



MACHAKOS UNIVERSITY

University Examinations 2022/2023

DIRECTORATE TVET

FIRST YEAR SECOND TERM END OF TERM EXAM FOR CERTIFICATE IN SUPPLY CHAIN MANAGEMENT

1903/202: SUPPLY CHAIN MANAGEMENT AND PURCHASING PRINCIPLES

DATE: 27/3/2023

TIME: 8:30 – 11:30 AM

INSTRUCTIONS:

Answer all the questions in this section (32marks)

1. State **three** factors that a purchasing Officer may consider when determining the quality of materials (3 marks)
2. Outline **three** methods of pricing materials in the market. (3 marks)
3. State **three** reasons that influence a receiving Officer to reject goods delivered by a supplier. (3 marks)
4. List **three** types of orders that may be used in the procurement process. (3 marks)
5. State **four** factors that cause longer lead time in the procurement process (3 marks)
6. Outline three objectives of the purchasing functions in an organization. (3 marks)
7. Explain the options of treating rejected goods as stipulated in receiving and inspection of goods. (3 marks)
8. Describe three documents used in sourcing. (3 marks)
9. Explain three factors in determining the right time to buy materials. (3 marks)
10. Highlight the importance of the purchasing function in an organization. (4 marks)

SECTION B (68 MARKS)

Answer any four questions from this section.

11. a) Explain four methods of materials specifications. (8 marks)
- b) Highlight six factors that influence the prices of materials in the market. (9 marks)
12. a) Identify six sources of information about the potential suppliers. (9 marks)
- b) Describe four documents involved in the receiving and inspection of goods. (8 marks)
13. a) Purchasing Manager was creating awareness to other departments about specification of materials. He emphasized on the purpose of specification. Explain. (8 marks)
- b) Highlight six factors to consider when determining the sources of supply. (9 marks)
14. a) Explain four benefits the purchasing department can accrue from a good relationship with other departments. (8 marks)
- b) Teki Enterprise has decided to centralize its purchasing function. Explain six reasons that may have influenced the firm to make the decision. (9 marks)
15. a) Explain four measures that an organization may institute to ensure timely delivery of goods. (8 marks)
- b) Highlight six factors that an Inspection and Acceptance officer may consider when selecting a method to use in inspecting delivered goods. (9 marks)