



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS
DEPARTMENT OF MANAGEMENT SCIENCE
UNIVERSITY EXAMINATION FOR:
BCOM
BPC 4402: INTERNATIONAL PURCHASING

END OF SEMESTER EXAMINATION
SERIES: AUGUST 2019
TIME: 2 HOURS
DATE: AUGUST, 2019

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of **FIVE** questions. Attempt question ONE (Compulsory) and any other TWO questions.

Do not write on the question paper.

QUESTION ONE

- a) Describe the first **FIVE activities** in the **global procedure** of buying facilities from suppliers abroad **(10 marks)**
- b) Justify any **FIVE needs/ reasons** for buying required facilities from suppliers abroad **(10 marks)**
- c) Outline the **FIVE success factors** that should be considered and incorporated in **counter-trade** to ensure it succeeds **(10 marks)**

QUESTION TWO

- a) Highlight the **FIVE reasons** the government of a well administered country would have to justify **trade restrictions** **(8 marks)**
- b) Explain the **SIX cultural factors** that should be considered and followed in order to ensure international purchasing succeeds **(12 marks)**

QUESTION THREE

- a) Outline any **FIVE legal considerations** that should be investigated and followed in choosing a country abroad from which to buy the required facilities **(10 marks)**
- b) Describe any **FIVE areas of importance of technology** a country involved in international purchasing should identify and take advantage of **(10 marks)**

QUESTION FOUR

- a) Explain any **FIVE factors** that can guide you in choosing a good **method of payment** accepted by suppliers abroad for making payments for any goods they could have delivered to you as their local customer in Kenya **(10 marks)**
- b) Describe any **FIVE levels of involvement** that parties in international purchasing would use to exchange their goods and payments **(10 marks)**

QUESTION FIVE

- a) Describe any **FIVE methods** you would use in **making payments** to suppliers abroad **(10 marks)**
- b) Explain any **FIVE factors** that can guide you in deciding from which **country** abroad to buy the required facilities for local production **(10 marks)**



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QUESTION ONE

- a) Describe the **FIVE forms** of **counter trade** that would occur among countries involved in international purchasing **(10 marks)**
- b) Choose and explain any **FIVE sources** of **information** you can use to contact suppliers abroad **(10 marks)**
- c) Outline any **FIVE factors** you should incorporate in international purchasing to ensure it **succeeds** **(10 marks)**

QUESTION TWO

- a) Identify and explain any **FIVE country risks** you should know to handle in the course of getting involved in international purchasing **(10 marks)**
- b) Justify any **FIVE reasons for/ in favour** of **trade restrictions** mainly on imports which come into a country **(10 marks)**

QUESTION THREE

- a) Describe any **FIVE activities** you would undertake to optimize viable alternatives of international purchasing strategies **(10 marks)**
- b) Highlight any **FIVE factors** you should consider and follow in choosing **suppliers abroad** from whom to buy the required facilities needed locally for production **(10 marks)**

QUESTION FOUR

- a) Explain any **SIX difficulties/problems** you are likely to and solve in the course of conducting international purchasing **(12 marks)**
- b) Describe the **FOUR forms of non-tariff trade restrictions** that can be used by a country to create and maintain favourable balance of trade in international purchasing **(8 marks)**

QUESTION FIVE

- a) Highlight any **SIX factors** you should consider and follow in choosing a good country from which to buy the required facilities **(12 marks)**
- b) Describe the **FOUR levels of involvement** open for **an exporting firm** to identify and expand its **sales volume abroad** **(8 marks)**