**MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

**P.O. Box 972-60200 – Meru-Kenya.**

**Tel: 020-2069349, 061-2309217. 064-30320 Cell phone: +254 712524293, +254 789151411**

**Fax: 064-30321**

**Website:** [**www.must.ac.ke**](http://www.must.ac.ke) **Email:** **info@must.ac.ke**

**University Examinations 2015/2016**

THIRD YEAR, SECOND SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF COMMERCE AND BACHELOR OF BUSINESS ADMINISTRATION

**BFB 3366 : INTERNATIONAL BUSINESS MANAGEMENT**

**DATE: AUGUST, 2016 TIME: HOURS**

**INSTRUCTIONS:** *Answer question* ***one*** *and any other* ***two*** *questions.*

**QUESTION ONE (30 MARKS)**

1. Most international businesses expand business to other countries with common objectives. Briefly discuss five key modes of entry that international businesses utilize to access and establish businesses in foreign countries. (10 Marks)
2. Management of large companies are motivated to achieve a number of goals in order to satisfy the desires of key stakeholders. Briefly discuss the main goals of multinational corporations operating in Africa. (10 Marks)
3. Identify key forms of strategic alliances and explain the benefits of strategic alliances for international business. (10 Marks)

**QUESTION TWO (20 MARKS)**

a) Discuss various barriers to international trade. (14 Marks)

b) Explain any six functions of international monetary fund(IMF) (6 Marks)

**QUESTION THREE (20 MARKS)**

a) Entities making direct investment have a significant degree of influence and control over the company and investments made. Discuss various factors that influence the foreign direct investments (FDI’s) in Africa. (10 Marks)

b) Highlight and explain various challenges that face multinational corporations in the modern business world. (10 Marks)

**QUESTION FOUR (20 MARKS)**

a) An international company may borrow capital from various sources. Briefly discuss key sources of international investment capital. (10 Marks)

b) Discuss any five common payment methods for an international business. (10 Marks)

**QUESTION FIVE (20 MARKS)**

a) Discuss various dispute resolution mechanisms utilized by multinational corporations engaged in international business. (10 Marks)

b) Using relevant illustrations discuss common characteristics of multinational corporation.

(10 Marks)