



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN PROCUREMENT AND MATERIALS MANAGEMENT

BPC 2202: PURCHASING PLANNING POLICY AND ORGANIZATION

SPECIAL/SUPPLEMENTARY EXAMINATIONS

SERIES: FEBRUARY 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.

This paper consists of Two printed pages.

QUESTION 1 (Compulsory)

- a) Explain briefly what you understand by the term strategy according to Mintzberg and outline any **FOUR** of its implications. **(10 marks)**
- b) Planning normally involves **TWO** important aspects. Explain. **(6 marks)**
- c) Explain the **FOUR** principles that are applied to strategy evaluation. **(8 marks)**
- d) Describe briefly any **THREE** purchasing policies you understand well. **(6 marks)**

QUESTION 2

- a) The contingent approach emphasizes that there is no one ideal structure for all purchasing organizations. Explain briefly **FOUR** contingency/situational factors that determine the type of structure. **(12 marks)**
- b) Briefly describe the various levels in a purchasing and supply organization. **(8 marks)**

QUESTION 3

- a) Purchasing is a functional department. Explain briefly **FIVE** advantages of a functional structure. **(10 marks)**
- b) Outline **FIVE** factors that favour centralized purchasing. **(10 marks)**

QUESTION 4

Explain briefly whereby strategy implementation and highlight the **NINE** steps in the implementation process. **(20 marks)**

QUESTION 5

- a) Environmental scanning provides the intelligence for a SWOT analysis. Explain the acronym SWOT and outline its importance in strategic planning. **(10 marks)**
- b) Write short notes on:
 - i) Vision and mission statement **(4 marks)**
 - ii) Strategic plan **(2 marks)**
 - iii) Lifecycle analysis. **(4 marks)**