



MUEO

# MOI UNIVERSITY

OFFICE OF THE CHIEF ACADEMIC OFFICER

## UNIVERSITY EXAMINATIONS

### 2011/2012 ACADEMIC YEAR

#### THIRD YEAR FIRST SEMESTER EXAMINATION

#### FOR THE DEGREE OF

## BACHELOR OF BUSINESS MANAGEMENT

**COURSE CODE:** BBM 345

**COURSE TITLE:** PURCHASING MANAGEMENT

**DATE:** 17<sup>TH</sup> NOVEMBER, 2011 **TIME:** 9.00 A.M. – 12.00 NOON.

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### INSTRUCTION TO CANDIDATES

- SEE INSIDE.

THIS PAPER CONSISTS OF (2) PRINTED PAGES

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## BBM 345 –PURCHASING MANAGEMENT

### Instructions

Answer Question ONE and any other THREE Questions

- Q. 1 It's important, however that purchasing staff at the tactical and operational levels are also <sup>aware</sup> ~~ware~~ of their roles in providing value-adding support services to sourcing and thereby contributing to the competitive advantage of their enterprises". As a Purchasing manager responsible for the purchasing processes, how would you seek to ensure that tactical and operational purchasing staff are aware of their roles and responsibilities as described above. (25 mks)
- Q. 2 Using a purchasing development model or framework, explain how such a model could be usefully employed in assisting the development of the purchasing activity. (15 mks)
- Q. 3 The cost of acquiring stock and holding stock in a warehouse is a drain on an organizations resources. Summarize the costs incurred and how these costs can be controlled.
- Q. 4 Describe in detail the information you would gather prior to a major negotiation and show how you would use this information to plan your negotiation. (15 mks)
- Q. 5 'Specifications' as used in purchasing and supplies management serves no purpose in today's global market place. Discuss. (15 mks)
- Q. 6 With the aid of relevant examples, explain the various traditional and strategic measures of performance as used in purchasing management. (15 mks)

1. Monitoring performance  
Training  
Directing  
Clear job description  
Experience