



TECHNICAL UNIVERSITY OF MOMBASA
SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

**UNIVERSITY EXAMINATION FOR THE DEGREE IN:
BACHELOR OF COMMERCE IN PROCUREMENT &
BACHELOR OF COMMERCE IN LOGISTIC AND TRANSPORT (Y3S1)**

Sept 14, Sept 13 Jab

BPC 4301: PRINCIPLES OF PURCHASING

END OF SEMESTER EXAMINATION

MAY 2016 SERIES

2 HOURS

Instructions to candidates:

1. You should have the following for this examination
 - *Answer booklet*
 - Scientific Calculator
 2. This paper consists of **FIVE** Questions. Answer Question **ONE (Compulsory)** and any other **TWO** questions
 3. Mobile phones are not allowed into the examination room.
 4. This paper consists of **2 Printed** pages.
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QUESTION ONE

- a) Explain the multi Disciplinarity of Purchasing as a Discipline **(10 Marks)**
- b) Purchasing is a business activity that may be seen from many perspectives. Explain purchasing as:
 - (i) A process
 - (ii) Supply chain management
 - (iii) A procurement
 - (iv) An external Resource Management **(10 Marks)**
- c) An organization without a strategy is like a ship without a compass. Explain **five** definitions of a strategy according to Mintzberg **(10 marks)**

QUESTION TWO

- a) The main stage of strategy implementation is resource allocation. **Discuss** **(10 Marks)**

- b) Most companies are entangled in the decisions of whether to buy or make .what **considerations** do they make as they go through the process **(10 marks)**

QUESTION THREE

- a) **Explain** the contemporary functions of purchasing **(5 Marks)**
- b) State the main Principles of professional ethics. **(5 marks)**
- c) Mention the **least unethical practices** likely to be found in Kenya Commercial Bank operating in Tanzania **(10 marks)**

QUESTION FOUR

- a) State the **aims** of supplier market analysis **(10 marks)**
- b) Describe any two purchasing system **(10 marks)**

QUESTION FIVE

- a) Describe into details two methods that may be used in vendor search **(15 marks)**
- b) Write short notes on the following **Characteristic of Supplier** Market structure **(5 marks)**