



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

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

QUALIFICATION: BACHELOR OF BUSINESS MANAGEMENT HONOURS	
QUALIFICATION CODE: 08HBBM	LEVEL: 8
COURSE CODE: GBM811S	COURSE NAME: GLOBAL BUSINESS MANAGEMENT
SESSION: JUNE 2025	PAPER: 1
DURATION: 3 HOURS	MARKS: 100

FIRST OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	Ms. O.N Kangandjo
MODERATOR:	Mr. M B Simasiku

THIS QUESTION PAPER CONSISTS OF ~~15~~⁶ 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. 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.

- 1.1 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
- 1.2 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.
- 1.3 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
- 1.4 According to Hofstede, a _____ uncertainty-avoidance culture tries to develop legal institutions that create security, while a _____ uncertainty avoidance culture does not feel threatened by the uncertainty of the future.
- A. Mixed; weak
 - B. Weak; strong
 - C. Strong; weak
 - D. Strong; mixed
- 1.5 Which of the following concepts is NOT one of Hofstede's dimensions of culture?
- A. Individualism
 - B. Power
 - C. Capitalism
 - D. Uncertainty
- 1.6 Smith and Company Publishers are opening subsidiaries in multiple countries, in order to increase their productivity. In all of the countries, they wanted to open a new

website for online sales, but in Iran the regulation prevented them from doing so. This is part of the _____ environment.

- A. technical
 - B. economic
 - C. political
 - D. sociocultural
- 1.7 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.
- 1.8 Which of the following terms refers to the belief that the management techniques used in one's own country are best no matter where or under what conditions they are applied?
- A. geocentrism
 - B. nationalism
 - C. parochialism
 - D. ethnocentrism
- 1.9 Interdependent political, economic, and legal systems of a country make up its:
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- A. administrative agenda.
 - B. socioeconomic fabric.
 - C. cultural environment.
 - D. political economy.
- 1.10 A phrase that best illustrates a collectivistic culture is
- A. "Two's company; three's a crowd."
 - B. "I got mine, you get yours."
 - C. "I did it my way."
 - D. "We're all in it together."

Question 2**[54 Marks]**

- 2.1 Our daily chores involve transactions that connect us to the global economy. Explain what is meant by globalisation. With the help of an example discuss how globalisation is manifesting in today's world. (7)
- 2.2 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? (4)
- 2.3 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
- 2.4 Property rights are fundamental for international companies as they provide incentives necessary to innovate, invest, and operate efficiently in the global economy. However, in many countries property rights are violated. Discuss the various ways in which public action can violate property rights. (6)
- 2.5 The legal system of a country is of immense importance to international business. What is a country's legal system? Why is it important to international businesses? (6)
- 2.6 International business is much more complicated than domestic business because countries vary significantly in their political economies. What constitute a political economy of a nation? (6)
- 2.7 Differences in the strength of pressures for cost reductions versus pressures for local responsiveness affect a firm's choice of strategy. Describe the four basic strategies that firms choose among when competing internationally. (8)
- 2.8 What are the ways in which international business and its managers can ensure that ethical issues are considered in business decisions? (5)

Question 3

[24 Marks]

Read the case below and answer questions 3.1 to 3.3.

Namibia to send first consignment through AfCFTA

By Shania Lazarus

16 September 2024

Namibia will be sending its first trade consignment through the African Continental Free Trade Area (AfCFTA) in October.

This was announced by industrialisation and trade minister Lucia lipumbu during a Cabinet committee briefing on Thursday. According to lipumbu, this is after Namibia's tariff offer under the Southern African Customs Union (Sacu) was approved by the AfCFTA

"We are currently in the process of preparing to participate in the guided trade initiative, whereby we will send off the first consignment for Namibia under the AfCFTA in October 2024 to signify the commencement of trading under the AfCFTA," said lipumbu.

The AfCFTA is an initiative of the African Union (AU) which aims to create a single market for goods and services across the continent. The agreement commits AU member states to remove tariffs on 90% of goods, with 10% of sensitive items to be phased in later.

"It also liberalises services and aims to tackle non-tariff barriers which hamper trade between African countries, such as long delays at the border," said lipumbu. lipumbu added that the goal is to have free movement of people and even a single currency.

Moreover Namibia will benefit from a vast market of over 1,3 billion people through the AfCFTA. lipumbu said Namibia is also actively working to enhance its domestic production capacity to meet the growing demand for goods and services within the AfCFTA.

"Namibia is ready to tap into a single market of about 1,3 billion people, while growing at home and industrialising the local economy to produce goods and services with which to trade," said lipumbu. She added that to a large extent, the Sacu tariff offer is in the process of gazettelement by the Namibia Revenue Agency.

"The ministry has put in place the requisite legal and regulatory building blocks to fully industrialise Namibia; to strengthen its trade both locally, regionally, continentally and globally; and to vigorously enable small and medium enterprises to develop and flourish," lipumbu added.

Source: <https://www.namibian.com.na/namibia-to-send-first-consignment-through-afcfta/>

- 3.1 Describe the different levels of regional economic integration from least integrated to most integrated. (10)
- 3.2 Explain the African Continental Free Trade Area (AfCFTA) and its main objectives. (5)
- 3.3 How does Namibia stand to benefit from participating in the AfCFTA? (5)
- 3.4 At which level of regional economic integration does the AfCFTA aim to operate? Motivate your answer. (4)

END OF QUESTION PAPER.