



MACHAKOS UNIVERSITY

University Examinations 2021/2022

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR FIRST TERM EXAMINATION FOR

DIPLOMA IN PROCUREMENT DEPARTMENT AND BUSINESS ADMINISTRATION

2903/101: SUPPLY CHAIN MANAGEMENT AND PURCHASING PRINCIPLES

DATE:

TIME:

INSTRUCTIONS: ANSWER ANY FIVE QUESTIONS

1. a) Outline the importance of supply chain management in the business operations. (10 marks)
b) Teki Enterprise has decided to decentralize its purchasing function. Explain five reasons that may have influenced the firm to make the decision (10 marks)
2. a) Explain **five** factors that a supply chain officer may consider in determining lead time for an organization's requirements. (10 marks)
b) Outline the types of information contained in a delivery note. (10 marks)
3. a) Describe the relationship between the purchasing department and other departments in an organization (12 marks)
b) Explain the importance of inspecting incoming goods in an organization. (8marks)
4. a) Highlight the elements of supply chain management as stipulated in supply chain management and purchasing function (10 marks)
b) Explain the factors considered in determining quality of goods and services in an organization (10 marks)
5. a) Modern day purchase goes beyond mere obtaining goods & services for an organization. In reference to this statement, explain the general objectives of a purchasing unit in an organization (12 marks)
b) Explain the factors in determining the right time to buy materials in the market. (8 marks)