



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY ORDINARY EXAMINATION

2017/2018 ACADEMIC YEAR

**FOURTH YEAR FIRST SEMESTER EXAMINATION FOR BACHELOR OF
COMMERCE**

HPS 2401: INTERNATIONAL PURCHASING

DURATION: 2 HOURS

DATE: 14TH DECEMBER, 2017

TIME: 9.00 – 11.00 A.M.

Instructions to Candidates:

1. Answer **Question 1** and **Any Other Two** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION ONE - COMPULSORY

QUESTION ONE

- a) Describe the four characteristics of supply chain globalization strategies and their implications (8 Marks)
- b) Explain the four differences between domestic and international purchasing that helps the firm's global capabilities and levels of achievement (8 Marks)
- c) Explain the four factors that are unique in operational consideration in international financing (8 Marks)
- d) List six primary objectives which firms uses to justify globalization and international logistical operations. (6 Marks)

SECTION TWO – ANSWER ANY TWO QUESTIONS

QUESTION TWO

- a) A major challenge in areas of globalization is information systems integration. Explain five reasons to justify the statement above. (10 Marks)
- b) Explain five documentations that are required for international operations (10 Marks)

QUESTION THREE

- a) Firms with no international sourcing strategies can also evolve. Describe the horizontal and vertical global integration. (10 Marks)
- b) Define international Purchasing and explain four importance of international purchasing in procurement. (10 Marks)

QUESTION FOUR

- a) Discuss how products variation and import constraints and transportation uncertainty impact international purchasing decision (10 marks)
- b) Explain five challenges related with low cost country sourcing (10 Marks)