

Name:

Enrolment No:



UPES School of Business
End-Semester Examination – May 2024

Program: BBA Foreign Trade
Subject / Course: Global Business Environment
Course Code: INTB 2001

Semester: IV
Maximum Marks: 100
Duration: 03 Hours

INSTRUCTIONS:

- **This is a CLOSED-BOOK EXAM. Only calculator is allowed.**
- **Cellphones / Tablets / Laptops / Books / Notes etc. are NOT allowed.**
- **All questions are compulsory.**
- **Your answers must be “brief & to the point.”**

Q.No.	Questions	Marks	COs
SECTION A 10Q x 2M = 20 Marks			
Q 1.	<p>1.1. Apple’s product assembly facilities abroad that produce its iPhone are best described as _____</p> <p>A) Foreign Direct Investment B) Forces of globalization C) Factors of production D) International trade</p> <p>1.2. Christopher, an accounts manager at a mid-sized health care firm, does not have any direct international responsibilities. However, Christopher would most likely benefit from studying international business issues so that he can _____:</p> <p>A) better understand how foreign operations affect the company’s competitive position B) conduct better job interviews C) recruit subordinates who have global assignments D) understand the legalities of importing and exporting products overseas</p> <p>1.3. A business that has direct investments (in the form of marketing or manufacturing subsidiaries) abroad in several countries is called a _____.</p> <p>A) multinational corporation B) domestic corporation C) shell corporation D) global corporation</p>	20	CO1

	<p>1.4. A company with a global perspective that engages in international business from inception and quickly achieves a competitive advantage is called a _____.</p> <ul style="list-style-type: none">A) born global firmB) global firmC) multinational corporationD) None of the above <p>1.5. Which of the following approaches to ethical standards for corporate governance reflects the view that the best ethical action is the one that provides the best or the least harm?</p> <ul style="list-style-type: none">A) UtilitarianismB) Justice theoryC) Virtue approachD) Fairness approach <p>1.6. The _____ view that says the morality of an act depends on how the act is perceived within that specific culture at the time of the act.</p> <ul style="list-style-type: none">A) cultural relativismB) rights theoryC) justice theoryD) utilitarianism <p>1.7. Which of the following is TRUE about the rights theory?</p> <ul style="list-style-type: none">A) It is based on the belief that, every human being has rights, and all governments are obligated to protect them.B) It is based on the belief that the best action treats everyone equally and fairly.C) It produces the greatest balance of good over harm to customers, employees, shareholders, the community, and the natural environment.D) According to the rights approach, the most important virtues are truth and prudence. <p>1.8. Ethical dilemmas are NOT legal questions.</p> <ul style="list-style-type: none">A) TrueB) False <p>1.9. _____ involves the idea that a nation-state is autonomous, cannot intervene in the affairs of other nations, and can enter into binding international agreements.</p> <ul style="list-style-type: none">A) National sovereigntyB) AuthoritarianismC) Cultural liberalismD) Communalism <p>1.10. Which of the following terms is used to refer to widespread job turnover throughout an economy?</p> <ul style="list-style-type: none">A) ChurningB) RestructuringC) OnboardingD) Redeployment		
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SECTION B
4Q x 5M = 20 Marks

Q 2.	Choose a recent, surprising trend in global business (e.g., the rise of remote workforces, consumer backlash against fast fashion, etc.). Analyze its potential impact on multinational companies. How might companies need to adapt their strategies?	5	CO2
Q 3.	The term “glocal” refers to balancing global strategies with local responsiveness. Pick a well-known multinational company and evaluate how well it achieves this balance. Is it too standardized or too localized? Provide evidence.	5	CO2
Q 4.	Imagine a hypothetical merger between two major multinational companies in the same industry (e.g., Coca-Cola and Pepsi). Discuss the potential effects on competition, consumer choice, and the global business landscape.	5	CO2
Q 5.	A company is considering setting up a new manufacturing facility. Discuss at least three key factors it should analyze when choosing between different countries as potential locations.	5	CO2

SECTION C
3Q x 10M = 30 Marks

Q 6.	Explain Hofstede’s concept of cultural dimensions. Please explain all the dimensions and discuss how they might impact a multinational company’s marketing strategies in different countries, using specific examples.	10	CO3
Q 7.	Analyze why a particular multinational company might have chosen Foreign Direct Investment (FDI) as a mode of entry into a specific foreign market. Use Dunning’s Eclectic Paradigm (OLI framework) to explain how ownership advantages, location advantages, and internalization advantages influenced this decision.	10	CO3
Q 8.	Choose a country and a specific industry within that country that exhibits strong international competitiveness (e.g., Germany’s automotive industry, South Korea’s electronics industry, Switzerland’s pharmaceutical industry, etc.). Analyze how the components of Porter’s Diamond Model contribute to the success of this industry within the global marketplace.	10	CO3

SECTION D

2Q x 15M = 30 Marks

Q9.

Brief Case: H&M's "Conscious" Collection – The Sustainability Gap

15

CO4

H&M promotes its "Conscious" line as a more environmentally responsible choice for consumers, using materials like recycled polyester and organic cotton. H&M's 2022 Sustainability Report states that 20% of its materials were recycled or "more sustainably sourced." However, this means 80% of its production still relies on conventional, often highly polluting materials. A 2023 report by the Changing Markets Foundation, "Synthetics Anonymous" analyzed wastewater from a major textile hub in China. They found hazardous chemicals used in dyeing processes, linked to suppliers producing garments for H&M's "Conscious" line. A typical "Conscious" advertisement might declare: "Make a sustainable choice with our Conscious collection – kinder to the planet!" Yet, specific details on how these garments are produced are rarely highlighted. Also, the product labels may state "Contains recycled materials" without specifying the percentage, rendering the claim less meaningful. The 2023 Textile Exchange Preferred Fiber Report shows H&M uses a lower percentage of recycled polyester in its overall production compared to direct fast-fashion competitors like Zara and ASOS.



Questions:

- 9.1. Analyze how H&M's promotion of its "Conscious" line compares to the actual environmental impact revealed by sources like the Changing Markets Foundation report. Does this constitute greenwashing?
- 9.2. Discuss the challenges H&M faces in balancing consumer demand for trendy, affordable clothing with genuine sustainability improvements.
- 9.3. Aside from marketing, outline at least three systemic changes H&M would need to implement across its supply chain to significantly reduce its environmental footprint.

Q 10.

Brief Case (covered in class): Tata Nano Controversy – Business Environment Breakdown

15

CO4

Tata Motors originally planned to manufacture the Nano in Singur, West Bengal. However, intense land acquisition protests and political opposition ultimately forced Tata to abandon the project and relocate the factory to Gujarat.

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Questions:

- 10.1.** Analyze the specific factors within West Bengal's business environment at the time that created such fierce opposition to the Nano project. Consider factors such as:
- (a) Land acquisition laws: Explore the complexities of land rights in India and why Tata's acquisition became such a contentious issue.
 - (b) Political climate: Examine the role of political parties in West Bengal and how their agendas shaped the public discourse around the project.
 - (c) Labor concerns: Did local populations fear displacement or exploitation, or were other factors driving community protests?
 - (d) Media and public perception: How did news coverage and public sentiment frame the Nano project and Tata's actions?
- 10.2.** Discuss the long-term consequences of this controversy for West Bengal's business environment. Did it deter potential investors? Did it shape public attitudes toward large-scale industrial projects?
- 10.3.** Tata Motors has announced plans to relaunch the Nano as an affordable electric vehicle (EV). Analyze how the shift towards EVs, along with changing governmental policies regarding infrastructure and subsidies, might create a more favorable business environment for the Nano's success. Discuss whether the "cheapest car" label is still relevant in the EV market, or if Tata needs a completely revamped positioning strategy.