

PAPER A



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

MANAGEMENT SCIENCE DEPARTMENT

COURSE/CLASS: BACHELOR OF BUSINESS ADMINISTRATION Y3S1 s 2014

UNIT CODE: BPC 4307

UNIT NAME: PRINCIPLES OF PROCUREMENT

SERIES: MAY, 2016

PAPER DURATION: 2 HOURS

NO OF STUDENTS: 30

INSTRUCTIONS TO CANDIDATES:

Answer question one (Compulsory) and any other Two questions.

QUESTION ONE

- Q1. (a) As the procurement Manager/ Director in your organization, you appear before the Board Directors to request them to allow you to buy from **Suppliers abroad** the necessary work facilities. Accordingly, state and explain to them any **FIVE needs/reasons** for buying such necessary work facilities from **suppliers abroad**. **(10 marks)**
- (b) In any market, there are very many **producers or service providers** of all the goods/services required for the smooth operations of an organization. Highlight, in the above context, any **FIVE well-known criteria** you would use as a procurement staff in comparing the available **producers / service providers** in the market against one another before choosing only a few from whom to buy the required work facilities. **(10 marks)**
- (c) Outline the **FIVE activities / operations** you should arrange in advance and follow in the course of **“receiving” goods bought** from **outside suppliers**. **(10 marks)**
- Q2. (a) Procurement Policy manual is an essential document for the smooth, effective and efficient functioning of the procurement Department. Accordingly and clearly, bring out any **FIVE advantages** of a **Procurement Policy Manual**. **(10 marks)**
- (b) Identify and explain briefly any **FIVE activities** that fall within the **interdepartmental / functional relationship** between **Procurement and Marketing Departments**. **(10 marks)**
- Q3. (a) Briefly, describe the **FIVE objectives** of the **Procurement Department** that make employers establish and run it independently **(10 marks)**
- (b) Choose and explain any **FIVE advantages** of **sampling / Acceptance Inspection** which make it become very popular with institutions involved in **mass production**. **(10 marks)**
- Q4. (a) Highlight the **FIVE activities** you should prepare and follow in the course of **expediting/following up** any pending purchases with selected suppliers before the time of use comes. **(10 marks)**

(b) Briefly, describe the **FIVE types of tenders** normally used by either customers to contact potential suppliers or the suppliers to contact potential customers.

(10 marks)

Q5. (a) Outline any **FIVE difficulties / problems** you are likely to meet and handle in **Global Sourcing**.

(10 marks)

(b) Choose and explain very briefly any **FIVE essentials / qualities of sound Procurement policies**.

(10 marks)