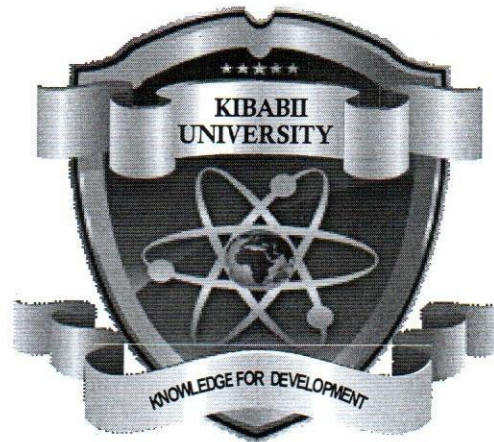


KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS 2021/2022 ACADEMIC YEAR SECOND YEAR SECOND SEMESTER

MAIN EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCP 221

**COURSE TITLE: PURCHASING AND SUPPLY
MANAGEMENT**

DATE: 11/05/2022 TIME: 2.00PM – 4.00PM

INSTRUCTION TO CANDIDATES

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

KIBU observes **ZERO** tolerance to examination cheating

QUESTION ONE - CASE STUDY-COMPULSORY.

The supply chain management concept has been hailed as the ultimate solution to the creation of value for customer and gaining of competitive advantage by a business organization. However the application of this concept may not be suitable or appropriate for certain organizations, certain industries and certain products. As a philosophy which informs the sourcing approach in selecting capable suppliers that would be able to meet the organization's requirements, it has been applied to meet different objectives in public and private sectors.

- a) The supply chain management concept means different things to different people. Explain the different views of supply chain management (5 marks).
- b) Explain why organizations should pursue ethical and socio-economic objectives alongside commercial goals (10 marks).
- c) Using local example demonstrate how supply chain management create value for the customer (5 marks).
- d) Compare and contrast the nature of supply chain management objectives in public and private sectors (10 marks).

QUESTION TWO

- a) Open tendering is the preferred method of acquisition of requirements in public sector. Explain the conditions necessary for its use (10 marks).
- b) Asses the purchasing /sourcing cycle concept (10 marks).

QUESTION THREE

- a) Negotiaton is an important strategy in acquisition of requirements. Examine the situations when it may be used. (10 marks).
- b) Explore what determines the position of purchasing function in a business organization structure (10 marks)

QUESTION FOUR

- a) Cite two theories of ethics and explain how ethical sourcing affects the achievement of supply chain objectives (10 marks).
- b) Market research and analysis of supply markets is necessary, explain why this is important (10 marks).

QUESTION FIVE

- a) Materials management is the third stage in the evolution of purchasing. Explain the basic considerations at this stage (10 marks).
- b) Evaluate the lean concept in supply chain management (10 marks).