International Business 16th edition Daniels Test Bank

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International Business: Environments and Operations, 16e **(Daniels et al.)**
Chapter 2 The Cultural Environments Facing Business

1) _____ consists of specific learned norms based on attitudes, values, and beliefs of a group of people.
A) Ethnology
B) Civilization
C) Culture
D) Doctrine
Answer: C
Diff: 1
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
AACSB: Diverse and multicultural work environments

2) Which of the following is NOT true about cultural diversity?
A) Companies may gain competitive advantages by bringing together people of diverse backgrounds.
B) Cultural diversity is most successful when domestic and foreign firms establish joint ventures.
C) Cultural diversity may help a company gain deeper knowledge about products and services.
D) The process of bringing people of different national cultures together is often difficult.
Answer: B
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
AACSB: Diverse and multicultural work environments

3) When divergent cultures come in contact, _____ occurs.
A) power distance
B) culture shock
C) cultural collision
D) group membership
Answer: C
Diff: 1
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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4) Which of the following BEST describes a result of cultural collision in international business?
A) A company implements practices that are less effective than intended.
B) Local employees are overlooked for promotions by home country managers.
C) Expatriate managers rely too heavily on local employees for negotiating business deals.
D) Foreign and domestic companies make adjustments for the local culture and legal environment.
Answer: A
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
AACSB: Diverse and multicultural work environments

5) Which of the following is the MOST accurate statement about culture?
A) Cultural variables can easily be isolated from other factors such as economic and political conditions.
B) Although most cultural variables are universal, the forms these variables take differ from culture to culture.
C) Most cultural variables are superficial and can easily be influenced by environmental factors.
D) Within a culture, everyone responds to particular cultural variables the same way.
Answer: B
Diff: 3
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
AACSB: Diverse and multicultural work environments

6) Businesspeople seeking to understand more about another culture in order to successfully conduct business within that culture would be best advised to do which of the following?
A) observe the behavior of people who have gained respect within that cultural environment
B) rely on stereotypes, which are based on averages, to gain an understanding of the culture
C) avoid cultural research studies because they perpetuate unjustified stereotypes and behaviors
D) memorize the cultural variations that are typically encountered in a specific cultural environment
Answer: A
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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7) Which of the following is a common shortcoming of studies examining culture in different countries and regions?
A) Cultures are static, which leads researchers to draw false conclusions from old data.
B) It is impossible to compare countries because of differences in data.
C) Responses are reported in averages, which can lead to a belief in unrealistic stereotypes.
D) People are reluctant to complain about their own cultures, so they present only positive opinions to researchers.
Answer: C
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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8) Many firms gain a global competitive advantage by fostering cultural diversity.
Answer: TRUE
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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9) Most cultural variables are universal.
Answer: TRUE
Diff: 1
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
AACSB: Diverse and multicultural work environments

10) The lack of cultural guidebooks and research specifically for international managers poses a significant problem for global firms.
Answer: FALSE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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11) The identity of a nation is typically promoted through symbols, monuments, and museums.
Answer: TRUE
Diff: 2
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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12) Most people's basic values are acquired during childhood and are not readily changed later in life.
Answer: TRUE
Diff: 2
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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13) The specific learned norms based on attitudes, values, and beliefs of a group of people are known as ethnology.
Answer: FALSE
Diff: 1
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
AACSB: Diverse and multicultural work environments

14) Similarity among people is both a cause and effect of national boundaries.
Answer: TRUE
Diff: 2
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
AACSB: Diverse and multicultural work environments

15) Cultures do not transcend national (state) boundaries.
Answer: FALSE
Diff: 2
Skill: Concept
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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16) What are the advantages and disadvantages of using a nation as a point of reference for a culture?
Answer: The nation, as opposed to the State, provides a workable definition of a culture for international business because basic similarity among people is both a cause and an effect of national boundaries. The laws governing business operations also apply primarily along national lines. Within the bounds of a nation are people who largely share essential attributes, such as values, language, and race. However, these shared attributes do not mean that everyone in a country is alike, nor do they suggest that each country is unique in all respects.
Diff: 3
Skill: Critical Thinking
Objective: 2-1 Explain why culture, especially national culture, is important in IB, but tricky to assess
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17) Managing and cultivating diverse teams is facilitated by first encouraging team members to _____.
A) understand each other's culture before dealing with the tasks at hand
B) jump into the task allowing the team members to react and adapt to each other
C) deal with fellow team members as they would in their own culture
D) establish strict rules on how the task will be performed
Answer: A
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

18) The nation offers a workable reference for studying cultural differences because _____.
A) a nation contains only one distinct culture
B) similarity among people is both a cause and effect of national boundaries
C) the commonality of language within a nation eases the process of conducting surveys
D) different groups within the same country always have more in common with each other than with groups in other countries
Answer: B
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
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19) A problem of using the nation as a reference point for culture is that _____.
A) nations fail to mediate the different interests within their boundaries
B) self-stereotypes tend to fall along national lines
C) such an approach tends to be polycentric
D) variations tend to be great within a country (state)
Answer: D
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

20) Certain attitudes can link groups, such as managers, from different nations more closely than managers within a given nation. As a result, international businesspeople should most likely _____.
A) assume that there are few significant cultural differences among nations
B) examine relevant groups when comparing nations
C) adopt universal operating methods
D) avoid cultural imperialism
Answer: B
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

21) It is most accurate to say that within most nations' borders, people largely share such essential attributes as _____ and _____.
A) work attitudes; occupations
B) lifestyles; education level
C) education level; ethnicity
D) values; language
Answer: D
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
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22) Most people's basic value system is _____.
A) modified significantly between childhood and adulthood
B) altered during adulthood through imposition
C) affected primarily by teenage peer pressure
D) acquired mainly during early childhood
Answer: D
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

23) Which of the following is a reason for global companies to NOT take religious beliefs into account?
A) Religion has an impact on almost every business function.
B) A company could get in trouble with local religious authorities.
C) A manager's religious training should be implemented in the company he/she manages.
D) Religion may influence consumer behavior.
Answer: C
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

24) Contact among countries brings about cultural change, which is a process called _____.
A) cultural collision
B) cultural imperialism
C) cultural diffusion
D) polycentrism
Answer: C
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

25) Creolization refers to _____.
A) government efforts to maintain a distinct cultural identity through legislation and language
B) the process of mixing elements of an outside culture with those of a national culture
C) the use of stereotypes to describe a culture
D) changes as cultures evolve over time
Answer: B
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
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26) Cultural change imposed by an alien culture is called _____.
A) multicultural ethnocentrism
B) cultural imperialism
C) collectivism
D) high-context
Answer: B
Diff: 1
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

27) Which of the following languages has the most NATIVE speakers?
A) English
B) Mandarin
C) Spanish
D) Hindi
Answer: B
Diff: 1
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

28) _____ people account for the largest percentage of global production.
A) English-speaking
B) Mandarin-speaking
C) French-speaking
D) Spanish-speaking
Answer: A
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

29) Which of the following statements about the English language is most likely NOT true?
A) The largest portion of global output is in English-speaking countries.
B) A large portion of MNEs are headquartered in English-speaking countries.
C) English is the official national language in most countries where FDI is encouraged.
D) Many MNEs from non-English speaking countries use English as their operating language.
Answer: C
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
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30) Although English is referred to as the "international language of business,"_____.
A) it is less frequently used than French in international business
B) there is a growing disagreement over which version of English to use, e.g. British, American, or Australian
C) companies headquartered outside English-speaking countries all use their official language as their operating language
D) monolingual English speakers may experience more difficulty in the future in communicating on a worldwide basis
Answer: D
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

31) The fact that an English word such as *blue jeans* has entered the Spanish language, while a Spanish word such as *macho* has come into American English illustrates that _____.
A) cultural diffusion is a two-way process
B) cultural trends come from emerging nations
C) existing national borders are shifting
D) material cultures are becoming universal
Answer: A
Diff: 2
Skill: Application
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

32) American hamburgers, Japanese sushi, Italian pizza, Mexican tacos, and Middle Eastern pita bread are now commonly found in most countries. This best supports the argument that _____.
A) although visible expressions of culture are becoming homogenized, basic differences in societal values remain strong
B) globalization fulfills lower order needs in Maslow's hierarchy
C) cultural imperialism is increasingly widespread
D) cultural hybridization is occurring
Answer: D
Diff: 2
Skill: Application
Objective: 2-2 Grasp the major causes of national cultural formation and change
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33) People in the port city of Jeddah were less culturally conservative than people in the interior of the country. The most likely reason for this is that _____.
A) people in the port cities have more contact with foreigners
B) the coastal area has to trade with countries using different religious holidays
C) the coastal area has a culture with a higher uncertainty avoidance
D) the coastal area is secular, whereas the interior of Saudi Arabia has a state religion
Answer: A
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

34) Cultural change may come by choice or imposition.
Answer: TRUE
Diff: 1
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

35) Creolization refers to the mixing of cultural elements that occurs during cultural diffusion.
Answer: TRUE
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

36) English-speaking peoples account for a larger portion of global output than people who speak any other language.
Answer: TRUE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

37) Change agents intentionally cause or accelerate social and cultural change.
Answer: TRUE
Diff: 2
Skill: Concept
Objective: 2-2 Grasp the major causes of national cultural formation and change
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38) What is the difference between a monochronic and polychronic culture? How do such cultural differences affect business practices for international firms?
Answer: Cultures such as those in Northern Europe are called monochronic. People prefer to work sequentially, such as finishing with one customer before dealing with another. Conversely, polychronic Southern Europeans are more comfortable working simultaneously with all the tasks they face. Such cultural differences affect the degree of multitasking with which people are comfortable. International companies and individuals must evaluate their business and personal practices to ensure that their behavior may fit with the culture.
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Synthesis
Objective: 2-2 Grasp the major causes of national cultural formation and change
AACSB: Diverse and multicultural work environments

39) International businesspeople need to understand social stratification systems where they do business because _____.
A) such systems reflect a culture's willingness to accept new products
B) such systems indicate who people in a given culture will likely respect more
C) the high similarity among countries lets firms effectively use global hiring practices
D) what is an ascribed group membership in one country is an acquired one in another
Answer: B
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

40) The more closed a society is, the more important _____ group membership is.
A) acquired
B) age-based
C) education
D) ascribed
Answer: D
Diff: 2
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
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41) Studies indicate a strong correlation between the intensity of religious belief and _____.
A) a desire to convert productivity gains into more leisure time
B) an adherence to some attributes that lead to economic growth
C) the belief that material success is related to salvation
D) the degree of ethnocentrism exhibited in a culture
Answer: B
Diff: 2
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

42) Which of the following is an example of an acquired group membership?
A) national origin
B) religion
C) gender
D) race
Answer: B
Diff: 1
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

43) According to the theory of success and reward expectation, the greatest enthusiasm for work generally occurs when there is a _____ certainty of success combined with a _____ reward for success compared to the reward for failure.
A) high; high
B) high; low
C) low; high
D) low; low
Answer: C
Diff: 2
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

44) The term "_____ culture" describes a country in which the norm is a money-and-things orientation and a belief that it's better to "live to work" than to "work to live."
A) high masculinity
B) physiological
C) non-fatalistic
D) high-femininity
Answer: A
Diff: 1
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

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45) Based on the hierarchy-of-needs theory, in which of the following would fulfillment of lower-order needs be the best motivator?
A) wealthy countries
B) Protestant countries
C) high femininity countries
D) very poor countries
Answer: D
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

46) People generally prefer little consultation between superiors and subordinates in cultures where _____ is high.
A) power distance
B) fatalism
C) individualism
D) self-actualization
Answer: A
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

47) Which of the following is characterized by low dependence on an organization and a desire for personal time, freedom, and challenges?
A) collectivism
B) democracy
C) individualism
D) anarchy
Answer: C
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
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48) Assume a firm has operations in Tokyo, where there is a collectivist culture. Which of the following would most likely motivate the firm's Japanese employees?
A) "employee-of-the-month" programs
B) extensive vacation time
C) on-the-job challenges
D) good health benefits
Answer: D
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

49) Safe work environments motivate _____; challenges motivate _____.
A) individualists; collectivists
B) collectivists; individualists
C) non-fatalists; fatalists
D) materialists; non-materialists
Answer: B
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

50) Managers should be more precise in their directions to subordinates when _____.
A) the company has a philosophy of geocentrism
B) the society believes age equals wisdom
C) uncertainty avoidance is high
D) power distance is low
Answer: C
Diff: 2
Learning Outcome: Discuss the role of ethics and social responsibility in international business
Skill: Application
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
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51) In societies where trust is high, _____.
A) people tend to be more future-oriented
B) business costs are typically lower
C) people tend to be more fatalistic
D) family businesses are dominant
Answer: B
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

52) Expatriate managers located in cultures characterized by _____ have noticed that local employees are highly motivated by retirement programs.
A) low uncertainty avoidance
B) high future orientation
C) low masculinity
D) high power distance
Answer: B
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

53) Raj, an engineer, works long hours and takes full responsibility for both his good and bad work performance. Raj most likely believes in _____.
A) self-determination
B) low power distance
C) collectivism
D) fatalism
Answer: A
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
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54) In a(n) _____ culture, people tend to regard seemingly peripheral information as pertinent to decision making and infer meanings from things that people say either indirectly or casually.
A) pragmatic
B) idealistic
C) fatalistic
D) high-context
Answer: D
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

55) A culture in which people prefer to finish one task before starting another is most accurately characterized as which of the following?
A) low-context
B) monochronic
C) pragmatic
D) high power-distance
Answer: B
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

56) A culture that prefers to first settle general principles rather than small issues is most accurately characterized as _____.
A) idealist
B) polychronic
C) high-context
D) pragmatist
Answer: A
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
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57) The attempt to resolve small issues before principles is a characteristic of which of the following?
A) relativism
B) monochronic behavior
C) pragmatism
D) uncertainty avoidance
Answer: C
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

58) National origin is an acquired group membership.
Answer: FALSE
Diff: 2
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

59) There is a strong correlation between the intensity of religious belief and attributes that lead to economic growth, such as obeying laws and thriftiness.
Answer: TRUE
Diff: 2
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

60) In a country with a high masculinity score, people have a tendency to feel sympathy towards individuals who are unemployed or homeless.
Answer: FALSE
Diff: 2
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

61) Preference for a consultative management style is prevalent in a society with low power distance.
Answer: TRUE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
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62) In collectivist cultures based on kinship, security and social needs are met more effectively in the workplace than at home.
Answer: FALSE
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

63) In societies where trust is high, there tends to be a lower cost of doing business.
Answer: TRUE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

64) A culture in which people prefer to handle tasks sequentially is a polychronic culture.
Answer: FALSE
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

65) Although countries are similar in terms of having a mandatory retirement age, they differ in what that age is.
Answer: TRUE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

66) Where future orientation is high, people are more willing to delay gratification by investing.
Answer: TRUE
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
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67) A culture with a preference for a problem-solving style that first settles principles is a pragmatic culture.
Answer: FALSE
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

68) Geocentrism is the preferred approach to international business practices for most global firms.
Answer: TRUE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

69) In a short essay, describe the various affiliations upon which a person's status can be based and discuss how social stratification affects such business functions as marketing and employment practices.
Answer:
a. A person's status is partly determined by individual factors and partly by the person's affiliation or membership in a given group. Affiliations determined by birth—known as ascribed group memberships—include those based on gender, family, age, caste, and ethnic, racial, or national origin. Affiliations not determined by birth are called acquired group memberships and include those based on religion, political affiliation, and professional and other associations.
b. Social stratification affects marketing as companies choose to use people in their advertisements whom their target market admires or associates with. Further, stratification affects employment practices such as hiring, promotion, compensation, and staff-reduction. Employers in different countries are differently influenced by social stratification as they make employment decisions.
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Critical Thinking
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

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70) Describe the four major theories discussed in your text that explain why motivation differs from one country to another.
Answer:
a. Materialism and Leisure: Historically, there is strong evidence that the desire for material wealth is a prime incentive for the work that leads to economic development.
b. Expectation of Success and Reward: Generally, people have little enthusiasm for efforts that seem too easy or too difficult, where the probability of either success or failure seems almost certain. The greatest enthusiasm for work exists when high uncertainty of success is combined with the likelihood of a very positive reward for success and little or none for failure.
c. Masculinity-Femininity Index: The average interest in career success varies substantially among countries. In one study, employees with a high masculinity score were those who admired the successful achiever, had little sympathy for the unfortunate, and preferred to be the best rather than be on a par with others.
d. Needs Hierarchy: According to this theory, people try to fulfill lower-order needs sufficiently before moving on to higher ones. People will work to satisfy a need, but once it is fulfilled, it is no longer a motivator.
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

71) What are the characteristics of individualist and collectivist cultures?
Answer: Attributes of individualism are low dependence on the organization and a desire for personal time, freedom, and challenge. Attributes of collectivism are dependence on the organization and a desire for training, good physical conditions, and benefits. In those countries with high individualism, self-actualization will be a prime motivator because employees want challenges. However, in countries with high collectivism, the provision of a safe physical and emotional environment will be a prime motivator.
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-3 Discuss major behavioral factors influencing countries' business practices
AACSB: Diverse and multicultural work environments

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72) All of the following are international business translation problems EXCEPT which of the following?
A) All written work requires back translation in order to be understood in a second language.
B) Because languages and the common meaning of words are constantly evolving, the intended meaning of a word may be different from what the listener or reader understands.
C) Some words in one language simply don't have a direct translation into another language.
D) Words mean different things in different contexts, thus the wrong context may be translated.
Answer: A
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Written and oral communication

73) When a company does business in another country whose official language is the same as its home country's, the company should most likely _____.
A) assume that communications will go smoothly
B) use back-translation on all written documents
C) realize that words may have different meanings
D) assume that word meanings are the same despite spelling differences
Answer: C
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Written and oral communication

74) Jack, an American accounts manager, is preparing a presentation for a group of Japanese business people. Jack's presentation would be most effective if he _____.
A) told an opening joke to put everyone at ease
B) used slang to create an informal atmosphere
C) used long words to impress his counterparts
D) budgeted extra time for translation and clarification
Answer: D
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Written and oral communication

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75) Evaluating the importance of potential clients or partners by the way they dress is an example of using _____.
A) pragmatism
B) silent language
C) polychronism
D) fatalism
Answer: B
Diff: 2
Skill: Concept
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Written and oral communication

76) Assume a firm plans to expand internationally. If its managers wish to avoid pitfalls caused by differences in "silent language," they should consider differences in _____.
A) normal proximity during conversations
B) degree of detail expected in written contract
C) the meaning of slang words during presentations
D) importance of adherence to schedules
Answer: A
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Critical Thinking
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Diverse and multicultural work environments

77) Assume a U.S. firm plans to expand into Mexico, Germany, or Japan. Its executives are traveling to each country to meet with local businesspeople in the decision-making process. Which of the following would be LEAST beneficial when the executives make a presentation?
A) requesting a translator with technical vocabulary knowledge
B) simplifying vocabulary and terminology for the audience
C) conducting back translations for written work
D) avoiding repetition to prevent boredom
Answer: D
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Critical Thinking
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Written and oral communication

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78) When a company does business in another country whose official language is the same as the company's home country, employees can assume that although some spellings are different, words will mean the same thing.
Answer: FALSE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Written and oral communication

79) A firm that begins operating in a culturally similar foreign country will most likely face few necessary cultural adjustments.
Answer: TRUE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Diverse and multicultural work environments

80) A widely successful strategy for introducing change into a foreign country is to introduce many changes simultaneously.
Answer: FALSE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Diverse and multicultural work environments

81) What is the difference between a low-context culture and a high-context culture? How do these differences affect communication in international business dealings?
Answer: Low-context cultures are environments in which most people consider relevant only firsthand information that bears directly on the decision they need to make. In business, they spend little time on "small talk." High-context cultures are environments in which people consider peripheral information valuable to decision making. When managers from the two types of cultures deal with each other, the low-context individuals may believe the high-context ones are inefficient and time-wasters. The high-context individuals may believe the low-context ones are too aggressive to be trusted.
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Synthesis
Objective: 2-4 Recognize the complexities of cross-cultural communications
AACSB: Written and oral communication

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82) The term "cultural distance" refers to the _____.
A) physical space between people during communication
B) time it takes people to adjust to the language, traditions, and norms of a foreign culture
C) degree to which countries differ on cultural dimensions
D) preferred relationship between superiors and subordinates in a given culture
Answer: C
Diff: 1
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Analytical thinking

83) Ellen, a U.S. citizen, worked for a U.S. firm in Germany for four years and was transferred back to the firm's home office in Chicago two months ago. Ellen feels significant dissatisfaction with her job and life in Chicago, which is most likely a result of _____.
A) reverse culture shock
B) polycentrism
C) culture shock
D) ethnocentrism
Answer: A
Diff: 1
Skill: Application
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

84) Ethnocentrism in international business refers to the _____.
A) study of group ethics and approaches to corporate social responsibility
B) comparison of the Protestant ethic with other religious views
C) belief that what works best at home should work best everywhere
D) ethnic segmentation of marketing programs within countries
Answer: C
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

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85) The approach a company takes when it bases foreign operations on an informed knowledge of its organizational culture along with home- and host-country needs, capabilities, and constraints is called _____.
A) polycentrism
B) ethnocentrism
C) neocentrism
D) geocentrism
Answer: D
Diff: 1
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

86) A firm that concentrates on national cultural differences in terms of averages is more likely to _____.
A) underestimate market demands
B) increase political risks
C) seek cultural collision
D) overlook outliers
Answer: D
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

87) Organizing work differently to improve productivity will likely fail _____.
A) if the workforce has a low tolerance for authoritarianism
B) if workers participate in planning the improvement
C) unless changes are compatible with competitors' practices
D) if changes interfere with strongly held value systems
Answer: D
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

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88) When a company wishes to introduce change in a foreign country, its likelihood of success can most likely be improved by _____.
A) introducing many changes simultaneously
B) gaining the support of local opinion leaders
C) agreeing to make some home-country changes in return
D) employing expatriate managers to supervise local workers
Answer: B
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

89) If an MNE convinced a popular priest that its vitamin-enriched soft drink would benefit parishioners' health, the MNE would be using _____ to help bring about change.
A) participation
B) reward sharing
C) an opinion leader
D) materialistic motivation
Answer: C
Diff: 2
Skill: Application
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

90) U.S. companies monopolize much of the international entertainment media, which largely portrays U.S. products and lifestyles as glamorous and appealing. This situation would most likely be used as an example of _____.
A) the stronger work ethic typical of developed countries
B) the spread of high-context cultures
C) cultural fragmentation
D) cultural imperialism
Answer: D
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Application
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

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91) A potential problem of polycentrism is failure to introduce innovative superiority.
Answer: TRUE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

92) Ethnocentric firms typically use the same business practices in all cultures and markets.
Answer: TRUE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

93) According to experts, stakeholder participation in decision making is effective only in countries with an educated population.
Answer: FALSE
Diff: 2
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Concept
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

94) What is culture shock? How can an international employer help prevent culture shock and improve the success of expatriates?
Answer: Culture shock is frustration arising from experiencing a new culture and having to learn and cope with a vast array of new cultural cues and expectations. Businesspeople can learn to improve awareness and sensitivity and, by educating themselves, enhance the likelihood of succeeding abroad and avoiding culture shock. Gathering some basic research on another culture can be instructive as well as learning the language. There are country guidebooks based on people's experiences, including those by international managers. Employees can also consult with knowledgeable people at home and abroad, whether in a governmental or private capacity to learn about the culture and avoid adjustment problems.
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Synthesis
Objective: 2-5 Analyze guidelines for cultural adjustment
AACSB: Diverse and multicultural work environments

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95) What is the difference between a polycentric, ethnocentric, and geocentric approach to international management? What key factors should a firm consider before adopting one of these approaches?
Answer: In polycentric organizations, control is decentralized. In other words, business units in different countries have a significant degree of autonomy from the home office and act like local companies. Polycentrism may be, however, an overly cautious response to cultural variety. Ethnocentrism is the belief that one's own culture is superior to others. In international business, it describes a company or individual so taken with the belief that what worked at home should work abroad that environmental differences are ignored. Geocentrism refers to a situation in which a company bases its operations on an informed knowledge of home and host country needs, capabilities, and constraints. This is the preferred approach to business dealing with another culture because it increases introduction of innovations and decreases the likelihood of their failures. In deciding whether to make changes in either home- or host-country operations, a company should consider several factors: the importance of the proposed changes to every party involved, the cost and benefit to the company of each proposed change, the value of opinion leaders in implementing the changes, and timing.
Diff: 3
Learning Outcome: Explain how differences in culture affect the international business environment
Skill: Synthesis
Objective: 2-5 Analyze guidelines for cultural adjustment
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