

International Business

2023 - 2024

Examination Paper

Sample Assessment

Answer ALL questions in section A and section B

Clearly cross out surplus answers.

Time: 2 hours

The maximum mark for this paper is 100.

Any reference material brought into the examination room must be handed to the invigilator before the start of the examination.

Candidates are allowed to use a scientific calculator during this examination.

Section A – 15 MCQs

Answer all the questions in this section – there is just ONE (1) correct answer for each multiple choice question unless stated otherwise.

Marks

Question 1

A company that has less than TEN (10) staff and an annual turnover of less than 2 million euros is classed as what size of business?

1

- a. Small to medium sized enterprise (SME)
- b. Large organisation
- c. Micro-business
- d. Multi-national corporation (MNC)

Question 2

As part of conducting a SWOT analysis, an organisation lists a unique selling point (USP) of same day delivery to customers and a core competence of the swift handling of online queries by staff to ONE (1) of the quadrants. Which quadrant of the SWOT are these most likely to feature in?

1

- a. Strengths
- b. Weaknesses
- c. Opportunities
- d. Threats

Question 3

Which of the following motivation techniques peaks at the tip of a pyramid as self-actualisation?

1

- a. Herzberg's Two Factor Theory
- b. Maslow's Hierarchy of Needs
- c. McGregor's X and Y theory
- d. McClelland's Needs Theory

Question 4		
A marketing manager outperforms their targets considerably and receives a large bonus for their efforts. The manager decides to reward him or herself by buying a new car. This is an example of which product classification?		1
a.	Convenience goods	
b.	Shopping goods	
c.	Speciality goods	
d.	Unsought goods	
Question 5		
A large defence company is currently in the process of building a new submarine. This is an example of what type of operations method?		1
a.	Project	
b.	Job	
c.	Batch	
d.	Mass production	
Question 6		
A fast food chain allows people for an initial investment to buy into their organisation over a 5-10 year contract and lease a fully functioning space. They must use the company's systems, trademarks, menus, methods, support, and marketing. This is an example of what type of business?		1
a.	Partnership	
b.	Sole proprietor	
c.	Limited liability company	
d.	Franchise	

Question 7		
<p>An organisation decides to launch a popular product in a new country with the aid of a marketing campaign. At the 12 monthly review, it is found that triple the expected number of sales were made and it has helped establish the brand and product in the market to the delight of senior managers and shareholders. Which of these business objectives is it most likely to help the organisation achieve?</p> <ol style="list-style-type: none"> 1. Increase profitability 2. Make savings 3. Increase market share 4. New product development 		1
a.	1 and 2 only	
b.	1 and 3 only	
c.	2 and 3 only	
d.	2 and 4 only	
Question 8		
<p>The CEO of a small family company wants the staff to be able to 'knock on his door'. if they have a problem, he can help with it. Which organisational structure is the best option to enable this to happen?</p>		1
a.	Tall	
b.	Flat	
c.	Matrix	
d.	Functional	
Question 9		
<p>An organisation uses the number of seats available compared to tickets sold (as a percentage) to measure its capacity. This is a good measure of which type of business.</p>		1
a.	Hotel	
b.	Dentist	
c.	Football match	
d.	Car Manufacturer	

Question 10		
What is classed as an output from a hospital when using the Input Output Transformational model?		1
a.	Qualified Doctor	
b.	Fully equipped ambulance	
c.	New MRI Scanner	
d.	Cured patient	
Question 11		
An organisation that manufactures mobility scooters is considering exporting their goods abroad as exchange rates are favourable and the countries chosen have a high percentage of elderly people with care needs. These are examples of which factors of the PESTLE analysis?		1
	5. Political	
	6. Social	
	7. Economical	
	8. Environmental	
a.	1 and 2 only	
b.	1 and 3 only	
c.	2 and 3 only	
d.	2 and 4 only	
Question 12		
A video-conferencing call has been arranged by commercial staff of a large multi-national organisation across many sites around the world including China, Australia, Singapore, Germany, France, Sweden, USA, and Brazil. The agenda is focused on exploring new sales opportunities and creating synergies across the organisation and the meeting is going well. Then, the representative from Singapore arrives late with no apology and no reason for their lack of punctuality. Which THREE (3) of the following could be barriers to this call?		1
a.	Behaviour	
b.	Noise	
c.	Language	
d.	Time zones	
e.	Management styles	
f.	Product names	

Question 13		
An organisation is considering its sales figures over the last 6 months which are set out below:		1
January	£227 500	
February	£325 000	
March	£275 750	
April	£285 550	
May	£315 700	
June	£295 650	
Calculate the expected figure for July using a six month moving average. Is it?		
a.	£268 500	
b.	£287 525	
c.	£223 550	
d.	£275 000	
Question 14		
A wallpaper manufacturer is moving to a new state of the art facility that uses digital production techniques which are less labour intensive and friendlier to the environment. What are the potential advantages of this investment?		1
9. Lower running costs		
10. Substantial investment costs		
11. Less human error		
12. Need for staff training		
a.	1 and 2 only	
b.	2 and 3 only	
c.	1 and 3 only	
d.	2 and 4 only	

Question 15

Consider the table below which shows the initial investment for a new laptop and expected additional revenues due to its speed and performance each year. How long does it take to pay back the initial investment?

1

YEAR	NET CASH FLOW (ANNUAL RETURN IN \$)	CUMULATIVE CASH FLOW (CASH IN FLOW IN \$)
0	-1000	-1000
1	500	-500
2	300	-200
3	200	0
4	200	200
5	150	300

- a. 1 year
- b. 2 years
- c. 3 years
- d. 4 years

SECTION B - Answer ALL questions

Marks

Question 1

- | | | |
|-----------|--|----------|
| a) | Define motivation in the workplace. | 2 |
| b) | It is a manager's role to maximise the use of available resources, ONE (1) of which is considered an organisation's 'key asset' of people. | |
| i) | Identify FOUR (4) ways to motivate staff. | 4 |
| ii) | Identify FOUR (4) factors that can demotivate staff. | 4 |
| c) | Describe Herzberg's Two Factor theory and its importance to managers when managing staff motivation. | 7 |
| d) | Examine how Herzberg's Two Factor Theory can be used to motivate staff by applying it to TWO workplace situations. | 8 |

Total 25 Marks

Question 2

- | | | |
|-----------|---|-----------|
| a) | <p>A successful national DIY chain is considering branching out and entering into new markets. It is determined to conduct adequate research to make the new venture a success and reduce the risks involved in exporting into new territories.</p> <p>The organisation's CEO brings you in as an international business consultant to discuss the prospect of expanding into other external markets. At the end of the meeting, the CEO asks you to provide the following information.</p> <p>Examine the prospect of the DIY chain expanding into new markets by:</p> | |
| i) | Explain FIVE (5) key considerations when exploring the possibility of expanding business by exporting into new markets. | 10 |
| ii) | Examine THREE (3) potential risks for the DIY chain through international trade and identify ways to overcome them. | 9 |
| iii) | Outline TWO (2) main benefits if the DIY company is successful with its expansion plans. | 6 |

Total 25 Marks

Question 3	
Discuss the importance and impact of culture on international trade including an examination of both the benefits and limitations of culture, with reference to a suitable model within your answer.	25
Question 4	
A car manufacturing company is considering purchasing a new robotic welding and assembling machine for its production line. Evaluate the importance and use of the different investment appraisal techniques of payback method, internal rate of return (IRR) and net present value (NPV) when considering this capital expenditure spend. Which method is the most suitable and why?	10

End of paper