



TECHNICAL UNIVERSITY OF MOMBASA

EXAMINATION FOR BACHELOR OF COMMERCE (PROCUREMENT & LOGISTIC AND TRANSPORT) Y3S1

BPC 4301: PRINCIPLES OF PURCHASING

December 2016

Time: 2 hours

INSTRUCTIONS: ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

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: **(10 Marks)**
- i. A process**
 - ii. Supply chain management**
 - iii. A procurement**
 - iv. An external Resource Management**
- 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 in procurement **(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
(10 marks)
- b. Write short notes on the following **(5 marks)**

Structure of supply market
Stock control techniques
Negotiation