**GARRISA UNIVERSITY**

# University Examinations 2020/2021

**YEAR II SEMESTER I EXAMINATION FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION**

**MBA 865: GLOBAL STRATEGIC MANAGEMENT**

**DATE: AUGUST 2021 TIME: 3 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE (COMPULSORY) AND**

**ANY OTHER TWO QUESTIONS**

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**QUESTION ONE COMPULSORY 20 MARKS**

Immediately after completing your MBA Strategic Management Option course work in August 2021 at Garissa University a manufacturing firm approaches you for consultancy. The main concern for the firm is that it wants to venture into the global market as the domestic market seems to be congested with little room for growth and expansion. Discuss how you would take the management through the following four models of global strategies.

## International model (5 marks)

## Global/Hub-Spoke Model (5 marks)

## Multidomestic/Multinational model (5 marks)

## Transnational model (5 marks)

**QUESTION TWO 20 MARKS**

It is imperative for international business managers to find answers to some basic issues, such as why do nations trade with each other? Is trading a zero-sum game or a mutually beneficial activity? Why do trade patterns among countries exhibit wide variations? Can government policies influence trade? Theories of international trade provide the answer for most of these queries. In light of this statement discuss the following theories of international trade.

a) Theory of Mercantilism of International Trade (5 Marks)

b) Theory of Absolute Advantage of International Trade (5Marks)

c) Theory of Comparative Advantage of International Trade (5 Marks)

d) Factor Endowment Theory of International Trade (5 Marks)

**QUESTION THREE 20 MARKS**

Businesses spend a great deal of time working on their strategies. It’s one of the most-discussed topics at business meetings, and yet, most organisations are making some critical mistakes. These mistakes can mean lost opportunities, rocky relationships with customers or vendors, or a hit to your bottom line.

**Required**

Discuss any **FIVE** business strategy mistakes one may probably make and some tips on how to rectify the problems. 20 Marks

**QUESTION FOUR 20 MARKS**

Sustainable growth doesn't have to take a long time to happen, however. some factors have an almost immediate impact on the growth of the company.

**Required**

In reference to the above statement discuss **TEN** factors that determine sustainability of global Strategies. 20 Marks

**QUESTION FIVE 20 MARKS**

Expanding business overseas means reaching new clients or customers and potentially boosting profits. Despite all the uncertainty of 2021 and the challenges that have yet to reveal themselves, there are some guidelines for conducting business on a global scale that you should always consider before leaping into new international operations.

**Required**

Discuss any **TEN** global challenges that a company would face when the management decides to go global. 20 Marks