



The Co-operative University of Kenya

SUPPLEMENTARY / SPECIALS EXAMINATION AUGUST-2019

**EXAMINATION FOR THE DIPLOMA IN PURCHASING AND SUPPLIES
MANAGEMENT**

UNIT CODE: CMPS 1202

UNIT TITLE: MANAGING PURCHASING AND SUPPLIES RELATIONSHIPS

DATE: 27TH AUGUST, 2019

TIME: 9:00 AM – 11:00 AM

INSTRUCTIONS:

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

QUESTION ONE

- (a) Explain FIVE elements of a contract. (10 Marks)
- (b) Explain FIVE advantages of E-purchasing. (10 Marks)
- (c) Explain how buyer supplier relationship may influence supply chain performance. (10 Marks)

QUESTION TWO

- (a) Explain why a supply chain function may opt for an arm's length relationship explaining the meaning of an arm's length relationship. (10 Marks)
- (b) Explain the best relationship spectrum to use for strategic security items in a supply chain function. (10 Marks)

QUESTION THREE

- (a) Tactified profit items are essential for the success of an organisations cash flow explain how best an organization may opt to handle tactical profits items. (10 Marks)
- (b) Explain the main disadvantages of E-Purchasing (10 Marks)

QUESTION FOUR

- (a) Explain FIVE main disadvantages of supplier fiering. (10 Marks)
- (b) Explain the main features of relationship spectrums to organizations. (10 Marks)

QUESTION FIVE

- (a) Explain the FIVE main features of strategic alliances. (10 Marks)
- (b) Explain the main reasons for single sourcing. (10 Marks)