OTTO-VON-GUERICKE-UNIVERSITY MAGDEBURG



Faculty of Economics & Management
CHAIR OF INTERNATIONAL MANAGEMENT

M

PROF. DR. BIRGITTA WOLFF

International Management I (1153) – Final Exam (WT 2002/03)

You have 1 hour to answer the questions. You can reach a maximum of 60 points. Before you start, read and remember the following hints:

- 1. Use the theoretical tools and terminology you have learned in class and from the readings.
- 2. Make sure there is a clear structure in your argument. (Use some time to sort your ideas before you start writing the version you want to submit, esp. if you answer B).
- 3. Use the time you have! If you are ready much earlier than we planned you should wonder if you forgot something.
- 4. Remember: people have to be able to decipher what you write.
- 5. Leave a margin for our comments, so we can give you a more detailed feed-back than just the number of points.
- 6. You are welcome to use a dictionary.

Please solve <u>either</u> problem(s) A <u>or</u> B. (If you answer both parts, only part A will be graded)

Alternative A: Please, answer three of the following five questions.

(If you answer more questions, only the first three of them will be graded)

- 1. Explain the consequence of IT with respect to solving coordination and motivation problems in international corporations from a transaction cost perspective. (20 points)
- 2. Name and explain three alternative organisational forms of foreign market entry with respect to their advantages and disadvantages. (20 points)
- 3. Describe an MNE's political environment using the structure provided by SIMON (1984). Explain SIMON's political risk framework. Give examples of risks using SIMON's terminology. (20 points)
- 4. Describe and explain PORTER's five forces model. What can top-managers of MNE's learn from it? (20 points)
- 5. Explain and illustrate different categories of internationally active firms according to BARTLETT/GOSHAL. (20 points)

Alternative B:

Explain how MNE's can increase the likelihood to actually get paid after delivering a good or service abroad. Explain alternative mechanisms and practical tools. You are welcome to use examples.