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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR
FIRST YEAR, SECOND SEMESTER EXAMINATION
FOR THE DIPLOMA IN PROCUREMENT AND SUPPLIES MANAGEMENT
DPS 1302: PURCHASING MANAGEMENT

Date: 17th August 2023
Time: 8.30am-10.30am

INSTRUCTIONS TO CANDIDATES:

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) VIZ company has been operating its procurement activities under the finance department. The company has decided to set up an independent purchasing department. Explain the importance of purchasing department /function. (6 marks)
- b) Discuss any three new approaches to purchasing. (6 marks)
- c) Discuss the role of Kenya bureau of standards in quality assurance. (6 marks)
- d) Explain the importance of ethical values in an organization (6 marks)
- e) Explain the advantages of international purchasing (6 marks)

QUESTION TWO (20 MARKS)

- a) Discuss three quality techniques used in quality assurance (6 marks)
- b) JZB Company procures its goods and services using a decentralized purchasing approach. Explain the reasons that may justify decentralized purchasing. (6 marks)
- c) You have been appointed as the quality assurance manager of JYZ Company. Examine four types of quality standards that you would advise the organization to adopt. (8 marks)

QUESTION THREE (20 MARKS)

- a) Discuss four pricing strategies used by organization to establish prices of their products (8 marks)
- b) Explain the essentials of a valid contract (6marks)
- c) Negotiation is the process through which differing parties come up with a solution that agreeable to both parties. Examine the importance of negotiation in purchasing management (6 marks)

QUESTION FOUR (20 MARKS)

- a) Tendering process is structured and competitive method used by organizations to acquire goods or services. Examine the steps involved in the tendering process (8 marks)
- b) Ethical values play a crucial role in procurement & purchasing practices. Discuss any four ethical values in procurement (8 marks)
- c) Discuss the advantages of centralized purchasing (4 marks)

QUESTION FIVE (20 MARKS)

- a) There are various types of tenders used by firms when soliciting bids or proposals from suppliers.
Discuss 4 types of tenders. (8 marks)
- b) You have been consulted by company BZY to educate the purchasing department on emerging trend and issues in purchasing management.
 - i. Discuss any three trends (6 marks)
 - ii. Advice company BZY on the strategies it should adopt to cope with the emerging trends and issues in purchasing management (6 marks)