



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR:

DIPLOMA IN PROCUREMENT & MATERIALS MANAGEMENT

BPC 2202: PURCHASING PLANNING, POLICY & ORGANIZATION

END OF SEMESTER EXAMINATION – APRIL SERIES, 2022

TIME: 2HOURS

DATE: 15Apr2022

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) Evaluation takes place when a strategy has been formulated and put into effect (implemented). Explain any **FIVE** actions to be taken by an organization after evaluation. **(10 Marks)**.
- b) Purchasing organization is the foundation upon which the whole structure of management is built. Explain any **FIVE** advantages of horizontal structure **(10 Marks)**.
- c) Formulation and development of procurement plans is not just a good practice that must be embraced by procurement entities/organization, but it's also a legal requirement. Explain steps in preparing a procurement plan in an organization **(10 Marks)**.

Question TWO

- a) Total quality management is one of the most important benefits if implementing purchasing strategies in supply chain management. Explain main stages of strategy implementation **(10 Marks)**

- b) Formulation of procurement policies is a complex process and requires experts in related fields to design policies that reflect the current good practices in the related industry. Explain the procedure (steps) for policy formulation **(10 Marks)**.

Question THREE

- a) Strategy formulation begins with a statement of decision, mission, values, and objectives of the organization. Explain any **FIVE** differences between vision and mission statements of the organization **(10 Marks)**.
- b) Policies speed up decision making in an organization by providing a framework within which they are formulated. Explain any **FIVE** purposes of a policy manual in an organization **(10 Marks)**.

Question FOUR

- a) Planning in an organization is performed in multiple levels depending on the nature and size of the organization. Explain any **FIVE** levels of planning that can be found in any formal organization **(10 Marks)**.
- b) Status may be defined as the position of a department within the organization. Explain **FIVE** major functions of procurement department in an organization **(10 Marks)**.

Question FIVE

- a) Organization is related with developing a framework where the total work is divided into manageable components to facilitate the achievement of the objectives or goals. Explain any **FIVE** factors that influence the organization of the procurement department in any company set up **(10 Marks)**.
- b) You have been recently appointed as the Senior Procurement Officer in an organization and you intend to review the Procurement policies to conform to the current Public Procurement & Asset Disposal Act, 2015. Explain any **FIVE types of Procurement policies** in an organization **(10 Marks)**.