



Kasarani Campus
Off Thika Road
Tel. 2042692 / 3
P. O. Box 49274, 00100
NAIROBI
Westlands Campus
Pamstech House
Woodvale Grove
Tel. 4442212
Fax: 4444175

KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
FOURTH YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 9th August, 2024
Time: 2.30pm – 4.30pm

KBM 2401 INTERNATIONAL BUSINESS SEMINAR

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

CASE STUDY:

CHALLENGES FACING SHITA CORPORATION

SHITA corporation is a multinational company operating in the consumer electronics industry. With operations in multiple countries and a diverse customer base, SHITA Corporation has faced various challenges in its international business operations especially in its first four years, when the corporation had to navigate complex regulatory environments including varying laws, regulations and compliance requirements across multiple jurisdictions, necessitating appointment of compliance officers, conducting regular audits and assessments, engaging with government agencies and industry associations. Other challenges were supply chain issues due to Global Value Chains disruptions, sourcing from multiple suppliers, coordinating transportation and logistics and ensuring product quality, leading to production delays and revenue loss. The corporation had to deal with such challenges optimizing its supply chain through the use of advanced technology, such as supply chain management software and automation, establishing strategic partnerships with suppliers and logistics providers and implementing lean and agile practices. To spread risks and minimize exposure to geopolitical, economic, and regulatory uncertainties, SHITA corporation adapted various market entry and expansion strategies such as direct investment in some markets while opting for licensing or franchising arrangements in some countries, and exporting, partnering, acquisition, and greenfield venturing in other countries.

SHITA corporation faced a variety of challenges posed by cultural differences and Language Barriers which led to communication issues warranting introduction of Cross-Cultural Workshops and seminars to help employees develop skills for working in multicultural environments, hiring local employees who understand the cultural values to bridge the gap between the global headquarters and the local market, hiring local employees. Although SHITA corporation is operating in a large and growing global market the corporation is facing intense competition from established local and international brands and diverse consumer preferences. To successfully enter and establish a strong presence in the global electronics market, SHITA corporation had to adopt a comprehensive strategy that included market research, strategic partnerships, product localization, competitive pricing, and robust marketing efforts including conducting extensive market research to understand the preferences, purchasing behavior, and unmet needs of consumers regarding electronics.

Case Study Questions:

- a) Outline strategies which SHITA Corporation implemented to ensure compliance with local regulations while maintaining consistency and alignment with global corporate standards. (5 marks)
- b) Explain five Global Value Chains (GVCs) challenges faced by SHITA corporation. (5 marks)
- c) Explain five modes of international business used as strategies by SHITA to overcome challenges faced by the corporation. (5 marks)
- d) SHITA corporation faced a lot of challenges in culture and international environment. Outline five strategies that were put in place to overcome these challenges. (5 marks)
- e) Discuss five ways used by SHITA corporation to overcome challenges faced in the international business environment. (5 marks)
- f) Discuss a detailed strategy that SHITA corporation adopted to successfully enter the competitive global electronics market. (5 marks)

QUESTION TWO (20 MARKS)

- a) Globalization is driven by a complex interplay of various forces. Explain five forces behind globalization. (5 marks)
- b) Companies engage in international business for various reasons. Discuss five motivations that lead businesses into international market. (5 marks)
- c) Describe five modes used by companies to enter international business market (5 marks)
- d) Engaging in international business comes with a range of advantages. Outline five advantages of international business. (5 marks)

QUESTION THREE (20 MARKS)

- a) Identify five cultural barriers experienced by international businesses. (5 marks)
- b) International investment refers to the allocation of capital in a foreign country to achieve long-term financial returns. Describe five International investment methods used by various companies. (5 marks)
- c) Outline five factors which determine the mode to be used by an international company to enter a foreign country. (5 marks)
- d) Discuss five types of strategists required by an international company to successfully navigate the complexities of global markets. (5 marks)

QUESTION FOUR (20 MARKS)

- a) Developing new strategies in international business is particularly crucial: Outline five reasons why new strategies must be formulated. (5 marks)
- b) Discuss five digital business models used to create value and generate revenue using technology, the internet, and digital communication channels to deliver products and services. (5 marks)
- c) Explain five trends currently shaping international business. (5 marks)
- d) Greenfield venturing is a type of market entry strategy where a company establishes a new, wholly owned subsidiary in a foreign country. Outline three advantages and two disadvantages of greenfield venturing. (5 marks)

QUESTION FIVE(20 MARKS)

- a) Engaging in international business can pose numerous challenges to a company. Describe five disadvantages of international business. (5 marks)
- b) Discuss five barriers which hinder businesses from entering International markets. (5 marks)
- c) Engaging in international business involves several risks that can impact operations, profitability, and overall success. Describe five risks associated with international business. (5 marks)
- d) Mergers and acquisitions (M&A) are both strategies used by companies to achieve growth, increase market share, and gain competitive advantages. Identify five differences between mergers and acquisitions. (5 marks)