

UK are changing 30%. The EU standard rate is now 12.5%.

(ii) Access to the European Union
Non-EU transnational companies choose Ireland as a location to give them access to a single European market. There are 1,050 transnationals in Ireland.

(iii) Well-educated workforce
The Irish labour force has the necessary hi-tech skills to give us a competitive advantage in chemicals, medicines and computer software, etc. Ireland has been ranked fourth in a world survey on meeting the needs of a competitive economy through education.

(iv) English-speaking nation
Ireland is the only English-speaking nation in the Eurozone and that reduces costs for transnational companies, as English is the world's number one business language. Ireland is also considered to be a pro-business environment.

(v) Grants and financial investment
The Irish government has offered lucrative grants and now also takes an ownership stake. IDA Ireland is the agency that offers the financial incentives. There are grants available for foreign firms that locate their Research & Development (R and D) facilities in Ireland.
(4 x [2+3])

QUESTION 3

Part (a)

An EU directive requires existing national law to be amended or a new law introduced, so that it can be applied to a particular member state.

The EU Waste Management Directive of 1993 suggested that Irish people must reduce their mountains of waste and develop a meaningful environmental policy. The very effective plastic bag tax of 28 cent per bag has had a major impact on Irish businesses, as retailers and consumers have changed their attitudes towards the environment.

The EU Postal Directive means that Irish businesses will have a choice when sending Post and the An Post monopoly will be broken up; this should reduce costs for Irish businesses and improve service and efficiency.

The EU Product Liability Directive puts the

(a) Impact of EU directives on Irish Business
(b) Impact of SEM on Irish business
(c) Role of global marketing
Handwritten notes: Impact of EU directives on Irish Business, SEM on Irish business, Role of global marketing

pressure on all Irish producers to reduce the level of defective products and to improve standards of quality. The onus is on the manufacturer to ensure that excellent quality originates in their factories.

The EU work consultation directive means that employee representatives have to be consulted before major organisational changes can be implemented in a business. This protects the employees' position within the business.
(five points at 3 marks each)

Part (b)

The main effects of the Single European Market are:

Removal of physical barriers
The freedom of movement of goods, services, labour and capital gives Irish firms access to an enlarged market of nearly 450 million people. As a small, open economy that depends on exports to fuel economic growth, this has proved to be highly beneficial to our small nation. Competitive Irish firms have taken this opportunity to expand successfully.

Lower Administration Costs

As an island nation on the edge of Europe, Ireland has benefited from the introduction of a single travel document for the shipment of goods throughout the European Union. This reduces administration charges and facilitates the movement of Irish exports.

Single Banking Licence

Irish banks are free to set up throughout the European Union. As we have a competitive advantage in the financial services sector, Irish banks have made huge profits in other EU countries. Foreign banks have also created thousands of jobs in the International Financial Services Centre (IFSC) in Dublin.

Access to EU Structural and Cohesion Funds

Irish infrastructure has been greatly enhanced by the billions of euros in structural funds offered to Ireland, since we joined the European Union. This has reduced the costs of distribution within Ireland and has allowed our firms to become more competitive.

Attraction of Non-EU Multinational Companies

As a small open economy, we have attracted many US companies, which have set up base in Ireland. Access to the single market of the European Union has been a major selling

point. We have 1,050 multinational companies in Ireland. US companies are directly responsible for 100,000 Irish jobs.
(Any four points (2 + 3))

Part (c)

Global marketing is the identification, anticipation and satisfaction of the needs and wants of the global consumer. It uses the global marketing mix of global product, global price, global place, and global promotion, e.g. Coca Cola, Intel, Nokia, McDonalds, Philips.

Global marketing coordinates its efforts towards aiming the product at a one-world market and adjusting for the most important factor: the price, which is related to the average earnings per head in that country.

Global marketing organises the factors of production on a worldwide basis and seeks out the most cost effective methods in the most cost effective locations. This results in a cheaper price for the global consumer, e.g. IBM.

Global marketing allows those companies who have 'run out of road' at home to expand worldwide, taking advantage of improvements in transport, information technology and the deregulation of markets pushed for by the World Trade Organisation. These companies also benefit from economies of scale due to the larger scale of operations, e.g. Nike (3 at 6 marks; 1 at 7 marks).

QUESTION 4

Part (a)

Management Activities are:

Planning

This is setting targets for the organisation and choosing the best course of action to achieve them. It maps out a successful route to achieve its targets. A tactical plan is a short-term one.

Example

A household can plan its cash inflows and outflows by preparing a household budget.

Organising

This part shape on the team, world and all resources are arranged, so as how to achieve the household's objectives. It involve a superior and subordinates and a chain of command.

* 2nd.