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**University Examinations 2016/2017**

FIRST YEAR SECOND SEMESTER EXAMINATION FOR THE DEGREE OF

MASTER OF BUSINESS ADMINISTRATION

**BFA 5237: GLOBAL STRATEGIC MANAGEMENT**

**DATE: DECEMBER 2016 TIME: 3 HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***three***questions.

**QUESTION ONE (30 MARKS)** (Case Study)

Triumph in Niche Markets)

Another excellent international case study comes from bike manufacturer Triumph, which lost steam in its British home base three decades ago, but found new life by heading overseas. In 2010, Triumph sold just 7,562 bikes in the UK, but 50,000 worldwide, indicating that an international interest paid off for the company. Triumphs’ famous factory in Warwickshire closed up shop in 1983, but the Indian factory remained, and these days, the motorcycles have become the country’s Harley Davidson. The company struggles to meet demand in India, with a six month waiting list and a new factory being built. India’s middle class has embraced the vehicle as an affordable commodity, even giving them as dowries in weddings.

**Questions:**

1. How can Triumph manage its global business environment (5 marks)
2. What are the commercial and political risks faced by Triumph in going overseas (5 marks)
3. Enlist the impact of cultural variations in this case (5 marks)
4. Which would be the most appropriate foreign market entry strategy? Why? (7 marks)
5. What are the contemporary trends in the bike market that may affect Triumphs’ internationalization strategy (8 marks)

**QUESTION TWO (10 MARKS)**

1. Identify and describe the 5 generic competitive strategies (5 marks)
2. What resource or capabilities are require to pursue each of these strategies (5 marks)

**QUESTION THREE (10 MARKS)**

1. Provide 3 reasons why firms have moved away from unrelated, conglomerate type diversification (5 marks)
2. Identify 3 strategy options a firm can use when expanding internationally (5 marks)

**QUESTION FOUR (10 MARKS)**

Define the following terms used in international strategic management

1. Global integration (2 marks)
2. Core global business strategy (2 marks)
3. De-globalization trend (2 marks)
4. Externalization (2 marks)
5. Strategic adherence (2 marks)

**QUESTION FIVE (10 MARKS)**

1. Define global markets in international business (2 marks)
2. What are the most important characteristics of global strategy (4 marks)
3. Outline and compare global strategic management versus domestic management. Use local examples in your answer. (4 marks)