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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR**  
**FIRST YEAR, SECOND SEMESTER EXAMINATION**  
**FOR THE BACHELOR OF PROCUREMENT & SUPPLY CHAIN**  
**MANAGEMENT**  
**KPS 2103 PROCUREMENT MANAGEMENT**

Date: 14<sup>TH</sup> August, 2024  
Time: 2.30PM-4.30PM

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

**Case Study: Enhancing Procurement Management at TechWave Inc.**

TechWave Inc., a leader in technology solutions, is facing inefficiencies in its procurement processes. These inefficiencies are causing a domino effect of problems including increased costs, delayed deliveries, and weak supplier relationships. The company understands the need to revamp its procurement practices to achieve its strategic goals and streamline operations.

The first hurdle TechWave needs to overcome is the confusion surrounding procurement roles and responsibilities. Many employees mistakenly equate procurement with purchasing and supply chain management, leading to overlapping tasks and inefficiencies. Additionally, the company's procurement cycle is poorly defined, resulting in missed deadlines, incomplete paperwork, and a lack of accountability.

TechWave also faces issues with supplier management. Selecting and evaluating suppliers is a struggle, leading to inconsistent product quality and unreliable delivery. The company's relationships with suppliers are transactional rather than strategic, causing frequent disruptions. To make matters worse, TechWave has encountered legal problems due to unclear contract terms and non-compliance with procurement laws. Furthermore, ethical lapses in supplier selection and favoritism have been reported, tarnishing the company's reputation.

- a) TechWave Inc. is experiencing inefficiencies due to confusion between procurement, purchasing, and supply chain management. Develop a plan to clarify these roles and provide examples of how this clarity can reduce operational issues within the company. **(5 Marks)**
- b) How can the company integrate procurement with its overall strategy to improve cost efficiency and supplier relationships? Provide examples of strategic initiatives. **(5 Marks)**
- c) Identify and describe the steps in the procurement cycle that TechWave Inc. should implement to improve its operations. **(5 Marks)**
- d) Highlight methods that TechWave Inc. can use to improve its supplier selection and evaluation. **(5 Marks)**
- e) Suggest ways of how TechWave Inc. could implement strategic sourcing to enhance its competitive advantage. **(5 Marks)**

- f) Identify potential ethical issues in TechWave Inc.'s procurement processes and suggest strategies to address them. (5 Marks)

**QUESTION TWO (20 MARKS)**

- a) Explain the **THREE** main benefits of having a well-defined procurement plan in place for an organization. (6 Marks)
- b) Discuss technologies that can be used to improve the accuracy and efficiency of forecasting procurement needs. (6 Marks)
- c) Explain strategies for effective supplier relationship management that organizations can adopt. (8 Marks)

**QUESTION THREE (20 MARKS)**

- a) Distinguish between cost analysis and value analysis in the context of procurement. (6 Marks)
- b) Identify criteria that organizations should use for selecting and evaluating suppliers. (6 Marks)
- c) Discuss the key legal principles governing procurement contracts that organizations must adhere to. (8 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Outline the importance of procurement in an organization. (6 Marks)
- b) Describe **THREE** key functionalities offered by e-procurement platforms that can streamline and improve the overall procurement process. (6 Marks)
- c) List **FOUR** potential risks that can occur during the procurement process. Briefly explain the impact of each risk. (8 Marks)

**QUESTION FIVE (20 MARKS)**

- a) Identify **THREE** key performance indicators (KPIs) that can be used to measure the success of a company's procurement processes. (6 Marks)
- b) Describe **THREE** common forecasting methods used in procurement planning. (6 Marks)
- c) Explain the concept of sustainable procurement and its key objectives. (8 Marks)