



### **QUESTION ONE (30 Marks) (Compulsory)**

- a) Trade theories provide a framework for understanding the patterns and benefits of international trade. Using the principles of comparative advantage, absolute advantage, and factor proportions theory, analyze the rationale behind countries engaging in international trade. (15 Marks)

In your response:

1. Define and explain each of the trade theories mentioned.
  2. Compare and contrast the assumptions, implications, and predictions of these theories.
  3. Discuss how these theories influence government policies and corporate strategies in the context of international trade.
  4. Provide real-world examples to illustrate the application of each theory and its impact on global trade patterns and economic development.
- b) Briefly discuss five (5) Human resource metrics used by employers. In your discussion highlight the metric, how it is calculated and what the metric measures and how it is used by human resource managers. (15 Marks)

### **QUESTION TWO (20 Marks)**

#### **Scenario**

You are a contract administrator working for a large engineering consultancy firm responsible for managing the complex two rivers mall project. The project involves the construction of a 4 levels of parking basement, 22 floors of a mixed used development, landscaping and building of a 6-star hotel. Your role is pivotal in ensuring that the terms and conditions of the contract are adhered to by all parties involved and that the project progresses smoothly within the agreed-upon budget and timeline. As the project progresses, you encounter various challenges, including unforeseen geological obstacles, disputes between subcontractors, and delays in obtaining necessary permits from local authorities. Additionally, there are concerns about potential cost overruns and quality control issues that may impact the overall success of the project.

#### **Question:**

Drawing from the scenario provided, outline the key responsibilities and best practices of a contract administrator in managing the ultra-modern mall. Discuss how you would address the challenges and mitigate risks associated with contract administration. Provide concrete examples of strategies and actions you would implement to ensure effective contract administration and successful project outcomes.

### **QUESTION THREE (20 Marks)**

- a) What is business outsourcing? (2 Marks)  
State and explain circumstances when a business should:
- I. Make products (4 Marks)

II. Buy products (4 Marks)

b) List and explain various stages in a business contract in the procurement process (6 Marks)

c) Differentiate the following:

I. Devaluation and depreciation of currency (2 Marks)

II. Monopoly and Monopsony (2 Marks)

**QUESTION FOUR (20 Marks)**

**Scenario:**

Imagine you are the procurement manager for a medium-sized construction company, tasked with overseeing the tendering process for a significant infrastructure project. The project involves building a new bridge in a densely populated urban area. The success of the project is crucial not only for your company's reputation but also for the safety and convenience of the local community.

After advertising the project, you receive several bids from reputable construction firms, each offering different approaches and costs for the project. However, upon closer examination, you notice discrepancies in some bids and concerns about the capabilities of certain companies to deliver the project on time and within budget. Additionally, you are aware of potential conflicts of interest involving one of the bidding firms and some local government officials.

**Question:**

Provide specific examples of actions you would take to ensure a robust tendering process and mitigate potential risks associated with the project

Based on the scenario provided, discuss the key principles and best practices that should guide your decision-making process in selecting the winning bid for the bridge construction project.

**QUESTION FIVE (20 Marks)**

State the porter's five forces model (P5F) and explain how firms manage the potential threats in each case (20 Marks)