



MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR SECOND SEMESTER EXAMINATION FOR

DIPLOMA IN PROCUREMENTS SUPPLY CHAIN MANAGEMENT (TVET)

2903/101: SUPPLY CHAIN MANAGEMENT AND PURCHASING PRINCIPLES

DATE:

TIME:

INSTRUCTIONS: ANSWER FIVE QUESTIONS ONLY

1. a) In receiving and inspection of goods in a warehouse the staff in charge is in support with all processes to attain organizational objectives. Explain FIVE documents used in Receiving and inspection processes. (10 marks)
- b) Explain the components of physical distribution of materials in a company (10 marks)
2. a) Distinguish lead time from delivery time as used in determination of price and right time to buy materials. (8 marks)
- b) Explain the advantages and disadvantages of sourcing of supply of materials in an organization. (12 marks)
3. a) Describe documents involved in ordering of materials as used in a purchasing department. (12 marks)
- b) Explain FOUR factors taken into consideration in determining quantity of materials to buy in an organization. (8 marks)
4. a) In sourcing of supply there are vital documents required in order to perform efficiently and effectively. Identify. (8 marks)
- b) Explain the purchasing procedure as stipulated in supply chain management and purchasing principles. (12 marks)

5. a) Describe FIVE options of treating rejected goods in the receiving and inspection of goods and services. (10 marks)
- b) Identify the sources of information of potential suppliers in purchasing department of an organization. (10 marks)
6. a) In physical distribution, there are factors taken into account when selecting the mode of transportation of materials. Explain. (8 marks)
- b) Horizontal and vertical types of internal organization of purchasing department assists the department to achieve its set objectives. Illustrate internal organizational structures of purchasing department. (12 marks)
7. a) Explain FIVE methods used in payment of purchased goods in an organization (10 marks)
- b) Highlight the purpose of inspecting incoming goods as stipulated in receiving and inspection of goods in purchasing department. (10 marks)