

Reg. No.

--	--	--	--	--	--	--	--	--	--



MIBH 502

Third Semester M.B.A. (I.B.) Degree Examination, December 2018
INTERNATIONAL BUSINESS
International Business Environment

Time : 3 Hours

Max. Marks : 70

SECTION – A

(Compulsory)

Note : Answer to the question should **not** exceed **six** pages. **(1×15=15)**

1. “The world is changing very fast. Big will not beat small anymore. It will be the fast beating the slow”. Discuss this statement on adopting to the changing environment.

SECTION – B

Note : Answer **any five** questions. **Each** question carries **eight** marks. Answer to **each** question should **not** exceed **five** pages. **(5×8=40)**

2. Comment why business should participate in cultural affairs in Global Environment.
3. Countries International Relation determine the International Business Environment. Justify.
4. Bring out the Reasons and potential impact of Brexit on global economy.
5. Why do firms enter International Market ? How do the different kinds of Environmental factors enable the domestic firm to go Global ?
6. Discuss the primary approaches of Environmental Protection.

P.T.O.



7. How do you reengineer the International Business process based on Transportation, Communication and Infrastructural factors ?
8. Analyse the various changes that have taken place in International Business Environment in recent years.
9. Explain the steps to prevent and control the environmental pollutions as per EPA 1986.

SECTION – C

(Compulsory)

Note : Answer to this question should **not** exceed **six** pages.

(1×15=15)

10. In September 1988, Warner Hindustan was merged with Parke Davis-both offshoots of the same parent, Warner Lambert Company of the US. Parke Davis had a single location at Mumbai and Warner Hindustan was multilocational. The vagaries of the oppressive Drug Price Control Order (DPCO), the fact that both the companies belonged to the pharmaceutical industry, and the potential of realising synergies had led to the merger. The objectives to forge an alliance were : creating a scope for growth, building complementarity in product portfolio and leveraging their brand power. The two companies had very contrasting cultures. Parke Davis was a people driven company which practised participative and democratic values. It was basically a positively-oriented conservative company. Here employees had interpersonal relationship based on trust and respect for each other. On the other hand, Warner Hindustan had a task-oriented culture. There was a high level of cost-and profit consciousness, and a controlled, formal, and documented work culture. Risk-taking by managers was encouraged. After the merger, the management focussed on the rationalising of facilities/ resources, structuring departments, and allocating designations. However, no attention was paid to the two different sets of operating rules being followed in one post-merger company. After the merger there was a continuous clash in the culture and working system for a long time, as if two separate companies were working under the same roof. The average employee felt alienated and insecure.



It also led to the formation of cliques. After four years, in 1992, when conflicts manifested themselves in the form of work-stoppage and low productivity, the top management of the company got together and created a new vision and mission statement for the company. The purpose was to create a common set of goals for the employees of both the companies. Though the efforts to resolve the problems had been taken, still differences were evident from the departure of several top managers. The process of cultural integration had apparently not succeeded.

Questions :

- 1) Discuss the manner in which merger of the two entities took place. Analyse the case and find out the reasons as to why the process of cultural integration had not succeeded ? Justify your answer.
 - 2) What strategy you would have suggested to merger of the two entities successfully ? Justify your suggestion.
-