

KIBABII UNIVERSITY

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UNIVERSITY EXAMINATIONS

2017/2018 ACADEMIC YEAR

FIRST YEAR SECOND SEMESTER

FOR THE DIPLOMA IN BUSINESS MANAGEMENT

COURSE CODE: DPS 100

**COURSE TITLE: PRINCIPLES OF PURCHASING AND SUPPLIES
MANAGEMENT**

DATE: 12/01/2018

TIME: 2 – 4PM

INSTRUCTIONS TO CANDIDATES

Answer **All** questions in Section A and Any other **TWO (2)** Questions from **section B**

SECTION A

QUESTION ONE

- a) Contrast the following; [4 Marks]
- i) Personal purchase and Mercantile purchasing [4 Marks]
 - ii) Purchasing Fraud and purchasing Ethics [4 Marks]
 - iii) Purchasing requisition and purchasing research
- b) What are the main objectives of a purchase department in an organization [4 Marks]
- c) Purchasing procedures must be made formal and transparent to all the parties. Explain the three purchasing procedure phases. [6 Marks]
- d) Discuss any four functions of Purchasing Management [8 Marks]

SECTION B (ANSWER ANY TWO QUESTIONS)

QUESTION TWO

List and Explain five purchasing systems that may be used by a public entity in sourcing of goods, works and services as provided for by Public Procurement and Disposal Act, 2005 [20 Marks]

QUESTION THREE

There are many factors that determine the behavior of prices for various commodities or services or products in the world. Discuss. [20 Marks]

QUESTION FOUR

The principles of right purchasing require considerable enterprise and study of economic trends and market condition. These help in correct decision-making and effective performance of the purchasing department. In view of the above, discuss five 'R' of purchasing. [20 Marks]

QUESTION FIVE

Discuss the steps involved in the Procurement Process in an organization [20 Marks]