

TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL of Business Studies

DEPARTMENT OF MANAGEMENT SCIENCE

DIPLOMA IN PROCUREMENT AND MATERIALS MANAGEMENT

BPC2202: PRINCIPLES OF PURCHASING POLICY AND ORGANIZATION

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2016

TIME: 2 HOURS

#### INSTRUCTIONS

This paper consists of FIVE Questions

Answer questions ONE (Compulsory) and any other TWO questions

Do not write on the question paper.

This paper consists of Two printed pages

1a. Explain FIVE factors that stress the importance of strategic planning in organisations. (10 marks)

b. Outline FIVE characteristic of effective purchasing policies. (10 marks)

c. Briefly describe a centralized purchasing organization and any FOUR of its advantages. (10 marks)

2a. Explain the FIVE policies defining the conduct of purchasing personnel. (10 marks)

b. Describe briefly the characteristic of good purchasing objectives as a basis for strategic planning. (10 marks)

3a. Briefly explain any FIVE methods used to evaluate alternative strategies for implementation. (10 marks)

b. Outline any FIVE factors that emphasize the importance of organization structure. (10 marks)

4(a) Define strategic purchasing and explain FIVE situations the purchasing function can be considered strategic (10 marks)

(b) Briefly explain what we mean by Evaluation of alternative strategies and FOUR critical factors or principles emphasizing its importance (10 marks)

5(a) Explain the purchasing policies in the category of supplier relationship (10 marks)

b. Write short notes on the following

(i) Mission (2 marks)

(ii) SWOT Analysis (2 marks)

(iii) Corporate Strategies (2 marks)

(iv) Steps in strategies implementation control (4 marks)