



**The Co-operative University College of Kenya**  
(A Constituent College of Jomo Kenyatta University of Agriculture & Technology)

**END OF SEMESTER EXAMINATION APRIL-2015**

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

**UNIT TITLE: PURCHASING AND SUPPLY CHAIN STRATEGY**

**DATE: 27<sup>TH</sup> APRIL, 2015**

**TIME: 9.00 A.M. – 11. 00 A.M.**

---

**INSTRUCTIONS:**

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

**QUESTION ONE**

- (a) Explain the meaning of the following terms as used in supply chain strategy
- Benchmarking (2 marks)
  - Value chain analysis (3 marks)
  - Materials management (3 marks)
- (b) Discuss the levels of a purchasing organizational strategy. (12 marks)

**QUESTION TWO**

- (a) ABC Sacco Ltd intends to carryout both internal and external analysis in its sales due to increased number of Sacco's carrying out similar activities in Nairobi. Explain the analysis tool that maybe applied to analyze its internal and external environment in an attempt to address the issue. (10 marks)
- (b) Discuss any **THREE** growth strategies that may be applied by an organization. (9 marks)

**QUESTION THREE**

- (a) Explain **FIVE** challenges faced by organizations in creating strategies in purchasing and supply chain in Kenya. (10 marks)
- (b) Explain **THREE** methods of strategy evaluation. (10 marks)

**QUESTION FOUR**

State and explain the Michael Porter competitive strategy. (20 marks)

**QUESTION FIVE**

- (a) Explain the contribution of supply chain strategies to the strategic planning process of an organization. (10 marks)
- (b) Discuss **FIVE** reasons why organizations adopt a backward strategy. (10 marks)