

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

1. a. Explain factors FIVE that can motivate a firm to use backward integration strategy

(10 Marks)

b. Briefly explain the five mechanisms of coordination according to Mintzberg (10 Marks)

c. Explain any five factors emphasizing the benefits of purchasing policies (10 Marks)

2. a. Briefly explain the seven steps in the process of strategic planning | management (14 Marks)

b. Explain three factors that differentiate or distinguish a vision from a mission (6 marks)

3. a. Describe in brief any five factors considered in determining an organisation structure

(10 Marks)

b. Describe in brief the steps in the process of formulating purchasing policies (10 Marks)

4. a. Explain briefly any five limitations of planning organization

(10 Marks)

b. Briefly describe a functional structure and any four of its advantages. (10 Marks)

5. a. Explain what is meant by a purchasing manual and four of its components being the basic information contained there in

(10 Marks)

b. Write short notes on the following

(i) immediate environment

(2 Marks)

(ii) cooperate strategies

(4 marks)

(iii) criteria used in post-implementation evaluation

(4 Marks)