



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR:

DEGREE IN BUSINESS ADMINISTRATION

BPC4307: PRINCIPLES OF PROCUREMENT

END OF SEMESTER EXAMINATION

SERIES: DECEMBER 2016

TIME: 2 HOURS

DATE: 21 Oct 2016

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

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

Do not write on the question paper.

Question ONE

- (a) The scope and objectives of a procurement function may vary from one organization to another but there are those which are common in most organizations. Accordingly **explain** any five commonest ones (10marks)
- (b) Corruption can only be eradicated in procurement profession if ethics are followed as they give a way forward for procurement staff. Critically evaluate **ANY FIVE** merits of professional ethics in procurement (10marks)
- (c) State and explain briefly any **FIVE** merits of partnership sourcing (10 marks)

Question TWO

- ((a) Effective negotiation may be said to take place when substance issues are satisfactorily resolved. Choose and explain any **FIVE** objectives of negotiation in procurement (10marks)
- (b) Purdy identified five principles that should be observed by all specification writers in procurement. Critically discuss **ANY FIVE** principles of specifications (10marks)

Question THREE

- (a) Outline any **FIVE** advantages of centralization of purchasing (10marks)
- (b) . Highlight any five circumstances under which supplier appraisal is critical (10mks)

Question FOUR

- (a) Discuss ANY**FIVE** areas which warrant appraisal by procurement staff when making appraisal visits to suppliers (10marks)
- (b) Supplier assessment revolves around selecting one or more suppliers capable of working to the specification. Discuss any **FIVE CHARACTERISTICS** of a good supplier (10marks)

Question FIVE

- (a) Identify and explain briefly any **FIVE** reasons for buying from abroad (10marks)
- (b) Highlight any five circumstances under which the supplier will be in a stronger negotiation position (10marks)