



MURANGA UNIVERSITY COLLEGE

*(A CONSTITUENT COLLEGE OF JOMO KENYATTA UNIVERSITY OF AGRICULTURE
& TECHNOLOGY)*

MAIN CAMPUS

SUPPLIMENTARY/ SPECIAL UNIVERSITY EXAMINATIONS

2015/2016 ACADEMIC YEAR

SECOND YEAR FIRST SEMESTER EXAMINATIONS

FOR THE DEGREE

OF

BACHELOR OF COMMERCE

COURSE CODE: HBC2214

COURSE TITLE: PROCUREMENT AND LOGISTICS MANAGEMENT

DATE:

TIME:

INSTRUCTIONS TO CANDIDATES

**QUESTION ONE (1) IS COMPULSORY
ANSWER ANY OTHER TWO (2) QUESTIONS**

MRUC observes ZERO tolerance to examination irregularities

QUESTION ONE (30mks)

- (a) Purchase specification forms the heart of the procurement. Discuss. (8mks).
- (b) Highlight the stages of procurement process. (8mks).
- (c) A firm needs to bridge the service gaps to improve the customer satisfaction with its services. Explain why these gaps may arise. (8mks).
- (d) Discuss the issues that affect warehousing. (6mks).

QUESTION TWO (20mks).

- (a) Explain the reasons why a warehouse is necessary. (10mks).
- (b) Developing a logistics strategy involves the integration of key areas of supply chain management. Discuss. (10mks).

QUESTION THREE (20mks).

- (a) To many firms throughout the world, logistics has become an increasingly important value – adding process. Discuss. (10mks).
- (b) Explain the key features of strategic logistics plan. (10mks).

QUESTION FOUR (20mks).

- (a) Explain the various procurement activities. (12mks)
- (b) Highlight four criteria to be used in selecting a supplier. (8mks)