



## UGANDA MARTYRS UNIVERSITY, MBALE CAMPUS

### Faculty of Business Administration and Management

### MBA- 15: International Business Strategy

Date: Saturday, May 5<sup>th</sup>, 2018

Instructions to Candidates:

Time allowed 3 hours: 9:00 AM – 12:00 PM

This paper contains two parts: Section A and Section B.

Section A is COMPULSORY. Half the total marks may be gained in section A. Section B contains four questions. Candidates must complete TWO questions only from this section. Half of the marks may be gained from Section B.

Read the following before answering the examination questions.

- 1) Read each question carefully before you answer.
- 2) Apportion your time according to the marks allocated for the question.
- 3) Apportion your time equally between Section A and B.
- 4) Answer the questions that you feel you can obtain the most marks for, but you must ensure that you attempt the compulsory questions.
- 5) Number the answers to the questions clearly before answering.
- 6) Please write as neatly as possible as illegible handwriting cannot be marked.

## Section A: Answer both questions using the case provided below

### Virgin Group

Back in the early 1980s, when Virgin Atlantic was created, Richard Branson was head of the successful Virgin Group best known for Virgin Records. Richard born in 1950 started a student advisory service at Stowe, the famous English public school at the age of 17. Three years later, he founded the Virgin mail order record company and shortly afterwards opened a shop on Oxford Street, London's main shopping thoroughfare.

In 1972 a studio was built in Oxfordshire, the very one that Mike Oldfield recorded his five million selling album 'Tubular Bells'. This was to provide the catalyst for virgin Records that went on to sign major names such as the Rolling Stones, Culture club, Janet Jackson, Peter Gabriel, Simple minds and the Human League to continue the success story.

By the early 1980s, Virgin Records was one of the top six record companies in the world. Then, in 1984, Richard got a phone call out of the blue suggesting a jumbo jet passenger service between London and New York. Richard liked the idea and announced to the world that Virgin Atlantic Airways would begin operating within three months despite strong protests from his fellow directors who thought him crazy. But, an aircraft was found, staffs were hired, licences granted and on 22 June 1984 an aircraft packed with friends, celebrities and the media set off for Newark, New Jersey. Since then, Virgin Atlantic has become the second largest long haul international airline operating services outside London's Heathrow and Gatwick Airport to 22 destinations all over the world

#### Q.1.

- a) "Virgin Atlantic airways will definitely operate in a dynamic environment, one constantly referred to as a turbulent international environment, discuss the environmental factors it must keep abreast with in order to register mileage. (15 marks)
- b) Detail a presentation in disagreement with fellow directors to Richardson giving reasons for Richardson's desire to invest in international markets. (10 marks)

Total 25 marks

#### Q.2.

- a)  
Discuss the various market entry options that you may suggest to Richardson who has sought your input in as far as entering international markets are concerned.

Total 25 marks

## Section B: Answer any two questions

Q.2.

- a) As a student of international business identify and explain the likely three sources of employees to be found in international Companies. (9 marks)
- b) Explain the key success factors that have to be pronounced for the success of an expatriate manager to. (6 marks)
- c) Discuss the various dimensions of training an expatriate manager ideally undergoes before taking on placement, during and after placement. (10 marks)

Total 25 marks

Q.3.

- a) “Ethics is a social responsibility which promotes a vision of business accountability to a wide range of stakeholder” In light of the above statement discuss, the drivers pushing business towards ethical conduct. (10 marks)
- b) Discuss the various entry options that you may suggest to a client who has sought your input as a consultant in as far as entering international markets is concerned.(15 marks)

Total 25 marks

Q.4.

- a) Explain what you understand by the concept international trade block. (5 Marks)
- b) Briefly, demonstrate your understanding on the different dimensions of trade blocks (5 Marks)
- c) Discuss the advantages and disadvantages of formations of international trade blocks in world markets. (15 Marks)

Total 25 marks

Q.5.

- a) Explain the features of globalisation. (5 marks)
- b) “Globalization is an elimination of barriers to trade, communication, and cultural exchange. The theory behind globalization is that worldwide openness will promote the inherent wealth of all nations.” In relation to the above statement, discuss the strength and weakness of this concept. (20 marks)

Total 25 marks

Q.6

- a) “The theories of international business address different fundamentals of international business”. Explain these issues that are central to international? (5 Marks)
- b) With relevant illustrations, discuss any two theories to international business critically citing how they hold relevance in today’s business competitive environment. (20 marks)

Total 25 marks