



# **MURANG'A UNIVERSITY OF TECHNOLOGY**

## **SCHOOL OF BUSINESS AND ECONOMICS**

DEPARTMENT OF COMMERCE

TVET EXAMINATION

2023/2024 ACADEMIC YEAR

**FIRST YEAR FIRST SEMESTER EXAMINATION FOR DIPLOMA IN  
SUPPLY CHAIN MANAGER LEVEL 6**

**BUS/OS/SC/CR/01/6/A – PROCURE ORGANIZATIONS' GOODS AND  
SERVICES**

**DURATION: 3 HOURS**

### **INSTRUCTIONS TO CANDIDATES:**

1. Answer ALL the questions in Section A and any Three questions in Section B.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

## **SECTION A: ANSWER ALL QUESTIONS IN THIS SECTION**

### **QUESTION ONE (30 MARKS) – SECTION A (40 MARKS)**

1. Outline five (5) differences between goods and services (5 marks)
2. List five (5) advantages of using open tender method to procure organizations' goods (5 marks)
3. Differentiate between consultancy and non-consultancy services. (4 marks)
4. Name four documents used in the delivery of procured goods. (4 marks)
5. List four (4) items which should be carefully examined during preliminary Examination of bids (4 marks)
6. Identify four (4) methods of issuing in a warehouse. (4 marks)
7. Highlight four (4) steps to be taken by an organization before receiving goods. (4 marks)
8. State five (5) benefits of using first in, first out (FIFO) technique in issuing organizations goods. (5 marks)
9. Identify five (5) consequences of lacking procurement plan in an organization. (5 marks)

## **SECTION B (60 MARKS): ANSWER ANY THREE QUESTIONS IN THIS SECTION**

### **QUESTION TWO (20 MARKS)**

- a) Examine five (5) types of specifications which can be developed by organizations based on their needs. (10 marks)
- b) Identify an organization that you are familiar with and explain the relationship of the procurement department with the other departments. (10 marks)

### **QUESTION THREE (20 MARKS)**

- a) Describe the procedure followed when issuing goods and materials from inventory. (10 marks)
- b) Explain five factors to consider when inspecting and receiving goods in a warehouse. (10 marks)

### **QUESTION FOUR (20 MARKS)**

- a) You have been tasked with the responsibility of preparing a procurement plan for your Department. Discuss five (5) types of information that should be included in such a plan. (10 marks)
- b) Explain five (5) components of a procurement evaluation report. (10 marks)

### **QUESTION FIVE (20 MARKS)**

- a) A Government Parastatal intends to undertake procurement of strategic items. As the head of procurement unit, analyse five sources of funds to undertake such as exercise. (10 marks)
- b) The managing director of Clay Works Company is concerned about numerous rejection of tenders submitted to prospective procuring entities. Explain five (5) reasons why the Company's tender may have been rejected. (10 marks)