



# **MASENO UNIVERSITY**

## **UNIVERSITY EXAMINATIONS 2017/2018**

**THIRD YEAR FIRST SEMESTER EXAMINATION FOR THE  
DEGREE OF BACHELOR OF BUSINESS ADMINISTRATION  
WITH INFORMATION TECHNOLOGY**

### **CITY CAMPUS –EVENING**

#### **ABA 340: INTERNATIONAL PROCUREMENT MANAGEMENT**

Date: 23<sup>rd</sup> January, 2018

Time: 5.30 - 7.30pm

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#### **INSTRUCTIONS:**

- Answer Question ONE Compulsory and any other THREE
- Question ONE carries 25 marks and the rest has 15 marks each



**QUESTION ONE - COMPULSORY****(25 Marks)**

- a) Discuss in details the several Payment Methods available when procuring abroad. (6 Marks)
- b) Identify and discuss the competitive advantage and business environment advantage as primary reasons for buying overseas. (6 Marks)
- c) Highlight the International Procurement Procedure. (13 Marks)

**QUESTION TWO****(15 Marks)**

- a) "The acquisition of new or capital equipment may be financed in three ways." Identify and discuss. (6 Marks)
- b) Discuss the specific issues the buyer should take into account when taking into account the purchasing of capital equipment from an overseas buyer. (9 Marks)

**QUESTION THREE****(15 Marks)**

- a) Distinguish between a freight forwarder and a clearing agent (4 Marks)
- b) Highlight the prime activities of a clearing and forwarding agent (6 Marks)
- c) When selecting a clearing and forwarding agents describe the criteria one should consider. (5 Marks)

**QUESTION FOUR****(15 Marks)**

- a) Discuss the various categories of Product Specific Permits and Certificates Important in international purchasing. (8 Marks)
- b) Discuss the several ways, how Incoterms have facilitated Global Procurement (7 Marks)

**QUESTION FIVE****(15 Marks)**

- a) Describe the several ways in which purchasing can also play a major part in counter trade. (5 Marks)
- b) Identify and describe the distinct types of Countertrade according to Carter and Gagne (1988). (10 Marks)