



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF LAW, BUSINESS INTELLIGENCE AND ECONOMICS

DEPARTMENT OF ECONOMICS, MARKETING AND ENTREPRENEURSHIP

EXAMINATION PAPER

MODULE CODE : CPS 411
MODULE TITLE : GLOBAL SOURCING
SPECIAL REQUIREMENTS : NO SPECIAL REQUIREMENTS
DURATION : 3 Hours
LEVEL : 4:2
DATE : 09 JUN 2025

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue.
2. **QUESTION ONE IS COMPULSORY**
3. Answer **QUESTION ONE AND ANY THREE (3)** questions.
4. Begin each question on a new page.
5. The number of marks for each question or part question is shown in brackets []
6. Use of practical examples where necessary is encouraged

CASE STUDY

Marianne Barner became the business area manager for carpets in 1995. She started working with IKEA in 1993. IKEA, being the world's largest retailer of furniture, faces many problems such as managing the supplies and the suppliers, growing retails and expanding abroad. Most of the suppliers of IKEA are involved in child labor. IKEA has already taken serious action against its suppliers to stop the use of child labor under the age of 15 during work. IKEA works with NGOs and other child labor organizations to counter this problem. A year after identifying the issue with the social activist, IKEA received a notification from German television that they were going to air the documentary in which they would highlight the child labor issue done by IKEA's rug supplier. The problem faced by Barner was that she had to cut down the supplies of carpet, which were being manufactured in India. A German TV channel broad casted a report that showed the supplier of IKEA manufacturing carpets uses child labors. A well-regarded firm like IKEA could not sustain with such act. The company terminated the contract with the supplier on a short-term notice; however, it had to do something to remove the issue attached to such act.

QUESTION ONE

From the case study above, outline any five risks associated with international sourcing.

[25 marks]

QUESTION TWO

Examine factors that one considers when carrying out sourcing performance measures.

[25 marks]

QUESTION THREE

- a) Compare and contrast international purchasing and global sourcing. **[5 marks]**
- b) Using the four quadrants of the Portfolio Model, analyze how it can aid in coming up with a decision to go global. **[20 marks]**

QUESTION FOUR

Analyze any five challenges associated with Global sourcing. **[25 marks]**

QUESTION FIVE

Critically analyze five ways to mitigate risks associated with global sourcing. **[25 marks]**

END