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**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2018/2019 ACADEMIC YEAR FOUR**

**FIRST SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 442**

**COURSE TITLE: INTERNATIONAL PURCHASING**

**EXAMINATION DURATION: 2 HOURS**

**DATE: 03/12/18 TIME: 3.00-5.00 PM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other TWO (2) questions from the remaining FOUR (4) 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)**

1. Define the following
2. International Purchasing **[2 marks]**
3. Global sourcing **[2 marks]**
4. Negotiations **[2 marks]**
5. reciprocal purchasing **[2 marks]**
6. letter of credit **[2 marks]**
7. Describe the payment methods in global purchasing transactions **[8 marks]**
8. Discuss the rights of global logistics **[12 marks]**

**QUESTION TWO**

1. Describe four main types of letters of credit **[8 marks]**
2. Describe the costs related to global sourcing **[12 marks]**

**QUESTION THREE**

1. Describe the phases of negotiation in purchasing  **[5 marks]**
2. Discuss the major types of counter-trade an organization can be involved in **[15 marks]**

**QUESTION FOUR**

1. Describe reasons why governments implement tariffs **[5 marks]**
2. Discus ethical issues associated with international purchasing **[15 marks]**

**QUESTION FIVE**

1. Discuss major documentations in international purchasing **[10 marks]**
2. Discuss benefits of international purchasing to an organization **[10 marks]**