MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FOURTH YEAR SUPPLEMENTARY EXAMINATION FOR

BACHELOR OF COMMERCE

BBA 402: INTERNATIONAL BUSINESS MANAGEMENT AND OPERATION

DATE: **TIME:**

INSTRUCTIONS

- This paper consists of two sections
- Section A is compulsory (30 marks)
- Answer any two questions from section B (Each 20 marks)

SECTION A

QUESTION ONE (30 MARKS)

a) Explain three reasons why a firm would want to go became a multinational firm. (6 marks)

b) Describe three models of multinational corporation (6 marks)

c) Explain four differences between domestic and international market (8 marks)

d) Outline the roles of World Trade Organization in the International Business management (4 marks)

e) Explain three models of international markets (6 marks)

QUESTION TWO

a) Briefly describe five forms of e-commerce. (10 marks)

b) Describe five strategies that a firm may use in entering an international market. 10 marks)

QUESTION THREE

a) International business is beneficial to both the firm and to the nation. Explain the importance of international business to the firm. (10 marks)

b) Explain five problems faced by MNEs in host countries. (10 marks)

QUESTION FOUR

a) Explain five environmental variables that a firm should consider while choosing an entry mode into the foreign market (10 marks)

b) Giving example, explain five problems faced by developing countries in foreign trade (10 marks)

QUESTION FIVE

a) The likelihood that a firm will succeed when it competes in the international market is shaped by some aspects in its domestic market. Giving clear example five of those aspects (10 marks)

b) Clearly explain the concept of vertical and horizontal differentiation in structuring an international organization (10 marks)