



**KOLEJ YAYASAN PELAJARAN JOHOR
FINAL EXAMINATION**

**COURSE NAME : INTRODUCTION TO INTERNATIONAL
BUSINESS**

COURSE CODE : DSM3223

EXAMINATION : APRIL 2019

DURATION : 3 HOURS

INSTRUCTION TO CANDIDATES

1. This examination paper consists of **TWO (2)** parts :
PART A (60 Marks)
PART B (40 Marks)

2. Candidates are not allowed to bring any material to examination room except with the permission from the invigilator.

3. Please check to make sure that this examination pack consist of:
 - i. Question Paper
 - ii. Answer Booklet

DO NOT TURN THIS PAGE UNTIL YOU ARE TOLD TO DO SO

This examination paper consists of 5 printed pages including front page



PART A

This part contains of **SEVEN (7)** questions. Answer **SIX (6)** questions only in the answer booklet.

QUESTION 1

Explain **five (5)** reasons to study international business?

(10 marks)

QUESTION 2

Explain **four (4)** forms of international business activities.

(10 marks)

QUESTION 3

Describe the Relative Factors Endowment Theory outlined by Eli Hecker & Bestil Ohlin. Support your answer with diagram.

(10 marks)

QUESTION 4

Explain **four (4)** accounts of the Balance of Payment (BOP) accounting system and the components.

(10 marks)

QUESTION 5

Explain **three (3)** positive impacts and **two (2)** negative impacts of Multinational Company (MNC) to the host countries.

(10 marks)

QUESTION 6

Explain any **five (5)** reasons why exporting is the most popular form of entry mode.

(10 marks)

**QUESTION 7**

Elobrate the basic elements of culture with respect to:

- a. Social structure
- b. Language

(10 marks)



[60 MARKS]

PART B

This part contains of **THREE (3)** questions. Answer **TWO (2)** questions only.
Answer the questions in the answer booklet.

QUESTION 1

A firm may first enter the foreign market through exporting, licensing and franchising. After gaining knowledge and expertise in the host country, it may expand by production or distribution facilities. This will enable the firm to increase control and profit potential. A firm can use Foreign Direct Investment (FDI) strategies to equity participation in that relationship.

- a. Discuss how the foreign Direct Investment (FDI) method can be used to enter market through ownership of assets in host countries.

(12 marks)

- b. Explain **two (2)** advantages and **two (2)** disadvantages of licensing.

(8 marks)

QUESTION 2

International marketing who involved process of planning and executing the conceptual pricing, promotion and distribution of ideas, goods and services to create exchanges that might satisfy individual and organizational objectives across national boundaries. Pricing policies and using personal selling is one of the elements in international marketing.

- a. Discuss the **three (3)** types of pricing policies can be used by the firm to enter the international marketing

(12 marks)

- b. Explain **two (2)** advantages and **two (2)** disadvantages of personal selling.

(8 marks)

QUESTION 3

After the pool of prospective manager has been identified, Human Resource Manager must decide which person from the pool are based qualified for the assignment. The manager can be selected from experienced or younger one.

- a. Explain the **three (3)** advantages and **one (1)** disadvantage if we hired the experienced managers compare to younger managers.

(8 marks)

- b. Discuss the **three (3)** special compensation issues arise in international Human Resource Management.

(12 marks)

[40 MARKS]

END OF QUESTION PAPER



