



## GARISSA UNIVERSITY

### UNIVERSITY EXAMINATION **2017/2018** ACADEMIC YEAR **FOUR** **SECOND SEMESTER EXAMINATION**

SCHOOL OF BUSINESS AND ECONOMICS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 446

COURSE TITLE: INTERNATIONAL PURCHASING

EXAMINATION DURATION: 3 HOURS

**DATE: 07/05/18**

**TIME: 09.00-12.00 PM**

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#### INSTRUCTION TO CANDIDATES

- The examination has **SIX (6)** questions
- Question **ONE (1)** is **COMPULSORY**
- Choose any other **THREE (3)** questions from the remaining **FIVE (5)** questions
- Use sketch diagrams to illustrate your answer whenever necessary
- Do not carry mobile phones or any other written materials in examination room
- Do not write on this paper

This paper consists of **TWO (2)** printed pages

*please turn over*



**QUESTION ONE (COMPULSORY)**

- (a) Distinguish between global sourcing and international trade [2 marks]
- (b) Discuss the concept of reciprocal purchasing [3 marks]
- (c) Discuss the benefits of international purchasing to business organization [10 marks]
- (d) Compare and contrast distributive and integrative negotiation and its significance in purchasing [10 marks]

**QUESTION TWO**

- (a) Explain the major documents used in international purchasing [10 marks]
- (b) Clearly explain how economic conditions affects international purchasing decision [5 marks]

**QUESTION THREE**

- (a) Describe the major risk associated with international purchasing [10 marks]
- (b) Discuss ways of locating international suppliers [5 marks]

**QUESTION FOUR**

- (a) Define the elements international logistics [3 marks]
- (b) Explain the six rights of global logistics and how they can enhance procurement performance [12 marks]

**QUESTION FIVE**

- (a) Discus ethical issues associated with international purchasing [10 marks]
- (b) Explain ways to manage ethical issues in global purchasing [5 marks]

**QUESTION SIX**

- (a) Discuss the stages of negotiation in purchasing [10 marks]
- (b) Describe the various method of payment in international purchasing [5 marks]

