



MASENO UNIVERSITY

UNIVERSITY EXAMINATIONS 2016/2017

FOURTH YEAR FIRST SEMESTER EXAMINATION FOR DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION WITH INFORMATION TECHNOLOGY

MAIN CAMPUS

ABA 408: INTERNATIONAL BUSINESS MANAGEMENT

Date: 5th December, 2016

Time: 12.00 - 3.00pm

INSTRUCTIONS:

- Answer Question ONE (Compulsory) and any other TWO.



QUESTION ONE

- a) International business is unique and different from home trade. Discuss unique features of international trade. (10 mks)
- b) Explain reasons for massive growth of international trade in the past few years. (10 mks)
- c) Discuss the importance of understanding an international business environment by an international firm. (10 mks)

QUESTION TWO

Describe difficulties that international firms experience in the control of their businesses. (20 mks)

QUESTION THREE

Compare and contrast mercantilism and absolute advantage theories of trade (20 mks)

QUESTION FOUR

- a) Supposing you work with a company based in India and it wants to set up a subsidiary in Thailand. Recommend the best staffing approach that your company should adopt, explain reasons for the choice. (10 mks)
- b) Standardization is a marketing approach which is used by international businesses. Explain why the approach may not be suitable in a global market. (10 mks)

QUESTION FIVE

- a) "Rivalry in international business may be fierce. Business should come up with ways of dealing with rivalry". As an international business manager, discuss competitive moves that firms can make to deal with global competition. (10 mks)
- b) Explain any five reasons why less developed countries have least participation in international business. (10 mks)