



EXAMINER'S REPORT

AUGUST 2000

INTERNATIONAL BUSINESS

General Comments

The numbers presenting for the Autumn examinations mean that any statistical analysis would be non-representative. However, there is value in examining the questions and the general trends which emerged in answers to each. On a general note the following points are pertinent:

- Students need to look at the marks allocated to parts of questions and allocate their time accordingly. For example, this year for Questions 1, 2 & 4, time must be allocated between the 12 mark and 8 mark section in order to maximise marks.
- The structure of answers needs work. Brief roughwork could be beneficial here to avoid writing additional paragraphs on different pages etc. at later stages.
- Length: Some answers are ridiculously short! Comments on Question 2 below may help to clarify this. In some cases a full answer is less than a page. This is not the norm but does seem to be an increasing number each year. As full a discussion as possible of the issues raised is needed.
- Time should be set aside to examine all past papers and to read examiners reports in detail.
- Questions need to be read in detail before starting a written answer. A large number of the fail marks are directly related to leaving out parts of the question asked.

Question 1

The topical question this year combined the labour situation in the Irish marketplace with the material covered in the essential text on labour forces. This trend of trying to find a topical question which also reflects text material will continue. This approach is detailed in previous examiners reports. Given the amount of press coverage this topic has generated recently the answers to the question were very disappointing. This type of question has appeared previously and so should have been easily anticipated, given the context in our domestic market at present. In terms of part (a) a lot of the answers were very “waffly”, any sort of points just thrown together. The question itself gives structure to the answer, seeking comment on the quality, quantity and composition of the labour force. Some answers addressed one or two points only and ignored the rest. There was also a general lack of knowledge in terms of the sectors facing skill shortages, the unemployment rate at the moment etc.. all of which is general knowledge. Part (b) sought comments on how market place changes affect firms. Again large parts of the question were ignored as it included Irish firms and potential investors. Issues facing such firms

include availability and cost of labour and subsequent impact on competitiveness, staff retention issues, need for investors to relocate workers to Ireland and subsequent costs, also for investors the threat of being unable to find labour here. Any of these issues or any other sensible points made received good marks.

Question 2

This question draws on Part 1 of the course (as outlined in the student handbook). Answers to the question were either very poor or extremely good. For example, some answers to part (a) stated in a one liner that International Business occurred once a firm went beyond their domestic borders and left it at that. If only it were that simple! The required issues are presented in detail in the text with the discussion of the differing environments facing managers going international. The discussion of how International and domestic business differ can draw on the syllabus as a whole. It required a listing or brief comment on the differences in terms of language, culture, physical markets, currency and exchange systems etc. and anything else that made sense. Within answers it was very obvious which students had a full understanding of the subjects, and in this case marks were very high and the content was excellent. At the other extreme some students took this as a last resort and wrote a line or a paragraph of an answer. Given that 12 out of a possible 20 marks are allocated to this section it should be obvious that this level of information/discussion won't work. Part (b) required reasons for International Business growth in recent years. The main points put forward included: increasing competition both European and Global, the impact of information technologies, increasing industry consolidation, the Euro currency and membership of the EU for Ireland, the increasing proliferation of regional trading blocs, preferential trade agreements among countries etc.. All of the above and other reasonable points were acceptable.

Question 3

This question draws on Part 2 of the course, and questions on theories of trade are not unexpected. In general the question was well answered and obviously well prepared. Most answers included a diagram of some type to illustrate the points made. As well as explaining the model, points also need to be made in relation to its usefulness. Despite all previous comments on this topic, this question arose previously in 1998, some students persist in presenting the Product Life Cycle (PLC) which receives no marks.

Question 4

This question draws on Part 4 of the course, and the International Monetary System. Part (a) was very straightforward and was generally well dealt with. Questions on exchange rate mechanisms etc.. are not new to this paper, and those who answered the question, which was relatively few, were well prepared. This material is clearly presented in the text. Part (b) referred to the fixed system and most answers described the benefits for Irish firms of the Euro as a fixed system such as decreased risks, price transparency, reduced currency costs etc.. Most students were well prepared as the Euro has been examined a number of times previously.

Question 5

This question draws on Part 5 of the course. This was a straightforward question on economic and socio-economic forces, from the environmental forces section. It was generally well dealt with. The main problem areas were again (a) detailing economic data fully and ignoring socio-economic completely (b) failing to comment on the uses of the data, all that was needed here was a brief comment on the use a firm would of data relating to GDP or population density etc..

Question 6

This question draws on Part 5 of the course. It is always well prepared in anticipation by students and this year was no exception. Listing and discussing the components is easily done and the way to increase marks further is to clearly illustrate, within the answers, examples of how such components influence International Business, as marks are allocated to the examples requested.

Question 7

This is a simple question on the latter parts of the course. Students who identified and discussed the five relevant stages of the screening process, and gave examples in each stage, received strong marks.

Question 8

This question draws on Part 5 of the course. This was well structured and answered. The tariff barriers, ad valorem, specific, compound etc.. did not present many problems. The quality of the discussion on non-tariff barriers varied. One thing to watch with this question is that the focus remains on describing the differences between types of trade obstacles. Some students listed and exclusively discussed the reasons why countries impose tariffs etc..—this is a different question.