MACHAKOS UNIVERSITY COLLEGE

(A Constituent College of Kenyatta University)
University Examinations for 2015/2016 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ENTREPRENEURSHIP AND MANAGEMENT SCIENCES

SECOND SEMESTER EXAMINATION FOR DEGREE IN BACHELOR OF COMMERCE

BBA 402: MANAGEMENT OF INTERNATIONAL BUSINESS

Date: 4/8/2016 **Time: 8:30 – 10:30 AM**

INSTRUCTIONS

Answer Question ONE and any other TWO questions

QUESTION ONE

a) The greatest challenge to any business organisation is the unpredictable nature of the business environment. In the light of evolution of international business, explain the possible business management orientations that a company may adopt. (10 marks)

b) In order to control the misuse of the World Bank resources, its creators placed safeguards to the use of its resources. Explain the safeguards. (10 marks)

c) International business plays a ROLE vital in the growth and development of a nation. Explain the benefits a developing country like Kenya is likely to gain from such international business activities and engagements. (10 marks)

QUESTION TWO

a) Explain FIVE roles of economic blocks in international business and organisational management. (10 marks)

b) Advices an upcoming firm the best strategies of entering the international markets to enhance their business growth and development. (10 marks)

QUESTION THREE

a) Using COMESA as an example, explain the benefits that developing nations gain from forming trading blocks. (10 marks)

b) International business management is faced by several hurdles. Giving relevant examples; explain FIVE hindrances to international trade. (10 marks)

QUESTION FOUR

a) Explain the reasons why an international business manager may invoice his exports in a foreign currency. (10 marks)

b) In what ways does managing an international business differ from managing a home business firm? (10 marks)

QUESTION FIVE

a) Using relevant example, explain the benefits that a host country stands to gain from foreign investment of (MNC'S) multinational enterprises. (10 marks)

b) Explain the ways in which international business organisation can benefit from the operations of the international finance corporation (IFC). (10 marks)