

PAPER B



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

MANAGEMENT SCIENCE DEPARTMENT

COURSE/CLASS: BACHELOR OF COMMERCE –PROC Y4S2 J2014, Y4S2 S 2012 JAB
FT

UNIT CODE: BPC 4401

UNIT NAME: GLOBAL PROCUREMENT MANAGEMENT

SERIES: MAY, 2016

PAPER DURATION: 2 HOURS

NO OF STUDENTS: 80

INSTRUCTIONS TO CANDIDATES:

Answer question ONE (Compulsory) and any other TWO questions.

QUESTION ONE

- Q1(a) As a Senior Procurement Staff in charge of **Global Sourcing** in your organization, choose and explain to your Board of Directors any **FIVE factors** that should be put into account to ensure **success** in the “**future**” **Global Sourcing** activities. (10 marks)
- (b) State and explain very briefly the **FIVE types** of **Sea freights** (10 marks)
- (c) **Counter-trade** is one of the most recognized levels of involvement in **Global sourcing** which may be quite beneficial to those countries which experience **frequent exchange rates fluctuations**. Highlight, from the above context, any **FIVE factors** that need to be known and enforced to ensure **counter-trade success**. (10 marks)
- Q2. (a) State and explain very briefly any **FIVE problems/disadvantages of Out -sourcing** (10 marks)
- (b) Clearly, bring out any **FIVE major Legal implications of Free on Board (FOB) International Commercial Terms of Trade (INCOTERMS)** (10 marks)
- Q3.(a) Outline any **FIVE selection factors** you would put into account in deciding from which **suppliers** to buy the required work facilities from abroad. (10 marks)
- (b) Briefly, describe the **first FIVE stages/activities** in the normal **Global procurement Procedure** that should be known and followed every time work facilities have to be bought from **suppliers abroad** (10 marks)
- Q4.(a) Since all countries are eager to export their products to provide the market for their industries and create favourable balance of payments, most trade restrictions apply on imports from other countries . Accordingly, highlight any **FIVE reasons for/in support of trade restrictions**. (10 marks)
- (b) Choose and explain briefly any **FIVE criteria** you would use to compare **suppliers** against **one another** before picking on only a few from whom to buy the required work facilities. (10 marks)
- Q5 (a) As a senior procurement staff in charge of buying or making the required work facilities, outline:-
- (a) Any **FIVE factors in favour of “MAKE-DECISIONS”** (10 marks)
- (b) Any **FIVE factors in favour of “BUY – DECISIONS”** (10 marks)