

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

**2020/2021 ACADEMIC YEAR
SECOND YEAR FIRST SEMESTER
MAIN EXAMINATION**

**FOR THE DEGREE OF MASTER OF BUSINESS
ADMINISTRATION**

COURSE CODE: MBA 852

COURSE TITLE: GLOBAL STRATEGIC MANAGEMENT

DATE: 19/02/2021

TIME: 8.00AM-11.00AM

INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

TIME: 3 Hours

KIBU observes ZERO tolerance to examination cheating

QUESTION ONE (COMPULSORY)

CASE STUDY

Voters in the UK voted in favour of the Brexit from the European Union (EU)-a large trading block in Europe, with the leaders tasked with a big challenge of negotiations that would have given the Britons a favorable trading position outside the big block. However, what seemed to be a smooth sailing departure was not to be for the British government. Equally, even with such an exit its effect on the British economy, immigration policy, and lots more may become clearer in the fullness of time. Nonetheless, for a majority of businesses in Britain the possibility of UK leaving the EU still remains a major source of concern, but yet they have to come to terms with this fact and shape up to the new reality.

Required;

- a) Outline any Four models upon which the impact of Brexit on the relationship with the EU may rest [4 marks]
- b) Briefly describe the impact of Brexit on the UK's channels of trade [6 marks]
- c) What looked good as a generalization to the British business world to some it just didn't follow through and hence the need to bolt out of the EU. Even with the world becoming more globalized, countries such as Britain seem to suggest that 'the global village is not certainly good for us.' Briefly explain any Five reasons for Britain's localization of its business operations [10 marks]
- d) In view of this phenomena, briefly explain Five foreign market entry strategies that a British firm may use to achieve a competitive edge in the EU market [10 marks]

QUESTION TWO

- a) Since the 1980s, the flows of investments have increased dramatically the world over. The total world out flow of capital in the decade grew at an average rate of 30% more than three times the rate of the world export at the time. Further growth was experienced in the 1990s especially towards developing countries. Discuss any Five drivers behind this phenomenon [10 marks]
- b) Explain the impact of such investment flow on the domestic industry [10 marks]

QUESTION THREE

- a) There are four main areas from which a set of strategic decisions in the Marketing mix are made by the organizational management. Briefly explain each one of them [12 marks]
- b) Discuss the political factors in the management of global businesses [8 marks]

QUESTION FOUR

- a) Discuss any Four theories of international trade and investment, highlighting the contributions you consider each to have made in today's global business [10 marks]
- b) After completing your course in Global Strategic Management, you may not secure a top-level management position in a global firm either immediately, or in the near future. Briefly explain Five reasons why it is important to take a course in Global Strategic Management [10 marks]

QUESTION FIVE

- a) Globalization in marketing refers to the growing convergence of demand and supply across the world. However, as a concept, globalization has encountered different responses by various firms on the international scene. Explain the four main responses [8 marks]
- b) Outline any four proactive reasons as to why a company would adopt a global marketing strategy [4 marks]
- c) "As a consequence of globalization, the gap between the poor and the rich nations is getting bigger", argued one multinational advertising manager. Briefly explain any Four reasons behind this statement [8 marks]