



MUEO

MOI UNIVERSITY

**OFFICE OF THE DEPUTY VICE CHANCELLOR, ACADEMIC AFFAIRS,
RESEARCH & EXTENSION**

UNIVERSITY EXAMINATIONS 2013/2014 ACADEMIC YEAR

SECOND YEAR END OF SEMESTER I/II EXAMINATIONS

**FOR THE DEGREE OF
BACHELOR OF BUSINESS MANAGEMENT**

EXAM CODE:- BBM 210

**COURSE TITLE:- INTRODUCTION TO PURCHASING &
SUPPLIES**

DATE:- 14TH FEBRUARY, 2014 TIME:- 2.00P.M. - 5.00 P.M.

INSTRUCTION TO CANDIDATES

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BBM 210 INTRODUCTION TO PURCHASING AND SUPPLIES

INSTRUCTIONS: Answer Question ONE any THREE Questions

QUESTION ONE

- a) Explain how small value items can be efficiently controlled. (5 marks)
- b) Describe and explain the contribution purchasing can make to quality issues within an organization. (10 marks)
- c) Discuss the benefits of using small suppliers. (10 marks)

QUESTION TWO

- a) How can the development of partnerships with key suppliers reduce acquisition cost? (9 marks)
- b) Explain how modified re-buy differ from straight re-buy. (6 marks)

QUESTION THREE

In purchasing we have to reconcile the “right quality” with the “right price”. Discuss some problems of reconciling the six rights. (15 marks)

QUESTION FOUR

Outsourcing has become popular in recent years. Explain why this is the case and suggest ways of dealing with problems that may arise from its use. (15 marks)

QUESTION FIVE

- a) Discuss the benefits of using tactics and strategy in negotiation. (8 marks)
- b) “Many factors determine where the order is placed and by whom the decision is made.” Discuss. (7 marks)