



MURANGA UNIVERSITY COLLEGE

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

MAIN CAMPUS

SUPPLEMENTARY/SPECIAL UNIVERSITY EXAMINATIONS

2014/2015 ACADEMIC YEAR

SECOND YEAR SECOND SEMESTER EXAMINATIONS

**FOR THE DEGREE
OF
BACHELOR OF PURCHASING SUPPLIES MANAGEMENT**

COURSE CODE: HPS 2213

COURSE TITLE: PURCHASING POLICY AND STRATEGY

DATE: 7TH AUGUST 2015

TIME: 2.00-4.00PM

INSTRUCTIONS TO CANDIDATES

Question ONE (1) is compulsory
Answer THREE (3) questions

MRUC observes ZERO tolerance to examination irregularities

This Paper Consists of 2 Printed Pages. Please Turn Over. ►

QUESTION ONE

- a) Define the term purchasing as an
 - i) Process (4marks)
 - ii) Relationship (6marks)
 - iii) List six essential features of a profession (8marks)
 - iv) Explain evolution stages of purchasing
- b) According to Miles and Snow an organization should formulate strategies that will allow each of its Small Business Unit (SBU) to adapt to its unique environmental challenges. Explain four major strategies. (12marks)

QUESTION TWO

- a) Discuss Porter's Five Forces Model which is used to focus on the position of an SBU within the industry to which it belongs. (12marks)
- b) Strategy control comprises of four basic steps. Explain these steps (8marks)

QUESTION THREE

- a) Explain any three policy principles that govern procurement policy and practice. (12marks)
- b) Explain the four stages of the development of the purchasing function as identified by Reck and Long. (8 marks)

QUESTION FOUR

- a) Discuss the four levels of strategy (12marks)
- b) Explain four importance's of purchasing and supply strategy to an organization. (8marks)