



OFFICE OF THE DEPUTY PRINCIPAL

ACADEMICS, RESEARCH AND STUDENTS' AFFAIRS

UNIVERSITY EXAMINATIONS

2020 /2021 ACADEMIC YEAR

FOURTH YEAR SECOND SEMESTER REGULAR EXAMINATION

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 463

COURSE TITLE: GLOBAL BUSINESS MANAGEMENT

DATE: 13TH JULY, 2021

TIME: 1:00 PM TO 4:00PM

INSTRUCTION TO CANDIDATES

- SEE INSIDE

THIS PAPER CONSISTS OF 3 PRINTED PAGES

PLEASE TURN OVER

REGULAR – MAIN EXAM

BBM 463: GLOBAL BUSINESS MANAGEMENT

STREAM: BBM

DURATION: 3 HOURS

INSTRUCTIONS TO CANDIDATES

- i. Answer Question **ONE** and any other **TWO** questions.
- ii. Do not write on the question paper.

SECTION A

QUESTION ONE

(30 MARKS)

‘The Green Company’ was set up ten years ago by an ambitious entrepreneur, who saw a market opportunity to supply offices in Nairobi with foliage plants for reception areas. The board of ‘The Green Company’ has recognized that it needs to view the company from an outside perspective before it internationalizes. It decides to seek advice from you as an expert in global business.

- (a) In your own thinking growth could be the motivation of the company to internationalize. Other than growth, state any other five reasons that may motivate ‘The Green Company to global.

(5 marks)

- (b) Advise the company’s board on any **five** factors that promote global trade that they may take advantage of.

(10 marks)

- (c) (i) Sometimes nations seek to secure some interests that may affect multinational companies engaging in global business. List any five interests that Green Company should be aware of that may affect their operation.

(5 marks)

- (ii) Political environment of countries is always a critical concern for an organization engaged in global business and it should examine the salient political features of global markets it plans to enter. Describe any five salient political features of the global business that Green Company should pay attention to.

(10 marks)

QUESTION TWO

(20 MARKS)

As an expert in global business management, you present a paper to university students’ business management class.

- (a) State to them any five reasons why countries create barriers to importation of goods from abroad.

(5 marks)

- (b) State any five barriers to trade that a firm may experience when it engage in global business.

(5 marks)

(c) Discuss any five entry strategies a business may adopt in venturing in global business.

(10 marks)

QUESTION THREE

(20 MARKS)

Alice produces and sells bathing soaps in Kenya. When she expanded her business to the Japanese market, customers were not willing to buy the soap as packaged in packs of four. She later learnt that four is considered unlucky number in Japan.

(a) In light of this define culture and state any **five** characteristics of culture. **(6 marks)**

(b) Briefly highlight any six core values observed globally in many countries both developed and less developed. **(6 marks)**

(c) Cultural differences can often be pronounced across countries. Hofstede identifies five cultural dimensions in his framework. Briefly explain how he assesses culture from any **four** dimensions. **(8 marks)**

QUESTION FOUR

(20 MARKS)

You take students for a study trip to visit Ministry of Trade offices in Nairobi. They meet COMESA secretary general who had paid a courtesy call to the cabinet secretary and he addresses students briefly on COMESA as a trade bloc.

(a) (i) other than COMESA name any three trade blocs in the world. **(3 marks)**

(ii) Differentiate bilateral trade from multi-lateral trade **(3 marks)**

(b) Explain any seven problems he may highlight that developing countries may face in global trade **(14 marks)**

QUESTION FIVE

(20 MARKS)

(a) Briefly describe any five theories of international trade **(10 marks)**

(b) Discuss any five trends shaping the future of global business **(10 marks)**
