



THE CO-OPERATIVE UNIVERSITY OF KENYA
END OF SEMESTER EXAMINATION DECEMBER -2023

**EXAMINATION FOR THE DEGREE OF BACHELOR OF PURCHASING AND SUPPLIES
MANAGEMENT
(YR IV SEM II)**

UNIT CODE: BPSM 4204

UNIT TITLE: ETHICS IN PURCHASING AND SUPPLIES

DATE: THURSDAY, 21ST DECEMBER, 2023

TIME: 2:30 PM – 4:30 PM

INSTRUCTIONS:

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

QUESTION ONE

- (a) Discuss **five (5)** rules and laws governing professional Purchasing and Supplies. **(10 Marks)**
- (b) Public Procurement Oversight Authority recommends provision of transparency and accountability to all public entities in the country. Conversely, many public entities do not subscribe fully to this important government initiative. Justify this statement by analyzing the key challenges affecting these entities in provision of ethical standards. **(12 Marks)**
- (c) State the key corruption practices in purchasing and supplies function. **(6 Marks)**

QUESTION TWO

- (a) With the help of examples, explain the role and application of ethics in Purchasing and Supplies Management. **(10 Marks)**
- (b) Discuss any **five (5)** ethical dilemmas in modern business environment. **(10 Marks)**

QUESTION THREE

- (a) Define the meaning of the word Ethics according to purchasing and supplies **(2 Marks)**
- (b) What is the difference between Ethics and Law? **(2 Marks)**
- (c) Explain **three (3)** measures for eradication of unethical practices in an organization. **(6 Marks)**
- (d) Discuss the impact of corruption on Purchasing and Supplies Management in the country. **(10 Marks)**

QUESTION FOUR

- (a) Discuss any **five (5)** areas in business where ethics can be applied. **(10 Marks)**
- (b) Discuss any **five (5)** ethical issues when organizations engage in Corporate Social Responsibility. **(10 Marks)**

QUESTION FIVE

Write short notes on the following terms that are conspicuous in ethical issues in purchasing and supplies management:

- (a) Due diligence **(5 marks)**
- (b) Code of ethics **(5 marks)**
- (c) Conflict of interest **(5 marks)**
- (d) Integrity **(5 marks)**