

**Department of Management & Organization
International Business (2253)**

Date: 14.5.2012

Examiner: Birgit Paukstat

Time: 4 hours

Extra material allowed: None

Max points: 45

Points needed to pass: 22.5

Please answer all the questions below, based on the lectures and the course literature. Write short and concise answers, but ensure that you capture the central ideas.

1. What is meant by the following concepts? Please define briefly (max 3 sentences per concept). *Scoring: you can get max 2 points per concept.*

- a) International firm (as defined in this course)
- b) Licensing agreement
- c) Power distance
- d) First mover advantage
- e) 4P marketing mix

2. Answer the following questions briefly (max ½ page [250 words] per question).

Scoring: you can max 5 points per question.

- a) Bartlett and Ghoshal (1989) distinguished four generic strategies that can be adopted by MNCs. Name and briefly characterize each strategy, including the combination of competitive pressures that it corresponds to.
- b) In what ways can host governments seek to influence inward FDI?
- c) Considering its business interests, for what reasons can it be sensible for an MNC to engage in CSR activities?

3. How can organizational architecture contribute to coordination and cooperation within a multinational firm? (Write max 2 pages)

Scoring: you can get max 10 points for this question.

- 4. a) Describe typical patterns in the internationalization process of firms, considering both the countries they go to, and their choice of entry mode(s).
- b) Based on the information in Table 1, discuss to what extent the internationalization of IKEA (with regard to choice of countries) corresponds to these patterns.
- c) How are the typical patterns in the internationalization process of firms explained in the so-called Uppsala model?

(Write max 2.5 pages)

Scoring: you can get max 3 points for part (a), max 2 points for part (b), and max 5 points for part (c).

Table 1: Country's first IKEA store(from IKEA Facts & Figures, <http://franchisor.ikea.com/txtfacts.html>, retrieved 7 May 2012)

1958	Sweden - Älmhult	1990	Hungary - Budapest
1963	Norway - Oslo (Nesbru)	1991	Poland - Platan
1969	Denmark - Copenhagen (Ballerup)	1991	Czech Republic - Prague (Zlicin)
1973	Switzerland - Zürich (Spreitenbach)	1991	United Arab Emirates - Dubai
1974	Germany - Munich (Eching)	1992	Slovakia - Bratislava
1975	Australia - Artamon	1994	Taiwan - Taipei
1976	Canada - Vancouver (Richmond)	1996	Finland - Esbo
1977	Austria - Vienna (Vösendorf)	1996	Malaysia - Kuala Lumpur
1978	Netherlands - Rotterdam (Sliedrecht)	1998	China - Shanghai
1978	Singapore - Singapore	2000	Russia - Moscow (Chimki)
1980	Spain - Gran Canaria (Las Palmas)	2001	Israel - Netanya
1981	Iceland - Reykjavik	2001	Greece - Thessaloniki
1981	France - Paris (Bobigny)	2004	Portugal - Lisbon
1983	Saudi Arabia - Jeddah	2005	Turkey - Istanbul
1984	Belgium - Brussels (Zaventem and Ternat)	2006	Japan - Tokyo (Funabashi)
1984	Kuwait - Kuwait City	2007	Romania - Bucharest
1985	United States - Philadelphia	2009	Ireland - Dublin
1987	United Kingdom - Manchester (Warrington)	2010	Dominican Republic - Santa Domingo
1988	Hong Kong - Hong Kong (Shatin)	2011	Bulgaria - Sofia
1989	Italy - Milan (Carugate)		

Good luck!