# QHC1 Managing in a Global Business Environment Version 1

**Section:** Business & Finance • **Total Questions:** 10 • **Format:** Verified Q&A

**1. A company would like to enter a foreign market with the lowest risk possible to its financial position. Which type of arrangement should this company use to minimize this risk?**

**(A)** Horizontal integration
**(B)** Licensing agreement
**(C)** Vertical integration
**(D)** Joint venture

**2. Which advantage is associated with using a standardization strategy for global marketing?**

**(A)** Market saturation
**(B)** Market growth
**(C)** Greater adaptability
**(D)** Lower costs

**3. A global company needs to have all of its information management systems operate in an integrated manner across all departments and locations. Which strategy should be used for this purpose?**

**(A)** Transaction monitoring system
**(B)** Customer relationship management
**(C)** Enterprise resource planning system
**(D)** Supplier relationship management

**4. How do governments use company financial statements?**

**(A)** To determine appropriate level of economic growth
**(B)** To ensure that companies pay their share of taxes
**(C)** To create strategic partnerships between companies
**(D)** To recommend company foreign direct investment

**5. What does it mean when damages are sought for the breach of a legally enforceable contract?**

**(A)** The party that broke the contract is blocked from additional foreign trade deals.

**(B)** The injured party is compensated and made whole from the contract.

**(C)** The injured party is given subsidies and support by the other party's government.

**(D)** The party that breaks the contract is restricted from further government contracts

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**6. Which behavior served as the catalyst for the development of the Sarbanes-Oxley Act?**

**(A)** Unethical environmental practices

**(B)** Unreasonable employee taxes

**(C)** Discrimination in labor activities

**(D)** Fraudulent accounting practices

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**7. A fast food restaurant opens its first restaurant in a country which is largely vegetarian due to its religious beliefs. The company sells only plant-based burgers at its restaurant. Which type of risk does the company seek to mitigate?**

**(A)** Societal

**(B)** Financial

**(C)** Political

**(D)** Legal

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**8. A large global automotive manufacturer would like to make a large-scale capital investment decision in production facilities to achieve revenue growth. Which type of economy should the automotive manufacturer focus on to achieve this goal?**

**(A)** Large emerging economies

**(B)** Agricultural economies

**(C)** Underserved economies

**(D)** Mature economies

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**9. Which form of instruction for an international assignment involves learning the basics about a country through interactive role playing situations and practices such as do's and don'ts, rules of gifting, and proper business etiquette?**

**(A)** Language training

**(B)** Textbook learning

**(C)** Video documentary

**(D)** Cultural simulation

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**10. Why might a smaller company looking to expand overseas consider a country with a high maximum corporate tax rate?**

**(A)** The country uses a flat tax system.

**(B)** The country uses tax brackets.

**(C)** The country has lower sales taxes.

**(D)** The country outlaws transfer pricing