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Register Number:

DATE:

**ST. JOSEPH’S COLLEGE (AUTONOMOUS), BANGALORE-27**

**BBASF – V SEMESTER**

**SEMESTER EXAMINATION: OCTOBER 2021**

**(EXAMINATION CONDUCTED IN JANUARY-MARCH 2022)**

**BBA SF 5319: International Business**

Time- 2 ½ hrs Max Marks-70

**This paper contains \_\_\_ printed pages and four parts**

**Section A**

**I.** Answer ***any five*** of the following. (**2 x 5 = 10 marks)**

1. State any 2 differences between international & domestic businesses.
2. Name the components of micro environment.
3. What is process division structure?
4. State any 2 differences between domestic HRM & international HRM.
5. Name the types of Forex rates.
6. What are the types of Exports?

**Section B**

**II.** Answer ***any three*** of the following. (**5 x 3 = 15 marks)**

1. Illustrate Porter’s Diamond for competitive Advantage.
2. Write a short note on WTO & its structure.
3. Explain the International HRM model.
4. Explain the role of MNCs in international Business.

**Section C**

**III.** Answer ***any two*** of the following (**15 x 2 = 30 marks)**

1. Describe the different types of training given to expatriates.
2. Elaborate on India’s EXIM policy.
3. Explain the approaches to international Business.

**Section D**

**IV. Answer the following (15 marks)**

Read the case study below & answer the following questions.

Colgate-Palmolive, the $6 billion a year personal products giant, earns nearly 2/3 of its revenues outside the United States. For years, Colgate succeeded as many US multinationals have by developing products at home and then " growing them over the wall" to foreign subsidiaries. Each major foreign subsidiary was responsible for local manufacturing and marketing. Senior management positions were typically held by Americans and practically all the company's US based managers were U.S. citizens.​

In the early 1980s Colgate realized that if it was going to succeed in the international market it would have to develop a more transnational orientation. Becoming a transnational requires developing international cadre of executive managers who have the ability to rise above their ethnocentric perspectives. ​

As a first step towards building such a team, Colgate began recruiting college graduates in 1987 and putting them through an intensive international training program. The recruits were trained on global business development secrets, additional language training, surviving new environment, cultural sensitivity etc. The recruits were also sent on international business trips as a part of familiarization.

Post training, the recruits wear deployed in different countries for example a French national would be in the United States, A U.S. national will be sent to Germany, a British national will go to Spain & so on.​ The recruits deployed in various countries also known as expats undergo various symptoms of culture shock. Homesickness, boredom, displacement, withdrawal loss of confidence to name a few. ​

Globally the expat failure rates vary between 25% and 40% and differs from country to country. Many US based MNCs for instance have 10% to 40% failure rates with less than 5% failure rates in Japanese and European organizations. ​

Expat failure results in high cost. It is estimated that the cost of sending a failed manager and his or her family black home is around $250,000. In addition, the indirect costs of such failures are substantial. The tangible costs of expat failure can be easily measured in money value such as travel and relocation of personal belongings, high salaries, training for the assignment, support provided to spouse and family members and restaffing the position are quantifiable. The intangible costs can be understood as loss of business, industry and government contacts and liaisons, company's reputation, impact on the host unit's operations and morale of employees. ​

1. What are the suggestions you can offer to Colgate to mitigate risk of Expat failure?

**(8 marks)**

1. Write a note on the hardships experienced by Expats working in foreign environment.

**(7 marks)**

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