



The Co-operative University of Kenya
END OF SEMESTRE EXAMINATION DECEMBER-2019

EXAMINATION FOR THE DIPLOMA IN PURCHASING & SUPPLIES
MANAGEMENT (YR II SEM I)

UNIT CODE: DMPM 1201

UNIT TITLE: TACTICS AND OPERATIONS IN PURCHASING

DATE: 3RD DECEMBER, 2019

TIME: 2:00 PM – 4:00 PM

INSTRUCTIONS:

- Answer question **ONE (compulsory)** and any other **TWO** questions

QUESTION ONE

- (a) Define the term total quality management (2 marks)
- (b) Give FIVE basic concepts of TQM (5 marks)
- (c) State FIVE reasons for sourcing internationally (5 marks)
- (d) Discuss the FIVE stages for the process of product lifecycle management (10 marks)
- (e) Explain any FIVE pricing strategies (5 marks)
- (f) State any THREE reasons why firms hold investments (3 marks)

QUESTION TWO

- (a) A demand forecast enables an organization to provide its customers with high value.
Discuss any FIVE forecasting techniques for demand (10 marks)
- (b) Explain FIVE factors to consider when buying capital goods in an organization (10 marks)

QUESTION THREE

- (a) Discuss any FIVE dimensions of quality of goods (10 marks)
- (b) Explain any FIVE quality audit categories (10 marks)

QUESTION FOUR

- (a) Outline FIVE factors to consider when developing early supplier involvement (5 marks)
- (b) Give FIVE advantages of early supplier involvement (5 marks)
- (c) Explain FIVE areas (perspectives) that should be appraised when evaluating potential suppliers for the organization (10 marks)

QUESTION FIVE

- (a) Discuss the stages of negotiation in purchasing (12 marks)
- (b) Explain any FOUR elements of an effective negotiation in purchasing (8 marks)