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**School of Business**  
**Bachelor of Business Administration**  
**Mid Term Examination - Mar 2024**

**Duration : 90 Minutes**  
**Max Marks : 50**

**Sem VI - D1UA601T - International Business**

General Instructions

*Answer to the specific question asked*

*Draw neat, labelled diagrams wherever necessary*

*Approved data hand books are allowed subject to verification by the Invigilator*

- 1) How trade agreements and international treaties promote global integration of markets and economies? K4 (4)
- 2) Assess the challenges and opportunities posed by globalization for sustainable development goals (SDGs) in low-income countries such as Nepal and Bangladesh. How can global partnerships and initiatives promote inclusive growth and poverty reduction? K5 (5)
- 3) Drawing on real-world examples, assess the extent to which globalization has contributed to economic growth, social development, and environmental sustainability in different regions of the world. K5 (5)
- 4) Explain the concept of comparative advantage and its significance in international trade? K3 (6)
- 5) Tesla, Inc., founded in 2003 by Elon Musk, has emerged as a pioneer in the electric vehicle (EV) and clean energy industry. With a mission to accelerate the world's transition to sustainable energy, Tesla operates in a dynamic global landscape characterized by rapid technological advancements and shifting consumer preferences. As the company expands its presence beyond its home market of the United States, Tesla encounters a multitude of challenges and complexities associated with globalization, particularly in the context of foreign direct investment (FDI). How does Tesla's strategy of establishing manufacturing plants and Gigafactories in foreign countries impact its global expansion and competitiveness in the EV market? Analyze the economic benefits and risks associated with Tesla's FDI decisions, considering factors such as government incentives, regulatory environments, and access to skilled labor. K4 (8)

- 6) Starbucks Corporation, founded in 1971 in Seattle, Washington, has grown into one of the world's largest and most recognizable coffeehouse chains. With over 33,000 stores across 80 countries, Starbucks operates in an increasingly interconnected world, facing a myriad of challenges and complexities stemming from globalization. As Starbucks continues to expand its global footprint, it grapples with economic, social, cultural, environmental, and geopolitical dynamics that shape its operations and impact its bottom line. On the basis of the above answer the following:
- a) With over 33,000 stores across 80 countries, Starbucks employs approximately 392,000 people globally, impacting local employment dynamics and community engagement initiatives. Analyze the social implications of Starbucks' presence in diverse communities worldwide. (5 marks)
- b) In 2020, Starbucks reported a revenue of \$23.52 billion, with international markets contributing approximately 27% to its total revenue. However, fluctuations in currency exchange rates and local economic conditions can significantly impact profitability. How does Starbucks' global expansion strategy impact its financial performance and competitive positioning? (5 marks)
- 7) A call center in an emerging economy has recently undergone globalization initiatives, expanding its operations to provide customer support services to clients from around the world. However, this transition has raised concerns among employees regarding job security and working conditions.
1. Analyze the potential cultural challenges faced by call center agents when interacting with customers from diverse cultural backgrounds. (06 marks)
  2. Discuss the role of training and skill development programs in preparing employees to meet the demands of a global customer base. (06 marks)
- K5 (10)
- K6 (12)