MACHAKOS UNIVERSITY

University Examinations for 2022/2023 Academic Year

SCHOOL OF BUSINESS, ECONOMICS AND HOSPITALITY AND TOURISM MANAGEMENT

DEPARTMENT OF BUSINESS ADMINISTRATION AND FINANCE

FOURTH YEAR SECOND SEMESTER EXAMINATION FOR

BACHELOR OF COMMERCE

BBA402: MANAGEMENT OF INTERNATIONAL BUSINESS

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)

QUESTION ONE (COMPULSORY) (30 MARKS)

a) Explain five risks of strategic alliances with foreign partners as an entry mode to international market. (10 marks)

b) International business has grown in the most recent years at a faster pace than global production. Explain five factors have contributed to this rapid growth. (10 marks)

c) Explain five problems that are faced by the developing countries in the international business markets. (10 marks)

QUESTION TWO (20 MARKS)

a) There are so many barriers that a firm operating in the international market has to face some of which are government imposed. Explain **five** reasons why a government would impose barriers to business activities (10 marks)

b) Explain five factors that may influence a firm to make Foreign Direct Investment in the host country (10 marks)

QUESTION THREE (20 MARKS)

a) Explain five variables in a firm's demographic environment clearly showing how they assist in decision making. (10 marks)

b) Technology has played a major role in the advancement of international business. Describe five scenarios where technology has aided in the growth of this business. (10 marks)

QUESTION FOUR (20 MARKS)

a) The presence of Multinational National Enterprises (MNEs) in the host countries will not always make a positive impact on them. Describe any five negative influences that the presence of the MNEs may have on the host countries. (10 marks)

b) 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, explain **five** of those aspects (10 marks)

QUESTION FIVE (20 MARKS)

a) Explain any five problems experienced by third world countries in the transfer of technology by the first world countries. (10 marks)

b) Describe **five** types of e-commerce businesses. (10 marks)