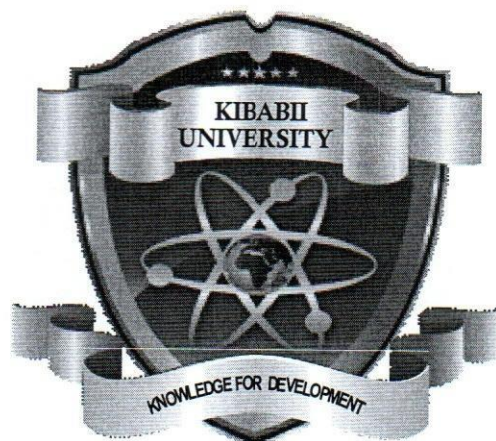


KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS 2021/2022 ACADEMIC YEAR FIRST YEAR SECOND SEMESTER

SPECIAL/SUPPLEMENTARY EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCO 124

**COURSE TITLE: INTRODUCTION TO
INTERNATIONAL BUSINESS MANAGEMENT**

DATE: 29/07/2022

TIME: 8.00 – 1.00AM

INSTRUCTION TO CANDIDATES

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

KIBU observes **ZERO** tolerance to examination cheating

QUESTION ONE

- a). Define and indicate the characteristic features of the following terms
- i). Ethnocentrism (5 marks)
 - ii). Polycentrism (5 marks)
 - iii). Regiocentrism (5 marks)
 - iv). Geocentrism (5 marks)
- b). Describe the stages of business internationalization (10 marks)

QUESTION TWO

- a). International business is carried on across countries, each with a unique system of payment for transacted business. What do you think are financial issues encountered by organizations doing business across national frontiers? (10 marks)
- b). Describe the criticism levelled against the PLC as a theory explaining international trade and investment (10 marks)

QUESTION THREE

- a). Discuss the role of national governments international trade (10 marks)
- b). Explain why you would advise corporations to form joint ventures as an entry method to international markets (10 marks)

QUESTION FOUR

- a). Religion is one of the fundamental elements of culture due to the fact that it provides the best insight into a society's behaviour and helps answer the question why people behave rather than how they behave. With specific examples explain the effect of religion on businesses. (10 marks)
- b). What determines a nations ability to compete internationally according to Porter? (10 marks)

QUESTION FIVE

- a). Deregulation is the reduction or elimination of government power in a particular industry usually enacted to create more competition within the industries. Why would you prefer deregulation to liberalization? (10 marks)
- b). Outline the assumptions of the comparative cost advantage theory (10 marks)