



MACHAKOS UNIVERSITY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

DIPLOMA IN PROCUREMENT DEPARTMENT AND BUSINESS ADMINISTRATION

2903/101: SUPPLY CHAIN MANAGEMENT AND PURCHASING PRINCIPLES

JAN-MAY 2021 : END OF SEMESTER EXAM. MODULE ONE

ANSWER ANY FIVE QUESTIONS

TIME ALLOWED: THREE HOURS

1. a) Explain the importance of supply chain management in the business operations. (10 marks)
- b) Identify documents used in receipt and inspection of goods in an organization (10marks)
2. a) Explain **five** factors that a supply chain officer may consider in determining lead time for an organizations requirements. (10marks)
- b) Outline the types of information contained in a delivery note. (10marks)
3. a) Discuss the relationship between the purchasing department and other departments in an organization (12marks)
- b) Explain the importance of inspecting incoming goods in an organization. (8marks)
4. a) Explain the factors in determining the right time to buy materials (10marks)
- b) Explain the elements of supply chain management as stipulated in supply chain management and purchasing function (10marks)
5. a) Explain the factors considered in determining quality of goods and services in an organization (10marks)
- b) Explain methods of materials specification as stipulated in quality and quantity determination (10 marks)
6. a) Describe the objectives of purchasing function in an organization (12marks)
- b) Explain the factors in determining the right time to buy materials in the market.(8marks)
7. a) Describe the features of a good specification (12 marks)
- b) Explain the importance of determining the price of materials in the market (8marks)