



Tutorial Letter 101/3/2018

Global Business Management MNB3702

Semesters 1 and 2

Department of Business Management

This tutorial letter contains important information about your module.

BARCODE

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1 INTRODUCTION

It is our pleasure to welcome you to the module: Global Business Management, (MNB3702) for the 2018 academic year. We hope and trust that you will find this module interesting, inspiring and enlightening.

2 PURPOSE AND OUTCOMES

2.1 Purpose

The purpose of this tutorial letter is to introduce you to global business management and its dynamics as a strategic approach for businesses that operate across international borders. This module covers contemporary global business operations for international organisations.

2.2 Outcomes

On completion of this module, you should be able to:

- Explain contemporary global business operations for international organisations, and the role of, and challenges facing visionary global leadership as well as diversity management in multinational and transnational organisations.
- Define and describe the various “international strategies” that global businesses could consider, and explain how pressures for cost reductions and pressures for local responsiveness can influence the choice of strategy in specific situations. Explain the various organisational structures that global businesses could employ and why organisational structures should be aligned to and support the chosen strategy.
- Describe the concept of political economy and explain why political economy has become increasingly important in the global business landscape. Explain the importance of country attractiveness for global business involvement and how it is assessed. Identify and explain the different modes of foreign market entry, including strategic alliances, available for international expansion by firms and explain why strategic alliances are also regarded as a mode of foreign business operations. Lastly, explain the appropriate strategies for entering and competing in emerging markets in general, and in Africa in particular, including the challenges of doing business in Africa
- Explain the management of global operations for providing products and services, including the location decision for global manufacturing operations, logistics, supply chains and outsourcing. Furthermore, explain marketing and marketing strategies, international human resources management, and international financial management in a global context.

3 LECTURER(S) AND CONTACT DETAILS

3.1 Lecturer(s)

The details of the lecturers responsible for this module are as follows:

Name: Ms L Ntiso

Phone: (012) 429 4350

Email: ntisola@unisa.ac.za

Physical Address: AJH van der Walt Building, Office number 4-22, Muckleneuck Campus,
1 Preller Street, Pretoria

Kindly be aware that the mode of contacting your lecturers for this module is preferably by e-mail.

LECTURER AVAILABILITY

The lecturer for this module will be available to take phone calls on academic matters and/or to attend to students who may prefer to visit personally for academic engagement. However, the days and times of lecturer's availability will be communicated in the module page on myUnisa. These days and times are subject to change from time to time in order to accommodate the lecturer's work schedule and other commitments. The changes on the days and times will be communicated by the lecturer in advance through the announcement option on myUnisa as and when this happen. Students are advised to check the module page on myUnisa before making phone calls or visiting the lecturer's office for academic enquiries/engagements.

Any enquiries of an academic nature concerning this module, such as an enquiry about a specific concept, principle or theory in the prescribed book, may (at any time) be directed to busman@unisa.ac.za. However, note that your queries will only be attended to during office hours.

3.2 Department

Administrative queries may be directed to the appropriate department as indicated in the *myStudies @ Unisa* brochure, which you received with your study package. Examples of administrative queries are registration matters, study material matters, account queries, examination queries, and graduation issues.

Please note the following contact details for the Department of Business Management: Telephone number: +27 12 429 4220

Email address: busman@unisa.ac.za

3.3 University

If you need to contact the university about matters not related to the contents of this module, please consult the brochure, *my Studies @ Unisa*, which you received with your study material. This brochure

contains information on how to contact the university (to whom you can write for different queries, important numbers, addresses and details of the times certain facilities are open). Always use your student number when you contact the university.

Consult the table below for general administrative enquiries:

Directorate/Business	Description of	Short SMS	E-mail address
Student Admissions	Applications	43578	Study-info@unisa.ac.za
Student Assessment Administration	Assignments and Examinations	43584	For assignments: Assign@unisa.ac.za For examination enquiries: Exams@unisa.ac.za
Despatch	Study material	43579	despatch@unisa.ac.za
Finance	Student accounts	31954	finan@unisa.ac.za
ICT (myUnisa & myLife)	myUnisa	43582	myUnisaHelp@unisa.ac.za
	myLife e-mail		myLifeHelp@unisa.ac.za

4 RESOURCES

4.1 Prescribed books

You will not be able to study and successfully complete this module without the prescribed book. You must acquire the following prescribed book from one of the official Unisa bookstores:

Aregbeshola, RA; Botha, T; Amos, T; Theus, L; Palmer, P; Bothma, C; Ambe, I.2017. *Global Buisness Management*. 1st Edition. Cape Town : Juta. (ISBN 9781485125174)

4.2 Recommended books

There are no recommended books for this module.

4.3 Electronic reserves (e-reserves)

There are no electronic reserves for this module.

4.4. Library services and resources information

For brief information, go to www.unisa.ac.za/brochures/studies

For detailed information, go to <http://www.unisa.ac.za/library>. For research support and services of personal librarians, click on "Research support".

The library has compiled a number of library guides:

finding recommended reading in the print collection and e-reserves

<http://libguides.unisa.ac.za/request/undergrad>

requesting material – <http://libguides.unisa.ac.za/request/request>

postgraduate information services – <http://libguides.unisa.ac.za/request/postgrad>

finding, obtaining and using library resources and tools to assist in doing research

http://libguides.unisa.ac.za/Research_Skills

how to contact the library/finding us on social media/frequently asked questions –

<http://libguides.unisa.ac.za/ask>

4.5 Tutorial offerings at Unisa

Please be informed that Unisa offers online tutorials (e-tutoring) to students registered for modules at NQF levels 5, 6 and 7, which means qualifying first year, second year and third year modules.

Once you have been registered for a qualifying module, you will be allocated to a group of students with whom you will be interacting during the tuition period, as well as an e-tutor who will be your tutorial facilitator. Thereafter, you will receive an SMS informing you about your group, the name of your e-tutor and instructions on how to log on to myUnisa in order to receive further information on the e-tutoring process.

Online tutorials are conducted by qualified e-tutors who are appointed by Unisa and are offered free of charge. All you need to be able to participate in e-tutoring is a computer with Internet connection. If you live close to a Unisa regional centre or a telecentre contracted with Unisa, please feel free to visit any of these to access the Internet.

E-tutoring takes place on myUnisa. It is the role of the e-tutor to guide you through your study material during this interaction process. For you to get the most out of online tutoring, you need to participate in the online discussions that the e-tutor will facilitate.

Students have been found to repeatedly fail particular modules. These modules have been allocated face-to-face tutors and tutorials for these modules take place at the Unisa regional centres. As previously mentioned, these tutorials are also offered free of charge. However, it is important for you to register at your nearest Unisa Regional Centre to secure attendance of these classes.

5 STUDENT SUPPORT SERVICES

Student support for the module as regards academic content is given mainly by the module lecturer via email, phone and the myUnisa discussion forum. The details of other forms of student support are included in the brochure, *my Studies @ Unisa*, which you received with your study package.

5.1 Predatory tuition providers

Please be aware that there are tuition providers who will contact you to assist you with your modules. These providers may not have the necessary expertise to assist you and will charge you a lot of money. We would like to advise you that they are NOT linked to Unisa and we would like to urge all students NOT to use their services.

6 STUDY PLAN

It is important that you now prepare a study plan for yourself and devote at least 120 hours to this module in order to achieve success in the examination. Therefore, it is advisable that you devote at least two hours per day to reading and summarising the module content. You would also need to be able to apply the concepts learned in this module in a practical manner.

7 PRACTICAL WORK AND WORK-INTEGRATED LEARNING

There is no practical work or work integrated learning for this module.

8 ASSESSMENT

8.1 Assessment criteria

The university has a policy of compulsory assignments for all modules for 2018. Both Assignments 01 and 02 for MNB3702 are compulsory.

To gain admission to the examination you must submit Assignment 01. You will gain examination admission purely by submitting the assignment and not on the strength of the mark that you obtain for it. Failure to submit Assignment 01 will mean that you will not be admitted to the examination, regardless of whether you have submitted Assignment 02. Formative assessment for MNB3702 takes place through a year-mark system. As already mentioned, Assignments 01 and 02 are compulsory. You will be awarded a mark for Assignment 01 and a mark for Assignment 02. Assignment 01 will contribute 30% and assignment 02, will contribute 70% of your year mark. Your final assessment mark for this module will therefore be a combination of the assignment marks and the examination mark. Irrespective of the year mark you receive, you must obtain a subminimum of 40% in the examination. You will therefore not pass the module if your examination mark is less than 40%.

Please study the following examples to see how the assignment mark will contribute to the final assessment mark.

Example 1

If you receive an assignment mark of 50% in total, this mark will be multiplied by 0.2 which equals 10% of the final assessment mark. If you obtain 35 out of a possible 70 marks in the examination (i.e. 50%), this percentage is then multiplied by 0.8 which equals 40% of the final assessment mark. Your assignment mark and examination mark are then combined (10% + 40%) to give you a final assessment mark of 50% for the module.

Example 2

If you obtain an assignment mark of 60% in total, this mark will be multiplied by 0.2 which equals 12% of the final assessment mark. If you then obtain 44 out of a possible 70 marks (or 62.9%) in the examination, this figure is multiplied by 0.8 which equals 50.3% of the final assessment mark. Your assignment mark and examination mark are then combined (12% + 50.3%) to give you a final assessment mark of 62.3% for the module.

You will need a final mark of at least 45% in order to qualify for a supplementary examination, and a minimum mark of 50% to pass the module.

8.2 Assignment numbers and due dates

Kindly adhere to the respective due dates as indicated in the table on the following page. You will not be admitted to the examination if an assignment is submitted after the due date. Kindly do not phone us with a request to be admitted to the examination if you have not submitted an assignment, or if you submitted it later than the due date.

Semester 1			Semester 2		
Assignment number	Unique number	Due date	Assignment number	Unique number	Due date
01	896153	09 March 2018	01	703283	24 August 2018
02	728489	18 April 2018	02	711502	19 September 2018

8.3 Submission of assignments

Please note that the assignments for Semester 1 differ from those for Semester 2. It is your responsibility to ensure that you submit the correct assignment for your semester of enrolment. If you submit an assignment for the wrong semester of enrolment, it will not be marked and you

will receive a mark of zero (0) for it. The main purpose of the assignments is to encourage you to study the prescribed book, to read through certain sections over and over again, and to think about the study material in terms of its practical application.

For general information and requirements as far as assignments are concerned, see the brochure my Studies @ Unisa, which you received with your study material.

To submit assignments via myUnisa

Go to <http://my.unisa.ac.za>

Log in by using your student number and password

Select the programme and the module

Click on “Assignments”

Click on “Submit Assignments” Follow the instructions

Format of essay-type assignments:

Kindly incorporate the following when preparing the essay-type assignments:

- The final document should be in PDF format.
- **The final document should NOT be** password protected.
- Make use of: Arial 12” Font with 1.5 line spacing.
- All margins should be 1” and the page layout should be “portrait”.
- Make use of a table of contents and a bibliography.
- Each question should be answered on a new page.
- Make sure that the document has been submitted electronically on myUnisa.
- Keep a copy of your assignment before you submit the original.
- Make use the Harvard referencing method in your assignments to refer to sources you have consulted. **If you do not include in-text references and a bibliography you will be guilty of plagiarism.**

8.4 Plagiarism

Plagiarism is the act of taking the words, ideas and thoughts of others and passing them off as your own. It is a form of theft and involves a number of dishonest activities. Examples of plagiarism include copying from the prescribed textbook or any other source, or copying from fellow students and passing off their work as your own work.

All students receive the Disciplinary Code for Students (2004) when they register. You are advised to study the Code, especially sections 2.1.13 and 2.1.14 (2004:3-4). Kindly read the University’s Policy on Copyright Infringement and Plagiarism as well.

Note: Although students may work together when preparing assignments, each student must write and submit his or her own individual assignment. In other words, you must submit your own ideas in your own words, sometimes interspersed with relevant short quotations that are properly referenced. It is unacceptable for students to submit identical assignments on the basis that they worked together. That is copying (a form of plagiarism), and none of these assignments will be marked. Furthermore, you may be penalised or subjected to disciplinary proceedings by the University.

8.5 The assignments

SEMESTER 01: ASSIGNMENT 01

This assignment consists of 30 multiple-choice questions that cover different chapters of the prescribed book.

Question 1

An MNC can encounter a slowdown in its annual growth revenue due to:

1. significant growth in the industry the MNC operates in
2. economic growth either in the home or host country.
3. the speed at which competitors can copy the MNCs business model
4. entering into successful joint ventures or strategic alliances.

Question 2

The strategic orientation where the host country nationals are favoured for appointment to managerial positions can be described as:

1. a polycentric orientation.
2. an ethnocentric orientation.
3. a geocentric orientation.
4. a regiocentric orientation.

Question 3

A global leader should have the ability to:

1. meet unrealistic performance goals.
2. legitimise organizational culture.
3. be culturally different, without being better or worse.
4. offer guidelines for “ethical” decision-making.

Question 4

A global leader reflects which ONE of the following personal traits:

1. Societal-culturalism skills.
2. Cross-cultural literacy.
3. Righteous moralism.
4. An ability to manage complexity.

Question 5

The focus of the British culture on cost –saving initiatives as opposed to minimising hardships, as in the case of German culture can be referred to as an example of:

1. cultural diversity
2. social stratification
3. social structures
4. demographic trends

Question 6

Hinduism differs from Buddhism in that:

1. Hinduism supports a caste system
2. Buddhism emphasizes wealth creation
3. Buddhism does not allow participation in the labour market.
4. Hinduism encourages participation in entrepreneurial initiatives.

Question 7

Global leaders evince the following distinctive characteristics EXCEPT:

1. Knowledgeable.
2. The preservation of competing interests.
3. Flexible.
4. The ability to manage alignments.

Question 8

South African corporate culture is not always amenable to women entering the management structures of MNCs. This points to deficiencies in workplace cultural norms. What type of “cultural” approach would be conducive to the integration of women into such managerial structures?

1. Hall’s low-context
2. Hall’s high-context cultures.
3. Hofstede’s power distance cultural dimension
4. Ronen and Schenkar’s cultural cluster

Question 9

Risk takers are illustrative of:

1. Hall’s low-context
2. Hall’s high-context cultures.
3. Hofstede’s power distance cultural dimension.
4. Hofstede’s uncertainty avoidance

Question 10

“At our company, we are passionate about helping individuals reach their goals and achieving their potential. To this end we emphasise the importance of authentic and crucial conversations between our employees and managers”. Which “cultural setting” would be conducive to achieving this objective?

1. Hofstede’s ‘power distance’ cultural dimension.
2. Ronan and Shenkar’s paradigm of shared vision and cultural attributes.
3. Hall’s high-context approach to classifying cultures.
4. Trompenaar’s paradigm of universal cultures.

Question 11

“Culture” embraces:

1. the acquisition of technical skills to replace obsolete ones.
2. a system of shared beliefs, values and norms held by a particular group.
3. images of fine art, literature and artifacts in a particular country.
4. the occupational improvement of social skills.

Question 12

The primary purpose of a subsidy is:

1. to improve competitiveness of a particular role player in a strategic growth sector
2. to achieve a balance-of-trade equilibrium involving all of a country’s trading partners.
3. guide Governments in the implementation of economic policy.
4. to reaffirm political connections with certain businesses

Question 13

Transfer pricing CANNOT be used:

1. as an investment incentive for MNCs
2. to repatriate profits back to the home country
3. to determine the prices of component parts

4. to calculate the market value of component parts

Question 14

It is often argued that Voluntary Export Restraints (VER) serve to:

1. increase government intervention in trade and economic matters.
2. increase the costs of exports, which discourages exports.
3. implement trade barriers in an arbitrary way.
4. lower the production costs of domestic manufacturing or service products.

Question 15

The political economy of a country refers to:

1. the laws, customs and actions of government.
2. the economic environment in which political leaders find themselves
3. the implementation of various economic policies by government
4. how well the government responds to economic crises

Question 16

When deciding whether a host country has market growth potential, an MNC can use the following methods of analysis:

1. SWOT
2. Resource based view
3. Boston Matrix
4. Balanced Scorecard

Question 17

The theoretical foundation of the political economy rests on the following EXCEPT:

1. Cobb - Douglas's production function
2. labour pricing and wealth redistribution
3. the doctrine of capitalism

4. government's economic policies

Question 18

The rise of President Trump in the United States of AMERICA was received with mixed reactions across the world. This demonstrates how the government of a country can influence the attraction of foreign investors. Which of the following aspects of culture are NOT conducive to investing in a country?

1. The preservation of its demography, cultural values, norms and beliefs, in the interest of preserving its national identity.
2. The creation of subcultures that are dissimilar from subcultures in other countries.
3. The interpretation and application of laws governing business operations, in the country.
4. The promotion of shared cultural attributes across ethnic and social groups in the country.

Question 19

"We formed strategic alliances with twelve firms in the same industry. This enabled us to capitalise on a number of significant similarities, including: scalability and sustainability". Clearly, this highlights the advantages of strategic alliances, including the following, EXCEPT:

1. They facilitate entry into foreign markets.
2. They are conducive to sharing fixed costs.
3. Improved accessibility, by competitors, to new technology and markets.
4. Enhanced complementarity of skills and assets, creating synergies between alliance partners.

Question 20

South African manufacturers exporting to the Eurozone export market, are witnessing declining growth prospects for the Eurozone market. Given this prospect, what would be the most suitable entry mode to use for penetrating this market?

1. Utilising export management companies.
2. Resorting to turnkey projects.
3. Renewing licensing agreement(s).
4. Opting for franchising.

Question 21

Some advantages of collaborative arrangements, regardless of whether a company is operating domestically or internationally, are:

1. that they lower production costs abroad.
2. that they reinforce protectionist barriers.
3. that they increase domestic manufacturing capacity in the home country
4. that they modify product design and development.

Question 22

China's continual penetration of Africa's markets has resulted in its decision to penetrate Africa's sparsely populated interiors, as a potential new frontier of manufacturing. Which one of the following modes of entry would be most suitable for this purpose?

1. Licensing.
2. Contract manufacturing.
3. Joint ventures.
4. Wholly-owned subsidiaries.

Question 23

Which ONE of the following environmental forces has a direct impact on an MNC's understanding of the international business environment?

1. An inadequately educated global workforce.
2. Inefficient government bureaucracies.
3. International tax regulations.
4. The advent of emerging markets.

Question 24

For international managers, the following constitute environmental risks, EXCEPT:

1. the impending nationalisation of industries, in a host country.
2. ongoing disputes over trade issues
3. the challenge of managing the thinking, attitudes and behaviour of employees.
4. the challenge of monitoring demographic shifts, urbanisation and minority groups.

Question 25

The key activities required to support the structuring of a global supply chain, include the following, EXCEPT:

1. Planning and developing a strategy for the supply chain.
2. Providing scope for MNCs to increase their market share.
3. The sourcing of goods and services through the procurement of supplies.
4. Providing a logistics plan for delivering and transporting manufactured products.

Question 26

Global supply chains are characterised by:

1. the use of a value chain for both primary and support activities.
2. compliance with tariff requirements set by GATT.
3. the management of relationships with international “sourcing” agents.
4. monitoring the sourcing of goods and services, so as to meet demand.

Question 27

When using the EPICS framework for assessing supply chain readiness for global operations, the economy dimension takes the following into account, except:

1. exchange rate stability
2. balance of trade

3. population size
4. ease of doing business

Question 28

For decades McDonald's preferred mode of foreign market entry has been the use of "franchising". Recently, this approach has fallen on hard times, particularly overseas. Why would McDonald's have adopted this entry mode?

1. In order to control foreign supply chains.
2. To ensure the timeous payment of royalties to McDonalds.
3. To enable McDonalds to control how the franchisee does business.
4. To transfer profits from a stronger franchisee to a weaker one.

Question 29

When considering human resource management, international employees can be placed into different categories. These are categories include the following, EXCEPT:

1. Third-country national.
2. Second-country national.
3. Parent-country national.
4. Host-country national.

Question 30

In order to achieve a sustainable national competitive advantage, the following factors need to be assessed, except:

1. natural and financial resources.
2. human capital and status of middle class.
3. Income levels and level of income disparity.
4. Technological capabilities and political economy.

TOTAL FOR ASSIGNMENT 01

[30 MARKS]

SEMESTER 01: ASSIGNMENT 02

Assignment 02 consists of three essay-type questions covering the entire syllabus. You are required to work through both your textbook and the study guide as you answer these questions.

Kindly, refer to section 8.3, in this tutorial letter for details on the required format for answering essay-type questions.

You are, also, encouraged to read beyond the parameters of this material in order to broaden your perspectives on the subject. Remember, this forms a pivotal part of your preparation for the forthcoming semester examination.

Question 1

“MNCs move through various stages in their quest to establish facets of their operations overseas. “

- 1.1 Identify and discuss the various stages that MNCs move through. (6 marks)
- 1.2 Discuss the aspects that need to be carefully considered needs in the “Adult MNC stage” of evolution. (9 marks)
- 1.3 Discuss the costs, risks and payoffs of ethnocentrism as a strategic orientation of an MNC. (10 marks)

[Total:25 marks]

Question 2

- 2.1 Discuss the impact that religion can have on the business and social environment. (6 marks)
- 2.2 Discuss the principles on which designing an organisational structure are based. (9 marks)
- 2.3 Fully explain what is meant by measures of strategic relevance. (10 marks)

[Total: 25 marks]

Question 3

- 3.1 Elaborate on the various determinants of expansion decisions by MNCs in Africa. (10 marks)
- 3.2 Explain the concept of operations and supply chain management (5 marks)
- 3.3 Explain what is meant by ‘born global’ firms (5 marks)

TOTAL FOR ASSIGNMENT 02

[70 marks]

SEMESTER 02: ASSIGNMENT 01

This assignment consists of 30 multiple-choice questions that cover different chapters of the prescribed book.

Question 1

Cross-cultural mentorship is most compatible with which strategic orientation peculiar to MNCs?

1. A polycentric orientation.
2. An ethnocentric orientation.
3. A geocentric orientation
4. A regiocentric orientation.

Question 2

The complete assimilation of German-Americans, as the largest ethnic group, into American culture, reflects which aspect of cross-cultural literacy?

1. Ethnocentricity.
2. Polycentricity.
3. Geocentricity.
4. Regiocentricity.

Question 3

“There is a need for business leaders with vision and compassion, as well as business leaders with drive, knowledge and perspective to lead enterprises through many challenges they face in Africa.” All of this points to the qualities of “global leaders”. The following are qualities of a global leader, EXCEPT:

1. the maintenance of a “world-orientation” that allows one to see things others do not.
2. an aptitude to influence government leadership, in the interest of transforming Africa.
3. the ability to be open to new experiences, diversity across cultures and markets and to change over time.
4. An aptitude to discover new markets and to establish a presence in key markets so as to secure competitive advantage.

Question 4

MNCs' ignorance of religious traditions and differences may end up:

1. promoting worldly gain and temporal power in an Islamic state.
2. underestimating the impact of consumerism on an Islamic states's command economy.
3. exacerbating social stratification in the context of the caste syste.
4. undermining the tenets of the labour market in the host country.

Question 5

Islam differs from Christianity in that:

1. Christianity promotes freedom to practice religion in the workplace.
2. Islam is not disruptive to business due to regular calls to prayer.
3. Islam promotes respect for others.
4. Christianity champions the virtues of loyalty, reciprocity and honesty.

Question 6

"Despite government's ultimate adoption of the National Development Plan (NDP), with its pragmatic business-friendly suggestions on how to spur economic activity, nothing of note has happened." What is needed is a global leader. A global leader reflects which ONE of the following personal traits?

1. Societal-culturalism skills.
2. Cross-cultural literacy.
3. Righteous moralism.
4. An ability to manage complexity.

Question 7

“Decision-making is impersonal”.

Which “cultural” approach is illustrated by this example?

1. Hall’s low context culture.
2. Hall’s high-context cultures.
3. Hofstede’s time orientation cultural dimension.
4. Ronen and Schenkar’s cultural cluster.

Question 8

Hofstede’s cultural dimension of “power distance” emphasises:

1. the relationship between the individual and his peers.
2. how different cultures socialize their members in ambiguous situations.
3. how a society deals with inequalities relating to intellectual capabilities.
4. the relationship between gender and work roles.

Question 9

Hall’s high-context cultural paradigm emphasises:

1. explicit communication between the messenger and the listener.
2. the importance of various work goals.
3. long-term relationships and the value of “trust” in negotiations.
4. autocratic versus democratic management styles.

Question 10

Social stratification in caste systems refers to:

1. the harshness with which social inequality is entrenched in society.
2. open access to social rewards in society
3. the achievement of individual social status in a given social category.
4. ownership and distribution of society’s means of production.

Question 11

The following comprise the elements of culture.

1. The cognitive performance of competitors in society.
2. The social mobility of individuals in another society.
3. The paternalistic relationship between employers and employees.
4. Restrictions on individual freedoms, in a particular society.

Question 12

The purpose of a country's prevailing political and economic philosophy is to:

1. crystallise the country's poverty levels.
2. highlight the structural causes of downward mobility.
3. pin-point the role of race and ethnicity in job creation.
4. determine the kind of economic systems that a country should implement.

Question 13

The role of exchange rate differentials is:

1. to guide governments in the implementation of economic policy.
2. to discourage the "buy local" principle with certain businesses.
3. encourage imports and discourage exports.
4. ensure the access to critical imports at a reasonable exchange rate.

Question 14

Import permits serve to:

1. increase government intervention in trade and economic matters.
2. increase the costs of exports, which discourages exports.
3. implement trade barriers in an arbitrary way.
4. discourage imports through administrative measures

Question 15

The difference between subsidies and quotas is that:

1. quotas are aimed at overcoming market imperfections, while subsidies are a source of governmental revenue.
2. subsidies are calculated as a percentage of the value of the item being subsidised whereas a quota involves a tax levied on goods being shipped out of a country.
3. quotas are designed to restrict the amount of goods or services that can be imported into a country over a designated period by contrast, subsidies constitute payments made by government for the benefit of domestic manufacturers.
4. subsidies represent an aggregate duty on more than one product, quotas in turn, are arbitrarily used to determine the value of goods entering a country.

Question 16

To assess the financial performance is one key aspect when deciding whether a host country has market growth potential. In order to do this an MNC can use the following method of analysis:

1. SWOT.
2. Resource based view.
3. Balanced Scorecard.
4. Boston Matrix.

Question 17

The concept of national productivity gains refers to:

1. government's economic policies.
2. labour pricing and wealth redistribution.
3. the doctrine of capitalism.
4. Cobb - Douglas's production function.

Question 18

When two or more companies share ownership of an FDI initiative, the operation is known as:

1. licensing.
2. a joint venture.
3. a turnkey project.
4. contract manufacturing.

Question 19

Transfer pricing involves:

1. establishing the potential of two countries' currencies to buy the same amount of goods and services in the countries under consideration.
2. the pricing of goods and services that are transferred between subsidiary members of a parent company (MNC).
3. the translation of foreign-currency financial statements into the reporting currency of the parent company.
4. determining the impact of exchange rate changes on future cash flows of an MNC.

Question 20

Global outsourcing invariably takes place when MNCs:

1. follow a vertical integration strategy.
2. manufacture products with selectively sourced materials.
3. engage foreign suppliers for the procurement of components required for assembly.
4. need to manage distribution in the supply chain.

Question 21

A company that believes in a culture that enables the best people to do the best work, despite the impact of competitive forces, needs leaders who will facilitate this process.

What sort of leadership traits are regarded as indispensable for this purpose?

1. A predisposition for building globally distributed teams, whose members will interact electronically, across borders, but who will have infrequent personal contact.
2. An ability to adapt their leadership styles and values to a changing business environment
3. The ability to consolidate large, international acquisitions.
4. A predilection for managing and maintaining a global supply-chain capability.

Question 22

For a multinational enterprise that has entered the phase of overseas manufacturing, what does contract manufacturing entail?

1. The foreign producer produces and sells the company's product in the local market.
2. The local producer produces and sells the company's product in the foreign market.
3. The local producer produces and sells the company's product in the local market.
4. The foreign producer produces and sells the company's product in the foreign market.

Question 23

National competitive advantage can be determined through an analysis of both supply-side and demand-side behavioural economics. Which ONE of the following is NOT applicable in this regard?

1. Economic relevance.
2. Global political influence.
3. Household consumption patterns.
4. Infrastructure amenities.

Question 24

Emotional intelligence is pivotal to global leadership, due to the following reasons, EXCEPT:

1. The need to be emotionally aware of what is going on in other people's minds.
2. The need for self-awareness, empathy and integrity.
3. The need to drive collective emotions in a positive direction.
4. The need to motivate, encourage and antagonise subordinates.

Question 25

The main objective in achieving a sustainable national competitive advantage is:

1. wealth creation and poverty alleviation.
2. profit maximisation and wealth creation
3. human development and poverty alleviation
4. profit maximisation and political stability

Question 26

In order to achieve a sustainable national competitive advantage, the following factors need to be assessed, except:

1. natural and financial resources
2. human capital and status of middle class
3. income levels and level of income disparity
4. technological capabilities and political economy

Question 27

When using the EPICS framework for assessing supply chain readiness for global operations, the politics dimension takes the following into account, EXCEPT:

1. ease of doing business
2. risk of political stability.
3. intellectual property rights.

4. labour relations.

Question 28

South Africa's political economy has been criticised internationally. This underscores the importance of a country's political economy inasmuch as:

1. a country's political economy reflects its GNI per capita.
2. it encapsulates those economic activities, that take the form of unrecorded cash transactions.
3. it stresses the interdependence of a country's political, economic and legal systems.
4. it portrays a country's policy uncertainty and prospects of nationalisation.

Question 29

There are several foreign market entry strategies that an MNC can employ, when venturing overseas. Which one of the following strategies should be adopted by a firm that is concerned with absolute control over resources and technology?

1. Franchising.
2. Licensing.
3. Foreign Direct Investment.
4. Exporting.

Question 30

South African companies operating in the fast food industry and who are planning to expand into West Africa, have been deterred by the outbreak of the Ebola disease. Amongst others, the impact of Ebola on West Africa's shrinking GDP, has led to a freeze on expansion plans. If these companies decide, at a later stage, to enter one or more of these countries, which "foreign market" entry mode would probably be the most suitable in these circumstances?

1. An export business plan, so as to catalyse the use of exports for this purpose.
2. Collaborative agreements, with host country partners.
3. Licensing.
4. Franchising.

TOTAL FOR ASSIGNMENT 01**[30 MARKS]****SEMESTER 02: ASSIGNMENT 02**

Assignment 02 consists of three essay-type questions covering the entire syllabus. You are required to work through both your textbook and the study guide as you answer these questions.

Kindly, refer to section 8.3, in this tutorial letter for details on the required format for answering essay-type questions.

You are, also, encouraged to read beyond the parameters of this material in order to broaden your perspectives on the subject. Remember, this forms a pivotal part of your preparation for the forthcoming semester examination.

Question 1

“Global leaders and managers are expected to lead and manage a diverse workforce. In order to do so, there are number of initiatives that can be implemented in organisations. “

- | | | |
|-----|--|------------|
| 1.1 | Identify and discuss the most important initiatives. | (8 marks) |
| 1.2 | Fully explain the concepts “diversity” and “workforce diversity” | (12 marks) |
| 1.3 | Discuss the advantages of managing diversity in organisations | (5 marks) |

[Total:25 marks]**Question 2**

- | | | |
|-----|--|------------|
| 2.1 | Identify and discuss seven global leadership skills. | (7 marks) |
| 2.2 | Differentiate between the polycentric and geocentric strategic orientations of MNCs. | (8marks) |
| 2.3 | Identify and discuss Hofstede’s cultural dimensions including time orientations | (10 marks) |

[Total:25 marks]**Question 3**

Firms can choose between TEN different types of foreign entry modes. Provide a definition and ONE advantage for each entry mode.

[Total: 20 marks]**TOTAL FOR ASSIGNMENT 02****[70 MARKS]**

8.6 Other assessment methods

There are no other assessment methods for this module

8.7 Format of the examination

Examination admission will be granted to all students who submit the compulsory Assignment 01. Students who do not submit this assignment will NOT be allowed to write the examination.

The provisional examination dates have been published at <https://my.unisa.ac.za>

The examination paper for MNB3702 is a two-hour paper with a total of 70 marks. It is a closed-book examination. The examination paper covers all the prescribed chapters in the prescribed book. The examination will be based on all the specified outcomes of this module.

9 FREQUENTLY ASKED QUESTIONS

We receive many calls from students asking the same questions over and over again. We have here fore decided to include these frequently asked questions in this tutorial letter. Please do not make an unnecessary telephone call asking one of the following questions:

9.1 Study material (tutorial letters, prescribed books and other items)

9.1.1 What is Tutorial Letter 101 (Tut 101)?

You will receive a Tut101 for every module for which you are registered. The Tut101 contains essential information such as information on administrative matters, assignment details such as submission dates and the actual assignment questions, as well as the prescribed sources for that specific module. **It is essential that you read through the Tut101 for each module carefully.**

9.1.2 Module content

9.1.2.1 How is the content of the module determined?

The content of a distance learning module is determined through a systematic process for the design and development of distance learning materials. This includes a needs assessment of the education needs at the different levels of the degree, an analysis of the learner group, the needs of the South African Qualifications Authority (SAQA) and the needs of the specialist field of study. The inputs of various stakeholders are also taken into account, for example, the legal requirements of government (eg the various laws relating to the field of study), the needs of the workplace and industry, the requirements of the specialist field of study, and feedback from students through opinion surveys and focus group interviews. The curriculum is normally developed by a team which includes subject specialists, instructional designers, editors, authors of distance learning materials, graphic artists, etc.

9.1.2.2 Why can't there be more built-in interactivity, guidance and feedback and proper self-assessment opportunities in the module?

With the advent of outcomes-based education (OBE), higher education institutions are now required to convert all learning material into an outcomes-based format. This implies that each module and study guide should include clearly stated learning outcomes. Furthermore, the learning material needs to provide opportunities for built-in interactivity, self-assessment activities, guidance and feedback. When the study guides of the Department become due for revision, they are reviewed in terms of the OBE requirements and are constantly being improved to incorporate outcomes-based principles and approaches. It is acknowledged that feedback is an integral part of these requirements and essential in order to promote meaningful learning. The Academic Staff in the Department are all committed to working towards this ideal.

9.1.2.3 Most of the modules are theory based. Why can't the modules be more practical to provide us with skills?

This may be true of some modules, but the modules, in general and the study guides and assignments, in particular, require you to do activities, including case studies aimed at relating the theory to the practical business management environment.

The diligent student will also complete these activities which promote understanding, the application of the theory and the development of cognitive skills relating to business practice.

9.2 Prescribed book

9.2.1 Do I have to buy the prescribed book?

Yes, you do need to buy the book if it is prescribed for the module you have registered for. You will not be able to complete this module successfully without the use of the prescribed book. We suggest that you buy the prescribed book as soon as you have registered. Particulars regarding the prescribed book/s (edition; chapters/pages to study etc) are provided on page 5 of this tutorial letter.

9.2.2 Where can I find a list of official booksellers?

Information on official booksellers appear in the *My studies @ Unisa*, which you received with your study material.

9.2.3 May I use any alternative books?

We strongly recommend the use of the prescribed book. You are welcome to consult additional reading material, but the examination paper is based on the prescribed book and the study guide.

9.2.4 Could you highlight the most important aspects of each chapter?

We suggest that you refer to the learning outcomes or guidelines at the beginning of each topic/study unit in the tutorial letter 501 or study guide, to see which aspects of the learning material need to be mastered.

9.3 Other study material issues

9.3.1 *I have not yet received my study material or misplaced some or all of it. Could you please mail or fax me a copy?*

No, unfortunately **the study material is kept at a different department**. Please refer to item 1.4.1.2 regarding the contact details in this regard. Ask whether the specific item has been despatched. If it has been despatched and you have not received it after a reasonable period of time, ask for another copy to be despatched. You can also find your study material on *myUnisa*.

9.3.2 *I would like to do some additional exercises. Could you provide me with tutorial letters from previous years?*

Owing to limited storage space at Unisa, no tutorial letters from previous years are kept and/or made available to students.

9.3.3 *What do I do if I experience problems with the content of the study material?*

Contact your tutor or one of the lecturers responsible for the module immediately. Please do not hesitate to contact us. You can **phone** any of the lecturers during the mornings, **make an appointment to come and see us personally**, write a **letter** or send an **email**. Tutors are available in person at regional learning centres on most Saturday mornings. You need to register at the centre to attend tutorials.

9.4 Assignments

9.4.1 *Do I have to do the assignments?*

The assignments, like the activities in the study guide, are vital learning tools to master the learning outcomes and to prepare you for the examinations. The assignments also provide an opportunity to obtain feedback from the lecturer and to get a feeling for the standard required in a particular module. You need to do the relevant assignments mentioned in this tutorial letter. Please check carefully under the assignment section on page 8 of this tutorial letter how many assignment(s) you need to complete, what kind of assignment(s) they are and their submission date(s).

No extensions whatsoever will be granted for the submission of the assignments and you are requested not to apply for extensions under any circumstances.

After the closing date of the assignments, you will receive a tutorial letter containing guidelines on answering the assignments.

9.4.2 *My assignment is late because.... Can I submit it at a later date?*

It is your responsibility to ensure that your assignment reaches UNISA's Main Campus on/or before the due date. Multiple-choice assignment questions are marked by a mark-reading device on a fixed date as specified in advance in the planning schedule of the assignment. Hence multiple-choice assignments submitted after the closing date will not be marked.

9.5 Examinations

9.5.1 Will the examination paper contain any theory questions and interpretations?

Most of the questions involve theory, interpretation and in some cases, application and calculations.

9.5.2 Can you give me any “tips” for the examination?

No —tips are NOT provided to students.

9.5.3 When and where will I be writing the examination?

When you register, select an examine centre that is convenient for you. If you need to change venues, inform the Directorate: Student Assessment Administration in good time so that it can make provision for you at the other centre.

9.5.4 When will the examination results be released?

Please refer to the table on page 5 of this tutorial letter regarding the contact details of the Examinations Section in this regard.

9.5.5 Where will I find my examination results?

You will be able to obtain your results from the following places on the day on which the examination results are released:

- on the **internet** at <http://www.unisa.ac.za>.
- by calling the toll-free number of the MTN Voice Response System: **083 1234**.
- A hardcopy of your official results will also be **posted** to you.

Please note that examination results may not be made available via email or telephone.

9.5.6 What do I do if I am unhappy with my results?

Refer to the **back page** of your **official results (which you will receive in the post)** for the **different options**. Also, consult the *My studies @ Unisa*, which you received as part of your study package.

9.5.7 How do I apply for my examination script to be remarked or rechecked?

You will find **all the information on** the remarking or rechecking of examination scripts at the **back** of the **official results, which** you will receive in the **post**. You will also find the information in the My studies @ Unisa.

9.5.8 *I am not familiar with examination-taking skills at a tertiary institution. How could I improve these skills?*

We suggest that you contact the Directorate for Counselling, Career & Academic Development in this regard (012 441 5388).

9.5.9 *What are the assessment criteria for the examinations?*

You will be assessed on the learning outcomes for each study unit. These learning outcomes are provided at the beginning of each learning unit in the tutorial letter 501.

9.6 Multiple-choice questions (MCQs)

9.6.1 *I often find MCQs difficult to understand. How should I approach them?*

When designing MCQs, we try to put as much information in the question as the students will need to identify the correct option. We also try to formulate the options as briefly as possible. You should read the question carefully and try to identify the part of the work to which the question relates. Identify the clues in the question that will lead you to choose the correct answer from the options.

9.6.2 *MCQs do not allow me to demonstrate all my knowledge. Could you possibly ask more application questions?*

The number of application questions asked in assignments and examination papers will depend on the level of the module. At first-year level, you will receive mainly theory-based MCQs. At second- and third-year levels, you will receive more application and fewer theory-based MCQs.

9.6.3 *Are the lecturers trying to catch me out?*

No, lecturers only try to test students' knowledge, understanding and application skills. MCQs are always checked and double-checked by colleagues for ambiguity.

9.6.4 *Why do I only receive marks for choosing the correct option and not for other knowledge that I have?*

When designing MCQs, lecturers try to cover all the learning outcomes identified in each study unit. In this way, your knowledge of the whole subject area is tested.

9.6.5 *Some of the MCQs are tricky because of semantics and not because of content difficulty. What can be done about this?*

When studying Management Sciences, students need to familiarise themselves with certain terms used in the business world. Lecturers use the same terminology in MCQs. Questions are also checked and double-checked by colleagues for ambiguity.

9.7 Group discussion classes

No group discussion classes will be presented for this module.

9.8 General

9.8.1 *I would like to work with other students. How can I arrange this?*

You could ask Unisa to connect you to other students in your area to enable you to form a study network. The Directorate for Counselling, Career & Academic Development also trains senior students to provide peer collaborative learning at the learning centres. We suggest that you contact the Directorate for Counselling, Career & Academic Development in this regard (012 441 5388).

9.8.2 *I wish to get in touch with students in my area who are also enrolled for the module for which I've enrolled. Please provide me with their contact details.*

Please use the *myUnisa* facility to get in touch with fellow students.

9.8.3 *There is a lack of student support in respect of skills development, such as business-related skills, and reading and study skills.*

We suggest that you contact the Directorate for Counselling, Career & Academic Development on 012 441 5388 about the development of reading and study skills.

Every lecturer endeavours to promote skills development in the subject for which he or she is responsible. However, skills development can only take place when the learning material and the learning outcomes have been mastered and when the student has the ability to apply the various concepts and principles. The activities and assignments in the study guide are aimed at promoting learning, understanding and application, which are prerequisites for developing skills.

9.8.4 *What is myUnisa?*

myUnisa is the University's online learning management system. You will find your study guides and tutorial letters in PDF format on the website for your module. You can communicate with your lecturers, with other students and with UNISA's Administrative Departments – all through the computer and the internet. Bear in mind that you require an internet-enabled computer to use *myUnisa*.

To go to the *myUnisa* website, start at the main Unisa website, <http://www.unisa.ac.za>, and then click on the orange **myUnisa** button on the right-hand side of the screen. This should take you to the *myUnisa* website. You can also go there directly by typing in <http://my.unisa.ac.za>.

Please consult the *My studies @ Unisa* for more information on *myUnisa*.

9.8.6 What is RPL?

Recognition of prior learning (RPL) is the recognition by Unisa of any nonaccredited learning of tertiary level related to a Unisa discipline which occurred before you decided to register for an academic qualification. The RPL programme at Unisa enables you to gain recognition and credit for what you already know and are able to do at a level equivalent to University study.

You receive credit for what you have learnt from experience, training courses, etc. For example, if you have worked as a police official for 10 years, you will have learnt a vast number of skills, such as how to conduct an arrest, how to write a statement and how to negotiate. If you have started up and run your own successful business, you will be experienced in budgeting, stock-taking and preparing proposals for clients. If you have done research and written research reports, you could request credits in the field of research. RPL makes it possible for you to earn credits towards a Unisa qualification, thereby shortening your study time and reducing your study fees.

Applications or enquiries can be directed to:

- the College of Economic and Management Sciences (Ms J Brozio: 011 471 2215, jbrozio@unisa.ac.za)
- pre-access programme for candidates with no or incomplete Department-leaving certificates (Ms Marici Snyman: 011 471 3937, msnyman@unisa.ac.za)

9.8.7 What can I do if I am not a confident reader or writer?

The Directorate for Counselling, Career & Academic Development offers literacy support at many of the regional learning centres. Staff there can also help you to improve your study skills. We suggest that you contact the Directorate for Counselling, Career & Academic Development in this regard (012 441 5388).

9.8.8 How much contact can I expect?

Since distance education relies on independent self-study, your study package on its own should enable you to complete the module successfully. *myUnisa* offers discussion forums. The Directorate for Counselling, Career & Academic Development has counsellors, literacy centres, peer collaborative learning facilitators, etc. We suggest that you contact the Directorate for Counselling, Career & Academic Development in this regard (012 441 5388).

9.8.9 Where can I obtain financial aid?

Please refer to the Financial Aid Bureau.

10 IN CLOSING

We wish you success in your studies.

Your lecturers for MNB3702
Department of Business Management
Unisa