



EXAMINER'S REPORT

MAY 2009

INTERNATIONAL BUSINESS

General Comments

The pass rate for this exam this year was again over 90% which is a very good result. This can be attributed in the main to students being well prepared for the subject range in the exam.

The failure rate was below 10% and therefore well within statistical norms. Over 70% of candidates achieved an honours mark. However, it is disappointing to note that no candidate achieved an overall "A" grade. Finally it is worth exploring the reasons for failure or for low performance:

- Giving the wrong answer which can earn no marks
- Referring at length to material which had not been asked. While relevant contributions from other subject areas are welcome and show good application and understanding of the issue, candidates are advised to read the question carefully and ONLY answer what is asked as marks cannot be awarded for incorrect/irrelevant answers.

Success in this exam depends greatly on adequate preparation of the course, but also on keeping abreast of international developments in general in the national press and TV news, internet etc. Candidates must also be familiar with the reports and websites of major Irish international companies and institutions responsible for exporting such as Enterprise Ireland, Bord Bia, the IDA and the Irish Exporters' Association.

Finally, it must also be advised that candidates purchase both essential texts on this course. The last (2nd) edition of the Irish text by MacDonnell and McEvoy is a much lengthier text than the first edition. While now a few years old the information is still largely relevant and as such this is an excellent accompaniment to the main text which is American and therefore lacks the Irish and European context. The Irish text is to be considered relevant and examinable in its entirety. Individual lecturers are encouraged to update subject areas where necessary.

Question 1

This question always relates to a topical issue. This year the credit crunch served as a backdrop to a largely theoretical question on the forces affecting labour forces in the economy and appropriate actions which may be taken by policy makers and business to attract more jobs into the economy. The Ball McCulloch text book is very global in relation to this topic and the backdrop of the credit crunch here gave students the opportunity to discuss these issues in a contemporary, Irish context. Approximately one third of students attempted this question and most achieved good to high marks based on a good application of the theory to a live context.

Question 2

This was a question on market entry strategies. It aimed to encourage students to consider which strategy is suited to organisations based on their available resources and intended strategy for the market in question. Many answers considered this and correctly outlined the benefits and disadvantages of export and non-export based market entry strategies. Approximately 40% of candidates attempted this question and most scored well or highly.

Question 3

Over 60% of candidates attempted this question on intellectual property and with one or two exceptions all achieved an honours mark. This can most likely be attributed to the fact that this important issue represents a crossover area with the module on the Regulatory Environment and also to the fact that this area is comprehensively treated in the Irish text.

Question 4

This question on the nature of international business gives candidates scope to illustrate the extent of their understanding of this subject. While simple in formulation candidates are invited to discuss the complexity of international business - in terms of culture, finance, regulation etc. Also the challenge to management is one that not all businesses are equipped to meet. This question proved popular, attracting a response rate of over 60% with most scoring well.

Question 5

The area of cultural studies is so critical to international business that most papers feature a question on culture in some form. This particular question is a very straightforward one which simply requires a discussion of how the individual components of culture (such as education, religion, aesthetics etc) can impact on companies doing business across borders. Given the regularity of a question on this area not surprisingly the response rate was very high at over 90%. This also explains the wide range of marks here from failure to "A"s. The main reason for failure was not adequately at least listing the main components of culture. Higher marks were awarded to candidates who discussed the impact on business, in both micro and macro terms.

Question 6

The "notes" question is intended to provide those who have a widespread knowledge of the course, but who perhaps lack depth of knowledge on specific areas, with an opportunity to score. These all appear regularly and should not cause surprise. As always, those who answer all three parts can score well. Failure to answer three parts remains the main reason for failing this question.

Question 7

Methods of payment is a critical issue for all companies involved in international business – particularly for SMEs. This issue is well documented in the Irish text. A little over half of candidates attempted this question and most scored well – but not highly. A good knowledge of the various methods is important but candidates must also assess the risk (and benefits) inherent in each method.

Question 8

This question is taken directly from chapter 3 of the Ball McCulloch text. It simply requires listing the main arguments for trade barriers (e.g. protecting local jobs) and against (e.g. makes companies less competitive in the long run). Some answers also listed the type of barriers which were considered relevant. In the main, this question was not particularly well answered with some fails and a high proportion of pass – "C" grades. Candidates who not only displayed a good understanding of the nature and types of barriers but also supplied some examples of the application of trade barriers between nations – and/or where they have been dismantled – scored higher marks.