



MACHAKOS UNIVERSITY

University Examinations for 2020/2021 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

SECOND YEAR FIRST SEMESTER EXAMINATION FOR
CRAFT CERTIFICATE IN SUPPLY CHAIN MANAGEMENT

CERTIFICATE IN SUPPLY CHAIN MANAGEMENT

1903/202: SUPPLY CHAIN MANAGEMENT AND PURCHASING PRINCIPLES

DATE: 2/9/2021

TIME: 8:30 – 11:30 AM

INSTRUCTIONS

SECTION A

Answer all the questions in this section (32marks)

1. Outline **three** activities that are carried out in transportation of materials. (3 marks)
2. State **four** factors that a purchasing Officer may consider when determining the quality of materials (4 marks)
3. Identify documents used in the process of paying for purchased goods in an organization. (3 marks)
4. State **three** reasons that influence a receiving Officer to reject goods delivered by a supplier. (3 marks)
5. List **three** methods of Payments that may be used by organization to pay for purchased goods. (3marks)
6. State **four** factors that cause longer lead time in the procurement process (3 marks)
7. Outline the objectives of the purchasing functions in an organization. (3 marks)
7. Outline four modes of transportation as stipulated in physical distribution of materials. (4 marks)

8. Outline **three** documents used in ordering procedure. (3 marks)
9. Explain the factors in determining the quantity of materials to buy. (3 marks)
10. Distinguish lead time from delivery time. (4 marks)

SECTION B (68 MARKS)

Answer the four questions from this section.

11. a) Explain four components of physical distribution. (8marks)
- b) Highlight six factors that an Inspection and Acceptance officer may consider when selecting a method to use in inspecting delivered goods. (9 marks)
12. a) Explain four advantages to an organization of having efficient materials receiving system. (8 marks)
- b) Teki Enterprise has decided to decentralize its purchasing function. Explain six reasons that may have influenced the firm to make the decision. (9 marks)
13. a) Explain four measures that an organization may institute to ensure timely delivery of goods. (8 marks)
- b) Highlight the documents involved in transportation of materials as stipulated in physical distribution. (9 marks)
14. a) Explain the importance of physical distribution. (9 marks)
- b) Highlight the benefits that an organization may derive from following the Purchasing/Ordering procedure. (8 marks)

