



# **MURANGA UNIVERSITY COLLEGE**

(A constituent College of Jomo Kenyatta  
University of Agriculture & Technology)

## **MAIN CAMPUS**

### **ORDINARY UNIVERSITY EXAMINATIONS**

**2015/2016 ACADEMIC YEAR**

**FIRST YEAR FIRST SEMESTER**

**EXAMINATIONS**

**FOR THE DEGREE**

**OF**

**BACHELOR OF PURCHASING AND SUPPLIES**

**MANAGEMENT**

**AND**

**SECOND YEAR FIRST SEMESTER**

**EXAMINATIONS**

**FOR THE DEGREE**

**OF**

**BACHELOR OF SCIENCE (HUMAN**

**RESOURCE MANAGEMENT)**

**COURSE CODE: HPS 2101**

**COURSE TITLE: PRINCIPLES OF  
PROCUREMENT**

**DATE: 10<sup>TH</sup> DECEMBER, 2015**

**TIME: 2Hours**

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**INSTRUCTIONS TO CANDIDATES**

Question ONE (1) is compulsory

Answer TWO (2) questions

MRUC observes ZERO tolerance to examination irregularities

## **QUESTION ONE**

You work as a purchasing manager of a medium firm. Your chief executive officer has asked you to write an outline report that explains the following:

- a) Materials management and logistics management (5 mks).
- b) The importance of purchasing function to the business (5 mks).
- c) Responsibilities of the purchasing department in the firm (5 mks)

d) The advantages and disadvantages of holding too much inventory

(5 mks)

## **QUESTION TWO**

a) Purchasing managers have certain aids / tools at their disposal to facilitate the execution of management tasks of planning, organizing and control. Using well articulated examples discuss any four major tools (10 mks).

b) There are four main policies that affect the scheduling of purchases. Discuss

(10 mks)

### **QUESTION THREE**

- a) Summarize the advantages of centralized and decentralized purchasing function in an organization (10 mrks)
- b) Discuss five basic procurement principles, supporting your argument with relevant examples where appropriate (10 mks)

### **QUESTION FOUR**

Write brief explanatory notes on the following procurement terminology

- i) Specifications and Standardization (5 mks)
- ii) Supplier certification agreements (2 mks)
- iii) Material requirement planning (2 mks)

- iv) Works and services (5 mks)
- v) Terms of reference (2 mks)
- vi) Vendor (2 mks)
- vii) Just in time (2 mks)