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

Date: 7<sup>th</sup> August, 2024  
Time: 8.30am – 10.30am

**KBM 2407 MANAGEMENT OF INTERNATIONAL BUSINESS AND ORGANIZATIONS**

**INSTRUCTIONS TO CANDIDATES**

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**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

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**QUESTION ONE (30 MARKS)**

**MEDGLOBAL INC**

MedGlobal Inc., a leading multinational healthcare company, specializes in medical equipment and pharmaceuticals. Founded in the United States, MedGlobal has expanded its operations to over 50 countries, adapting to diverse international business environments. MedGlobal's expansion strategy aligns with several international trade theories. The company leverages Comparative Advantage by focusing on producing high-tech medical devices in the U.S. while outsourcing the production of generic drugs to countries like India and China, where production costs are lower. MedGlobal also adheres to various international trade policies and agreements, ensuring compliance with global trade regulations. MedGlobal operates in a complex international business environment characterized by varying economic conditions, political climates, and cultural differences.

The company continuously monitors global economic indicators, political stability, and regulatory changes to make informed strategic decisions. To succeed globally, MedGlobal employs a Transnational Strategy, combining global efficiencies with local responsiveness. This approach allows the company to standardize its core operations while customizing products and services to meet local market needs. MedGlobal's strategic orientation is both Ethnocentric and Polycentric. While its headquarters in the U.S. dictates overall corporate strategy and policies (Ethnocentric), local subsidiaries are granted autonomy to tailor operations to regional demands (Polycentric). MedGlobal uses a rigorous market selection process involving market research, economic analysis, and risk assessment. The company prioritizes markets with high growth potential, stable political environments, and favorable regulatory conditions. The company's international marketing strategy is highly adaptive. MedGlobal tailors its marketing campaigns to resonate with local cultures and consumer preferences.

For instance, in Japan, the company emphasizes product reliability and technological sophistication, while in Africa, it focuses on affordability and accessibility. MedGlobal invests heavily in international consumer research to understand the diverse needs and preferences of its global customer base. This research informs product development, marketing strategies, and customer service improvements. MedGlobal's supply chain management is designed for efficiency and resilience. The company maintains a global network of suppliers and logistics partners, ensuring timely delivery of products worldwide. Advanced supply chain technologies and practices, such as just-in-time inventory and real-time tracking, are employed to enhance operational efficiency.

**Required:**

- a) Explain the international trade theory that MedGlobal utilizes through outsourcing the production of generic drugs. (5 Marks)
- b) Describe how MedGlobal integrates global efficiencies with local responsiveness in its strategic orientation. (5 Marks)
- c) Describe how MedGlobal customizes its marketing campaigns for diverse regions (5 Marks)
- d) Analyze the approach taken by MedGlobal to ensure the efficiency and resilience of its supply chain. (5 Marks)
- e) Specify the strategic orientation of MedGlobal, where the headquarters dictates overall corporate strategy while granting autonomy to local subsidiaries. (5 Marks)
- f) Explain factors that MedGlobal might consider in its process of selecting international markets (5 Marks)

**QUESTION TWO (20 MARKS)**

- a) The intricate and interrelated forces driving globalization have shaped the current state of the world. Describe these important forces. (8 Marks)
- b) Examine strategies for managing International Business. (6 Marks)
- c) Evaluate the reasons for government protection of business activities. (6 Marks)

**QUESTION THREE (20 MARKS)**

- a) Analyze the fundamental principles of mercantilism that guide the modern business environment. (8 Marks)
- b) Describe Japan's success in the automobile sector using Porter's Diamond Model. (6 Marks)
- c) Evaluate the factors to consider when developing an international strategy. (6 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Illustrate how each component of PESTEL (Political, Economic, Social, Technological, Environmental, and Legal factors) influences the international business environment. (8 Marks)
- b) Explain the advantages of evaluating the international business environment. (4 Marks)
- c) Assess the tactics used to lessen the difficulties of doing business internationally. (8 Marks)

**QUESTION FIVE( 20 MARKS)**

- a) Describe the characteristics of a polycentric approach in contemporary business. (8 Marks).
- b) Evaluate the different types of foreign market entry strategies adopted by businesses today. (6 Marks)
- c) Explain the differences between domestic and international marketing. (6 Marks)