



GARISSA UNIVERSITY

**UNIVERSITY EXAMINATION 2017/2018 ACADEMIC YEAR THREE
FIRST SEMESTER EXAMINATION**

SCHOOL OF BUSINESS AND ECONOMICS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 340

COURSE TITLE: PURCHASING MANAGEMENT

EXAMINATION DURATION: 3 HOURS

DATE: 08/12/17

TIME: 09.00-12.00 PM

INSTRUCTION TO CANDIDATES

- **The examination has SIX (6) questions**
- **Question ONE (1) is COMPULSORY**
- **Choose any other THREE (3) questions from the remaining FIVE (5) questions**
- **Use sketch diagrams to illustrate your answer whenever necessary**
- **Do not carry mobile phones or any other written materials in examination room**
- **Do not write on this paper**

This paper consists of TWO (2) printed pages

please turn over



QUESTION ONE (COMPULSORY)

- (a) State the objectives of public procurement [5 marks]
- (b) Differentiate strategic and non strategic procurement [2 marks]
- (c) In what scenario does the procurement entity forfeit tender security [3 marks]
- (d) Define global sourcing [2 marks]
- (e) Explain sources of information relating to potential suppliers [3 marks]
- (f) Define the following :
 - i. Single sourcing [2 marks]
 - ii. Multiple sourcing [2 marks]
- (g) Describe the receiving procedure of goods [6 marks]

QUESTION TWO

- (a) Explain any three principles of good procurement [3 marks]
- (b) Explain the factors considered when planning international purchasing [4 marks]
- (c) Discuss the advantages and disadvantages of early supplier involvement [8 marks]

QUESTION THREE

Different organizations use different kind of structures in their governance. Critically discuss this statement [15 marks]

QUESTION FOUR

Most of the organizations compare the cost of producing a component or providing a service internally with the cost of purchasing the component or service from an external supplier. Discuss [15 marks]

QUESTION FIVE

- (a) What is green procurement [2 marks]
- (b) Discuss the challenges facing green procurement in Kenya [5 marks]
- (c) What are the objectives of negotiation in procurement [3 marks]
- (d) Discuss the difference between the win-lose and win-win negotiation [5 marks]

QUESTION SIX

- (a) Discuss the eight dimensions of quality [8 marks]
- (b) Explain the advantages and disadvantages of international sourcing [7 marks]

