

W1-2-60-1-6

**JOMO KENYATTA UNIVERSITY**

**OF**

**AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATIONS 2016/2017**

**YEAR I SEMESTER I EXAMINATION FOR THE DIPLOMA IN PURCHASING AND SUPPLY MANAGEMENT**

**HEP 0101: PURCHASING AND SUPPLY PRINCIPLES**

**DATE: JULY 2017 TIME: 1 ½ HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (COMPULSORY) 30 MARKS**

(a)(i) Define ‘ethics’ as used in purchasing and supply and its importance. [4 marks]

(ii) Define negotiation and its importance in purchasing and supply. [3 marks]

(b) Define the following terms as used in sourcing for suppliers;

(i) Sourcing [2 marks]

(ii) Single sourcing [3 marks]

(iii) Multisoucing [4 marks]

(iv) Insourcing [2 marks]

(c) Discuss the following terms as used in Tendering;

(i) Preparing specifications

(ii) Invitation to Tender

(iii) Bidding period

(iv) Prequalification

(v) Tender Document [10 marks]

**QUESTION TWO**

(a)(i) Define ‘specification’ [3 marks]

(ii) Define the following terms as used in quality management;

1. Quality planning [2 marks]
2. Quality improvement [2 marks]
3. Total Quality Management [3 marks]

(b) Distinguish between quality assurance and quality control. [6 marks]

**QUESTION THREE (15 MARKS)**

1. List the qualities of de-centralized purchasing structure. [5 marks]
2. Discuss the five principles of purchasing [10 marks]

**QUESTION FOUR (15 MARKS)**

1. Describe the role of the following purchasing team officers;-
2. Buyer [2 marks]
3. Procuring Officer [2 marks]
4. Manager [2 marks]
5. Director [2 marks]
6. Analyst [2 marks]
7. Highlight any FIVE methods of conducting procurement in public entities in Kenya. [5 marks]

**QUESTION FIVE**

1. Define the following terms as used in purchasing and supply;
2. Monopoly market [4 marks]
3. Oligopoly market [4 marks]
4. Supplier development [4 marks]
5. Define what is an ‘offer’ and ‘acceptance’ in contracts. [3 marks]