



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

BBA402: INTERNATIONAL BUSINESS MANAGEMENT AND OPERATION

DATE: 27/9/2019

TIME: 8:30 – 10:30 AM

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)

- Explain three reasons why a firm would want to go become a multinational firm. (6 marks)
- Describe three models of multinational corporation (6 marks)
- Explain four differences between domestic and international market (8 marks)
- Outline the roles of World Trade Organization in the International Business management (4 marks)
- Explain three models of international markets (6 marks)

QUESTION TWO

- Briefly describe five forms of e-commerce. (10 marks)
- Describe five strategies that a firm may use in entering an international market. 10 marks)

QUESTION THREE

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