PAN AFRICA CHRISTIAN UNIVERSITY

END OF SEMESTER EXAMINATION FOR THE DEGREE OF

BACHELOR OF COMMERCE

BACHELOR OF BUSINESS LEADERSHIP

MAY-AUGUST 2017

CAMPUS: VALLEY ROAD

DEPARTMENT: BUSINESS

COURSE CODE: BCM308|BUS4012

COURSE TITLE: INTERNATIONAL BUSINESS MANAGEMENT

EXAM DATE: FRIDAY 28th JULY 2017

TIME: 5.30PM-8.30PM

INSTRUCTIONS

- Read all questions carefully before attempting.
- Write your **student number** on the answer booklet provided.
- Answer question **one** and any other **FOUR** questions

QUESTION ONE

Read the passage about Coca-cola Company and answer the questions

The Coca-Cola Company operates all over the world. They implement the oversees business activities by exporting, selling their goods and doing joint ventures with domestic companies. Mode of doing business is through the exchange of money, cash or promissory notes

a) From the passage above define the term **international business management** (2mrks)

b) Explain five activities in the above firm that characterize it as being international business player (10mrks)

c) Discuss how important international business is Coca-Cola (10mks)

d) Explain the terms;

  i. International Joint Venture. (2mks)

  ii. Competitive advantage (2mks)

e). Explain seven challenges faced by a new international organization opening a business in a new country. (14mks)

QUESTION TWO

a) Explain how the domain competitiveness of a firm may in any way affect the international success in relation to international management activity (5mks)

b) Explain five reasons why we study international business management (10mks)

QUESTION THREE

a) Explain the following in relation to international business management

i. Promissory notes,(2mrks)

ii. Treasury bills,(2mrks)

iii. Bonds,(2mrks)

iv. Eurobond(2mrks)

v. Book money(2mrks)

b) List five benefits of cash and money (5mks)

QUESTION FOUR

a) Explain five government policies on the international business management that have been adopted by the Kenyan government to encourage Kenyan companies to go into the international ventures.(10mrks)

b) Explain five challenges of a firm going into the international business.(5mks)

QUESTION FIVE

a) Explain three benefits of standardization and quality of goods to an organization.(6mrks)

b) Explain the following relationships

   i. Development and international trade. (4mks)

   ii. Underdevelopment and poverty. (5mks)

QUESTION SIX

Explain the following

a) Angel investors (2mks)

b) Money as the exchange commodity of trade (4mrks)

c) Banks as an instrument to facilitate development (9mrks)