



MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

SECOND YEAR SPECIAL/SUPPLEMENTARY EXAMINATION FOR
DIPLOMA IN PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

BBA 040: GLOBAL PROCUREMENT

DATE: 26/7/2019

TIME: 2:00 – 4:00 PM

INSTRUCTIONS

Answer question one and any other two questions

QUESTION ONE

- (a) What is Global sourcing? (2 marks)
- (b) Explain the reasons why a company will prefer global sourcing (10 marks)
- (c) Highlight the differences between global purchasing and international purchasing (10 marks)
- (d) Explain the benefits and drawbacks of counter trade in global purchasing (8 marks)

QUESTION TWO

- (a) What are business documents? Using examples, Discuss the various documents used in global purchasing. (12 marks)

- (b) Highlight the various challenges encountered while doing global purchasing (8 marks)

QUESTION THREE

- (a) Strategic sourcing is an institutional procurement process that continuously improves and re-evaluates the purchasing activities of a company. Discuss the various strategies in international sourcing (12 marks)

- (b) Describe the various intermediaries used in international sourcing (8 marks)

QUESTION FOUR

- (a) With examples, discuss the purposes of international monetary fund (IMF) in promoting international purchasing. (12 marks)

- (b) Highlight the agreements that bind all the COMESA member states (8 marks)

QUESTION FIVE

- (a) Using examples, explain the principles set by world trade organization (WTO) to guide international trade. (12 marks)

- (b). Describe the ethical concepts and principles that relate to the procurement process (8 marks)