

South Tuen Mun Government Secondary School
Business Environment and Introduction to Management
Revision_ch 1_HK's business environment

1. **Issues faced by businesses in Hong Kong**
2. **Methods to solve the high costs in HK**
3. **The major factors accounting for the structural changes to tertiary sectors include:**
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4. **Business sector contribute to the Hong Kong economy in the following ways.**

5. **HK government receive revenue** from the following means

6. **Relationships between HK and the Mainland**

The Mainland is

Hong Kong is

7. Hong Kong serve as an **intermediary** between the Mainland and the outside world:

8. **Political instability** is bad for business:

9. The '**Individual Visit Scheme**' *implemented in 2003* promotes tourism in Hong Kong and makes industries such as hotel, catering, retail and transportation more vibrant.

The implementation of **Closer Economic Partnership Arrangement (CEPA)** strengthens the cooperation between mainland China and Hong Kong on trade and investment and prompts mutual development.

10. **Favorable factors which enable HK to become 'Asian regional headquarters'**

11. • **Economic factors:**

12. **Six industries in HK** include:

13. • **Social and cultural factors:**

14. A **laissez-faire** economic policy is

15. **In Hong Kong, the government allows the free flow of information.**

16. Hong Kong is regarded as an **externally-oriented economy** because

Hong Kong relies heavily on external trade because:

17. **Technology** transfers from other countries can *improve production techniques and labour productivity* of
18. **Technological** factors can help raise the **productivity** of a bank in the following ways:
19. **Multi-National Companies**, like McDonalds

20. The reasons that *MNCs set up businesses in Hong Kong* are as follows:

21. **Issues to be considered when hiring staff / company from other countries**
Is/can the staff or the company:

22. **Outsourcing** is the act of a company contracting out a production process or a business function to another company within or outside the country.

Major issues and concerns that MNCs need to be aware of include

23. • **Physical factors:** favourable location, proximity to infrastructure (roads and ports), transportation network, availability of natural resources, etc.

Benefits arising from the favourable physical factor of having a natural deep-water harbour:

Benefits arising from the favourable physical factor of its **proximity to the Mainland:**

24. Costs of relocating plants to China:

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Benefits of relocating plants to China:

25. **Globalisation** affects business decisions in the following ways:

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26. **Globalisation** is a series of economic, technological, cultural, social and political changes which have led to the increasing integration and interdependence of people and firms around the world.

27. A small manufacturer in Hong Kong can better respond to global competition by: