



Kasarani Campus
Off Thika Road
P. O. Box 49274, 00101
NAIROBI
Westlands Campus
Pamstech House
Woodvale Grove
Tel: 4442212
Fax: 4444175

KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR
FIRST YEAR, FOURTH SEMESTER EXAMINATION
FOR THE DIPLOMA IN PROCUREMENT AND SUPPLIES MANAGEMENT
DPS 1404-PURCHASING AND SUPPLY STRATEGY

Date: 14th August 2023
Time: 11.30am-1.30pm

INSTRUCTIONS TO CANDIDATES:

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Purchasing departments should prepare appropriate purchasing strategies to guide their operations. Explain three factors which should be considered in the development of such strategies. (6 Marks)
- b) Cost reduction is one of the key strategies in a purchasing department. Explain the activities which would support the successful implementation of this strategy. (6 Marks)
- c) There are three levels of strategy that run across an organization, with each playing a vital role in the success of a business. Explain ways in which functional strategies interrelate with corporate strategies. (6 Marks)
- d) Describe what is lean approach in strategic management (2 Marks)
- e) Discuss the disadvantages of using outsourcing as a sourcing criterion (4 Marks)

QUESTION TWO: (20 MARKS)

- a) Explain the three generic strategies which a firm may pursue to succeed in its market? (6 Marks)
- b) Identify and describe the four elements which should be incorporated in strategic management? (8 Marks)
- c) Many business organizations prepare a strategic plan for their operations. Explain the reasons which may prompt an organization to prepare a strategic plan. (6 Marks)

QUESTION THREE (20 MARKS)

- a) Environmental scanning is very important for successful implementation of a strategic plan. Explain on the key aspects to be covered in the analysis. (8 Marks)
- b) SWOT analysis is a tool used for environmental scanning what are some of the way in which SWOT analysis helps in strategic planning. (12Marks)

QUESTION FOUR (20 MARKS)

- a) Explain five approaches in which an organization may ensure effective implementation of a corporate strategy. (6 Marks)
- b) Strategic management takes place at three levels in an organization. Explain four types of strategic decision made at the corporate level. (8 Marks)
- c) Discuss the factors to consider when selecting a mode of transport (6 Marks)

QUESTION FIVE (20 MARKS)

- a) Explain three ways in which the purchasing and supply function could be used to reduce inventory costs in an organization with a strategy of cost leadership (6 Marks)
- b) Highlight three benefits that an organization would derive from coordination internal and external supply chain information flow (6 Marks)
- c) Discuss any four purchasing and supply chain strategies (8 Marks)