

**GUJARAT TECHNOLOGICAL UNIVERSITY**  
**MBA– SEMESTER –III-EXAMINATION – WINTER-2023**

**Subject Code:4539281****Date: 02-12-2023****Subject Name: International Business****Time:10:30 AM TO 1:30 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Use of simple calculators and non-programmable scientific calculators are permitted.

Q. No.	Question Text and Description	Marks
Q.1	Definitions / terms / explanations / short questions based on concepts of theory/practical (a) Balance of Payments (b) Tariff Barrier (c) Ethnocentric (d) Geocentric (e) ASEAN (f) Mercantilism (g) Globalization	14
Q.2	(a) Discuss various forces driving globalization (b) Explain the various indicators used by managers for analyzing Economic Environment.	07 07
<b>OR</b>		
Q.3	(a) Explain different Trade barriers that directly affect prices to limit the trade. (b) What is NAFTA? What are its objectives and Major Contributions?	07 07
<b>OR</b>		
Q.3	(a) What is Global supply chain? Describe the key factors in global manufacturing strategy. (b) "All nations have their own constitutions". Discuss the statement in the light of Political and Legal Business Environment.	07 07
Q.4	(a) What are the documents required for export. Explain in brief. (b) What are the factors affecting Exchange rates. Explain with suitable Examples.	07 07
<b>OR</b>		
Q.4	(a) What are the basic instruments that government uses to intervene in foreign trade? (b) Before selecting any country to do business with, which information is scanned by managers?	07 07

**Q.5**

**CASE STUDY:**

IT company is a large multinational corporation that has more than 100 years of history, a global workforce of more than 100,000 employees and is headquartered in the USA. Up until the early 1990s, the corporation was structured around geographical areas, each of which was afforded relatively powerful independence. So, for example, the UK Headquarters in London had high decision-making autonomy in relation to the US headquarters in New York and the European headquarters in Paris. One outcome of this so-called area structure was that hardly any global HR Policies existed, so that HR Practices in areas such as Pay, training and flexitime differed widely between countries. Nevertheless, core values applied throughout the organization. For example, since its foundation, IT Company has been known for its strong anti-union stance. Combined with an emphasis on sophisticated and innovative HR Policies, the parent company has been able to defeat several recognition campaigns by trade unions. The same has happened in the UK, where local management prides itself on defeating a strong union recognition campaign in the 1970s.

However, in other countries, IT Company does recognize trade unions. For example, the German subsidiary has a powerful body of elected employee representatives (as encouraged by German Law), some of whom are trade union members, who have a strong say in any decisions affecting the workforce. Up to the early 1990s, the company also participated in industry-wide bargaining which determined pay and conditions for the large majority of its workforce.

In the early 1990s, IT Company - which had enjoyed a near monopoly status in its markets until then - encountered economic problems due to higher global and domestic competition. A new CEO made far-reaching changes to the business strategy and the organizational structure. In particular, the decision-making authority of local managers was reduced and social responsibility transferred to regional headquarters such as Paris and to the US Headquarters. Furthermore, the company was structured around business units, each responsible for a certain range of products such as printers or IT Solutions. Business units were encouraged to standardize management functions such as finance, marketing and human resources as far as possible on a worldwide basis.

- (a) Which HR Practices would you standardize on a global basis? **07**
- (b) Where would you allow different approaches? **07**

**OR**

- Q.5**
- (a) How would you ensure that global policies are implemented by the Subsidiaries? **07**
  - (b) What problems may arise in forming a uniform International HR policy? **07**

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