



The Co-operative University of Kenya
END OF SEMESTER EXAMINATIONS AUGUST-2018

EXAMINATION FOR THE DIPLOMA IN BUSINESS ADMINISTRATION
(YR II SEM I)

UNIT CODE: DMBA 1205

UNIT TITLE: PURCHASING AND SUPPLIES MANAGEMENT

DATE: 27TH AUGUST, 2018

TIME: 2:00 PM – 4:00 PM

INSTRUCTIONS:

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

QUESTION ONE

- a) Outline the basis of which standards are set (4 Marks)
- b) Describe the objectives of supplies management (6 Marks)
- c) Highlight the factors influencing an ethical behavior (6 Marks)
- d) Clearly distinguish the terms independent demand and dependent demand (4 Marks)
- e) Describe any four inventory control methods (4 Marks)
- f) Identify the advantages and disadvantages of centralized stores organization (6 Marks)

QUESTION TWO

- a) Discuss FIVE contribution of purchasing in the acquisition of capital goods(10 Marks)
- b) Discuss the process of supplies standardization (10 Marks)

QUESTION THREE

- a) Discuss FIVE tender evaluation methodologies (10 Marks)
- b) Discuss FIVE factors to consider in supplier selection (10 Marks)

QUESTION FOUR

- a) Discuss any five procurement methods (10 Marks)
- b) Discuss any FIVE procurement cycle (10 Marks)

QUESTION FIVE

- a) Describe FIVE factors to consider in facility location (10 Marks)
- b) Discuss FIVE main modes of transport (10 Marks)