

# JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY SCHOOL OF BUSINESS & ECONOMICS UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION WITH IT 3<sup>ND</sup> YEAR 2<sup>ND</sup> SEMESTER 2016/2017 ACADEMIC YEAR

# MAIN CAMPUS

COURSE CODE: ABA 340

COURSE TITLE: INTERNATIONAL PROCUREMENT MANAGEMENT

**EXAM VENUE:** 

STREAM: (BBA )

DATE:

EXAM SESSION:

TIME: 2 HOURS

# Instructions:

- 1. Answer Question ONE (COMPULSORY) and ANY other 2 questions
- 2. Candidates are advised not to write on the question paper.
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.

# **QUESTION ONE**

- a) Identify and explain **FIVE** reasons behind global sourcing and highlight the potential problems they are likely to face. (15 Marks)
- b) Discuss some of the strategies a firm can adapt to mitigate against foreign exchange risks. (10 Marks)

# **QUESTION TWO.**

a)	Identify and explain any FIVE types of intermediaries that can be used in international	
	procurement	(12 marks)
b)	Discuss the role of Forwarders in international procurement	(8 Marks)

# **QUESTION THREE**

- a) Discuss some of the sources of information a buyer can use to identify potential foreign sources of supply. (10 Marks)
- b) Define counter trade and identify **FIVE** types of countertrade used in international procurement (10 Marks)

# **QUESTION FOUR**

- a) What are INCOTERMs? Identify and explain any **FOUR** incoterms that may be applied universally to all modes of transport. (10 Marks)
- b) Using relevant examples, discuss the role of trading blocs in international procurement (10 Marks)

### **QUESTION FIVE.**

a) Define globalization and explain how it has enhanced international procurement in modern enterprises. (10 Marks)

b) Explain how letters of credit are used as means of payment in international procurement and outline the three classifications of letters of credit. (10 marks)

# JARAMOGI ODINGA OGINGA UNIVERSITY OF SCIENCE & TECHNOLOGY

#### **Bachelor of Logistics and Supply Chain Management**

# **ABA 340: INTERNATIONAL PROCUREMENT MANAGEMENT**

Lecturer: Aleri Odaya C.

#### **Course Outline**

#### **Course objectives**

The course intends to provide the students in the field of International Procurement management solid understanding of the basic terms, concepts and in-depth understanding of International Procurement management in logistics as they manage Logistics in different environments.

#### **Course content**

- 1. Scope and nature of International Procurement
  - Definition of International procurement
- 2. Differences and similarities between National and International procurement
- 3. Rationale for International procurement
- 4. International procurement environment
- 5. Scope of International Procurement environment, Stakeholders and their roles

# 6. Legal framework

- 7. International Procurement Procedures
- 8. Clearing and Customs Procedure
- 9. International Commercial terms (INCOTERMS)
- 10. Payment Procedures
- 11. Skills in International Procurement
- 12. Challenges in International Procurement

#### Assessment

### Course work

•	Assignment(s)	10%

- Continuous assessment test 20%
- Final Examination 70%

# Suggested references

1. Shridhara Bhat (2011), "Logistics Management", Himalaya publishing house