



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business and Social Studies

DEPARTMENT OF BUSINESS STUDIES

UNIVERSITY EXAMINATIONS FOR DEGREE IN
BACHELOR OF BUSINESS ADMINISTRATION
BACHELOR OF COMMERCE

BMG 4305: INTERNATIONAL BUSINESS MANAGEMENT

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS:

- Answer Question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

This paper consists of Two printed pages

QUESTION 1 (Compulsory)

- a) Discuss some of the challenges that may force a local company to move to international market. **(10 marks)**
- b) i) Outline the Competitive Advantage Model. **(2 marks)**
ii) Explain how it is used in selecting a foreign market. **(8 marks)**
- c) It has been established that culture is one of the causes of collapse, of foreign business negotiations. Discuss how this can be avoided. **(10 marks)**

QUESTION 2

- a) Explain the developments in financial institutions that have promoted foreign trade. **(10 marks)**
- b) Explain some of the barriers used by some countries to protect their local markets from invasions by foreign firms. **(10 marks)**

QUESTION 3

- a) Explain the challenges faced by firms in the countries that have joined regional trading blocs. **(10 marks)**
- b) Explain the strategies used by international firms to adapt risks in foreign markets. **(10 marks)**

QUESTION 4

- a) By giving specific examples explain the reasons why foreign firms use outsourcing as a strategy of entering into foreign markets. **(10 marks)**
- b) Explain the main purposes for the establishment of International Monetary Fund (IMF). **(10 marks)**

QUESTION 5

- a) Explain the factors that need to be considered to determine appropriate structure for managing and controlling a firms foreign businesses. **(10 marks)**
- b) Explain the factors that have promoted globalization in the 21st Century. **(10 marks)**