



**NAMIBIA UNIVERSITY  
OF SCIENCE AND TECHNOLOGY**

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

<b>QUALIFICATION: BACHELOR OF BUSINESS MANAGEMENT HONOURS</b>	
<b>QUALIFICATION CODE: 08HBBM</b>	<b>LEVEL: 8</b>
<b>COURSE CODE: GBM811S</b>	<b>COURSE NAME: GLOBAL BUSINESS MANAGEMENT</b>
<b>SESSION: JUNE 2024</b>	<b>PAPER: 1</b>
<b>DURATION: 3 HOURS</b>	<b>MARKS: 100</b>

<b>SECOND OPPORTUNITY EXAMINATION QUESTION PAPER</b>	
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<b>MODERATOR:</b>	Mr M B Simasiku

**THIS QUESTION PAPER CONSISTS OF 6 PAGES** (Including this front page)

<b>INSTRUCTIONS</b>	
1.	Answer <b>all questions</b> .
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. Start each Section on a new page.

**PERMISSIBLE MATERIALS**

1. Examination question paper
2. Examination answer sheet

**SECTION A**

**Question 1**

**[2 x 10=20 Marks]**

Multiple choice questions from 1.1 – 1.10. Indicate the letter of the appropriate answer next to the corresponding question number in the provided answer book. For example, 1.1 B.

- 1.1 Which of the following has enabled globalization of markets?  
A. Differentiation amongst national markets  
B. Falling barriers to cross border trade  
C. Reduced homogeneity of material culture across the world  
D. Increased government ownership of factors of production
- 1.2 A multinational enterprise (MNE) is a firm that \_\_\_\_\_.  
A. exports its products to multiple countries  
B. has production units in more than two countries  
C. does most of its business on the Internet  
D. lists its securities on a public exchange
- 1.3 A political system that prioritizes the needs of the society over individual freedoms is called \_\_\_\_\_.  
A. totalitarianism  
B. collectivism  
C. capitalism  
D. egalitarianism
- 1.4 Which of the following statements about individualism is NOT true?  
A. Individualism promotes private entrepreneurship.  
B. Individualism promotes free market economics.  
C. Individualism creates an anti-business environment.  
D. Individualism advocates for a democratic political system.
- 1.5 Peoples' right to protest on issues of accountability in public expenditure would be possible in a \_\_\_\_\_ political set-up.  
A. dictatorial  
B. democratic  
C. totalitarian  
D. fascist
- 1.6 Which of the following statements about the legal systems of countries is NOT true?  
A. They can affect the attractiveness of a country as an investment site or market.  
B. They are influenced by the prevailing political system of the country.  
C. They are almost the same for all countries.  
D. They are of immense importance to international business.

- 1.7 Which of the following is the most widely practiced theocratic legal system in the world today?
- A. Hindu law
  - B. Sikh law
  - C. Islamic law
  - D. Jewish law
- 1.8 From least integrated to most integrated, the levels of economic integration are:
- A. a common market, a free trade area, an economic union, a customs union, and a political union.
  - B. a free trade area, a customs union, a common market, an economic union, and a political union.
  - C. a customs union, a free trade area, a common market, a political union, and an economic union.
  - D. a common market, an economic union, a customs union, a free trade area, and a political union.
- 1.9 Which level of economic integration eliminates trade barriers between member countries and adopts a common external trade policy?
- A. Political union
  - B. Customs union
  - C. Common market
  - D. Economic union
- 1.10 Expatriate managers may experience more than the usual degree of pressure to violate their personal ethics because of all the following reasons EXCEPT:
- A. they are away from their ordinary social context and supporting culture.
  - B. they are psychologically and geographically closer to the parent company.
  - C. they may be based in a culture that does not place the same value on ethical norms important in the manager's home country.
  - D. they may be surrounded by local employees who have less rigorous ethical standards.

## Question 2

[58 Marks]

- 2.1 Discuss the three main factors (which have a bearing on international business management implications) that contribute to the overall attractiveness of a country as a market or investment site? (10)
- 2.2 Kingsley Corporation is a multinational company based in Germany, specialising in consumer electronics. After experiencing success in developed markets, the company is considering expanding its operations into emerging markets, particularly in Southeast Asia (Brunei, Burma (Myanmar), Cambodia, Timor-Leste, Indonesia, Laos, Malaysia, the Philippines, Singapore, Thailand and Vietnam). The company's management team is evaluating different international strategies to enter these markets.
- (a) Explain at least three main reasons for Kingsley Corporation to consider expanding internationally into emerging markets? (6)
- (b) Outline any five modes of entry strategies that Kingsley Corporation can consider for entering into these emerging markets? (5)
- 2.3 International firms need to be responsive to various factors to navigate the complexities of operating in global markets effectively. Discuss the factors that lead to pressure for local responsiveness. (10)
- 2.4 Consider the firm in terms of a value chain. What is the difference between primary activities and support activities? Provide examples of each. (10)
- 2.5 Cross cultural literacy allows us to get a better understanding of the differences in the customs and beliefs of others. List the six dimensions of culture as identified by Geert Hofstede. (12)
- 2.6 Discuss the utilitarian approach to business ethics. What are its drawbacks? (5)

## SECTION B

### Question 3

[22 Marks]

Read the case study below and answer the questions thereafter.

#### 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

- 3.1 Based on the subject knowledge acquired from this course, what do you understand by the term globalisation (2)
- 3.2 There are two forms of globalisation. Discuss how each of these forms of globalisation is manifesting in the above case. (14)
- 3.3 In your view, what do you think made the globalisation observed in the given case possible? (6)

*END OF QUESTION PAPER.*