



(The University of Choice)

**MASINDE MULIRO UNIVERSITY OF
SCIENCE AND TECHNOLOGY
(MMUST)**

MAIN

UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER EXAMINATIONS

FOR THE DEGREE

OF

MASTER OF BUSINESS ADMINISTRATION

COURSE CODE: MBA 852

COURSE TITLE: GLOBAL STRATEGIC MANAGEMENT

DATE: WEDNESDAY, 27TH JULY 2022 TIME: 2:00 TO 5:00PM

INSTRUCTIONS TO CANDIDATES

*Answer question **ONE** and any other **THREE** questions*

TIME: 3 HOURS

GOING INTERNATIONAL

The history of international business systems goes well back before the time of Christ, where Greek Merchants were sending representatives abroad to sale their commodities. In 1600, the British East India Company formed trading firm and established branches through Asia. A number of Dutch firms in 1590 opened shipping routes to the East. Also American colonial traders began operating in a similar fashion in 1700 with the 1st successful American venture into pan in Scotland through singer sewing machinery factory.

It is important to appreciate that a fundamental shift is occurring in the world economy. There is a progressive movement further way from a world in which national economics were relatively isolated from each other by barriers to cross border trade and national differences investments, distance, time zone, language and national differences in government regulations, culture and business systems:-towards a world in which national economic are merging into an interdependent global economic systems generally referred to as globalization.

QUESTION ONE

- a) i) When Companies introduce the changes described at the beginning; there could be a lot of resistance from the various heads of the European subsidiaries. Why? (10marks)
 - ii) A number of reasons made the firms in the text to go global discuss. (10marks)
 - iii) What could be some of the reasons that could have made British East India company to venture into international business activities. (10marks)
- b) To operate within the company's external environment, its managers must have knowledge of business operation and a working knowledge of social sciences. As a corporate strategist discuss on some of the physical and social factors that affect international business operations.(10marks)

SECTION B

QUESTION TWO

- a) In 1817, David Ricardo in his *Theory of Comparative Advantage* showed that it was beneficial to nations to specialize and trade goods in which they had a *comparative advantage*. This laid the foundation of trade theory, which itself is the underlying

foundation of globalization: on the basis of the above how can globalization be measured.

Discuss (10marks)

- b) Multinational Corporation (MNC) has a positive impact on the host country. Discuss (10marks)

QUESTION THREE

a). If left unchecked Multinational Corporations may have a lot of control on the host nation. Discuss how the host nation can minimize the control of MNCs. (10marks)

b) Describe the individual characteristics and qualifications that a company need to consider when choosing managerial candidates for foreign assignments?(10marks)

QUESTION FOUR

a) Briefly explain how a firm intending to venture into international business can identify business opportunities across foreign world markets.(10marks)

b) Outline the challenges that global firms are likely to face when executing their marketing tasks.(10marks)

QUESTION FIVE

a) A number of factors have been forward by marketing scholars that encourage and support standardization of products. Discuss.(10 marks)

b) Standardization of global brands is a far more frequently encountered phenomenon among global firms that have a desire for young people as a target markets. What are the advantages of standardization approach in global business?

