



UNIVERSITY OF EMBU

2017/2018 ACADEMIC YEAR

SECOND SEMESTER EXAMINATIONS

**FIRST YEAR EXAMINATION FOR THE DEGREE OF BACHELOR OF
PURCHASING AND SUPPLIES MANAGEMENT**

BPS 107: PROCUREMENT MANAGEMENT

DATE: APRIL 12, 2018

TIME: 2:00 PM – 4:00 PM

INSTRUCTIONS:

Answer Question ONE and ANY Other TWO Questions.

QUESTION ONE (30 MARKS)

- a) Outline FIVE pre-contract award stages of the procurement process. (5 marks)
- b) Explain FOUR reasons for using clear specifications when procuring products or services. (5 marks)
- c) Describe TWO types of conformance specification, giving an appropriate example of each type. (4 marks)
- d)
 - i) Explain FIVE factors that a manufacturing company will take into account when deciding whether to make a component itself or whether to buy it from a supplier (5 marks)
 - ii) Describe FIVE activities that a procurement function might undertake when contributing to the selection criteria for a new purchase (5 marks)
- e) Describe THREE disposal methods explaining when each type can be used. (4 marks)
- f) Explain the importance of taking consideration of sustainability issues in disposal process. (2 marks)

QUESTION TWO (20 MARKS)

The main focus for procurement and supply is that value can be added either by cutting costs or by securing operational efficiency.

- a) Describe FIVE methods through which value may be achieved in procurement and supply using costs cutting approach. (10 marks)
- b) Describe FIVE methods through which value may be achieved in procurement and supply using operational efficiency. (10 marks)

QUESTION THREE (20 MARKS)

- a) Explain FIVE advantages for an organization of following a structured process in procurement (10 marks)
- b) Explain FIVE demerits of an organization of carrying out procurements without an approved procurement plan (10 marks)

QUESTION FOUR (20 MARKS)

Triple M is a multi-million real estate developer who has invited proposals for automation of all its management processes.

- a) Identify and describe the main stages of evaluating proposals submitted by interested bidders. (10 marks)
- b) Explain the contribution of procurement function in identification of needs and development of specifications for the intended automation of the management process (10 marks)

QUESTION FIVE (20 MARKS)

Explain the meaning of the following terms in the context of public sector procurement.

- a) Procurement cycle (5 marks)
- b) Contract management (5 marks)
- c) Disposal methods (5 marks)
- d) Ethical issues in procurement (5 marks)

--END--