday night, they watched *The Dark Knight* (made in Britain, Hong Kong, and the United States, and featuring Australian and British actors) on a friend's big-screen TV (a Dutch brand, but made in Indonesia). Over dinner, Julie and Anders enjoyed pasta from Italy and shrimp from El Salvador and chatted about their future. Julie was dreaming of an international career.

Source: Cavusgil, S.T, Knight G, Riesenberger J. (2017). *International Business*. Pearson

- 2.1 Define globalisation (2)
- 2.2 There are two forms of globalisation. Discuss how each of these forms of globalisation is manifesting in the above case. (12)
- 2.3 In your view, what do you think made the globalisation observed in the given case possible? (6)

END OF QUESTION PAPER

Dr. Asa R Asa