



**ALUPE UNIVERSITY  
COLLEGE**

*... Bastion of Knowledge...*

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**OFFICE OF THE DEPUTY PRINCIPAL**

**ACADEMICS, STUDENT AFFAIRS AND RESEARCH**

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# **UNIVERSITY EXAMINATIONS**

## **2020 /2021 ACADEMIC YEAR**

**SECOND YEAR SECOND SEMESTER REGULAR  
EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF  
BUSINESS MANAGEMENT**

**COURSE CODE:    BBM 228  
COURSE TITLE:PRINCIPLES OF PURCHASING AND  
                          SUPPLY**

**DATE:    26/07/21  
TIME:8.00am -11.00am**

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### **INSTRUCTION TO CANDIDATES**

- SEE INSIDE
- PLEASE TURN OVER

## **INSTRUCTIONS TO CANDIDATES**

- i. Answer Question **ONE** and any other **TWO** questions.*
- ii. Maps and diagrams should be used whenever they serve to illustrate the answer.*
- iii. Do not write on the question paper.*

## **SECTION A**

- a) Briefly discuss the periods in the evolution of purchasing and supply management. What do you forecast for the future? <sup>[11]</sup><sub>[5EP]</sub> **(10 marks)**
- b) The parties to a sourcing negotiation can discuss many issues besides price. Select five non-price issues over which a buyer and seller can reach an agreement and explain why each issue might be important to the buyer or seller. **(10 marks)**
- c) Discuss the concept of ethics. Why is the purchasing profession particularly sensitive to this topic. **(10 marks)**

## **SECTION B**

### **Question Two**

- a) What performance areas do you think will benefit most from purchasing involvement in the future. **(10 marks)**
- b) Purchasing is not a stand alone function. It relates with other department in the organization. Discuss. **(10 marks)**

### **Question Three**

- a) Discuss the challenges that an organization may face in the adoption of just in time purchasing and production system. **(10 marks)**
- b) Discuss the possible ways that purchasing becomes aware of the need to evaluate and select suppliers **(10 marks)**

### **Question Four**

- a) What are the possible indicator on the supplier visit that might cause a purchaser to question whether the managers in the company are forward looking or whether the company is capable of becoming a best in class supplier. **(10 marks)**

- b) Describe a potential ethical dilemma that a purchasing professional might encounter on a day to day activity and highlight ways in which these ethical dilemmas may be reduced. **(10 marks)**

**Question Five**

- a) Discuss the difficulties in measuring purchasing performance in an organisation. **(10 marks)**

- b) Discuss the sources of information available to a buyer when seeking information about potential sources of supply. When do you think it is appropriate to use different sources. **(10 marks)**

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