



MACHAKOS UNIVERSITY COLLEGE

(A Constituent College of Kenyatta University)
University Examinations for 2015/2016 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ENTREPRENEURSHIP AND MANAGEMENT SCIENCES

SECOND SEMESTER EXAMINATION FOR DIPLOMA IN SUPPLY CHAIN MANAGEMENT

DPS 112: PURCHASING AND SUPPLIES MANAGEMENT

Date: 9/8/2016

Time: 8:30 – 10:30 AM

INSTRUCTIONS

Answer Question One and Any Other Two Questions

SECTION A (30MKS) COMPULSORY

1.
 - a) Highlight the nature of relationship should be shared between production department and purchasing department. (5 marks)
 - b) State five sources of information on supply sources to the organization. (5 marks)
 - c) List four documents that should be availed in an organization when inspecting materials requirements. (4 marks)
 - d) Highlight six classes of materials in an organization (6 marks)
 - e) State four types of issues adoptable to an organization. (4 marks)
 - f) List six factors that should be considered when determining the price of materials in an organization. (6 marks)

SECTION B (40MARKS) ATTEMPT ANY TWO QUESTIONS

2. a) Explain the benefits of an organization properly observing set ethics by its employees in their operations. (12 marks)
- b) Highlight four factors that should be considered when selecting the packaging material to use. (8 marks)
3. a) Explain the measures that an organization can take to enhance effective issuing and dispatch of stock. (12 marks)
- b) Explain four types of materials issues in an organization. (8 marks)
4. a) Highlight five benefits of adopting random stock location system to an organization (10 marks)
- b) Highlight the functions of a warehouse in an organization. (10 marks)
5. a) Highlight five documents used during payment for goods and services in an organization. (10 marks)
- b) Highlight five reasons for holding stock in an organization (10 marks)