

KIBABII UNIVERSITY

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**UNIVERSITY EXAMINATIONS**

**MAIN EXAMS**

**2022/2023 ACADEMIC YEAR**

**FIRST YEAR SECOND SEMESTER**

**FOR THE DEGREE OF BACHELOR OF COMMERCE**

**COURSE CODE: BCO124/BBM125**

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

**DATE: 20/04/2023**

**TIME: 2:00-4:00PM**

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**INSTRUCTIONS TO CANDIDATES**

- 1) Answer Question **ONE**(Compulsory) and **ANY OTHER TWO** Questions
  - 2) Candidates must hand in their answer booklets to the invigilator while in the examination room
  - 3) Credit is given for legibility, clarity and use of relevant examples
  - 4) Question **ONE** is **30 marks** while Questions **2-5** carry **20 marks** each
  - 5) Clearly write your **Registration Number** on each answer sheet used
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**TIME: 2 Hours**    KIBU observes **ZERO** tolerance to examination cheating

### QUESTION ONE

- a). While the past century has seen a major shift toward free trade, many governments continue to intervene in trade. Governments have several key policy areas that can be used to create rules and regulations to control and manage trade. Describe the interventions that governments use to control intercountry trade (10mks)
- b). Explain the reasons for international expansion (10mks)
- c). Countries all over the world are faced with financial constraints in their quest for national development. This has led to the formation of international financial institutions, one of them being the International Monetary Fund. Explain the purpose of this fund (10mks)

### QUESTION TWO

Compile the drivers of globalization under the following categories

- a). Market drivers (5mks)
- b). Cost drivers (5mks)
- c). Government drivers (5mks)
- d). Competitive drivers (5mks)

### QUESTION THREE

- a). How does domestic business differ with International business? (10mks)
- b). International business focuses on the resources of the globe and objectives of the organisations on global business opportunities and threats. Discuss the nature/ features of international business (10mks)

### QUESTION FOUR

- a). Managers of international businesses face the difficult decision of choosing countries in which their organizations can successfully establish their presence, as a manager of such an organization what would be the basis for choosing overseas markets to enter? (10mks)
- b). Explain some of the components of political risks that are faced by international businesses (10mks)

### QUESTION FIVE

- a). Discuss the impact of technology on globalization (10mks)
- b). While international trade theories outline the rationale for undertaking international business/trade, they face serious criticism due to the fact that they are not conclusive. Explain (10mks)