

CHUKA



UNIVERSITY

**UNIVERSITY EXAMINATION
RESIT/SUPPLEMENTARY / SPECIAL EXAMINATIONS
EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF PUBLIC
POLICY AND LOGISTICS MANAGEMENT**

BPLM 216: PURCHASING POLICY AND STRATEGY

STREAMS:

TIME: 2 HOURS

DAY/DATE: WENESDAY 03/11/2021

2.30 P.M - 4.30 P.M.

INSTRUCTIONS

- **Answer question one and any other two.**

Question 1 (20 Marks)

- a) Procurement is regarded as an important strategic function in the organization. Discuss the role of Purchasing and Supply in profit contribution to the organization. (10 Marks)
- b) Discuss the process of strategic planning. (5 Marks)
- c) Discuss why is it necessary to do an environmental analysis before sourcing (5 marks)

Question TWO (20 Marks)

- a) Evaluate the concern of a Purchasing and Supply Manager in strategy formulation at the functional level. (10 Marks)
- b) Describe the concept of generic strategies as proposed by Michael Porter, highlighting how the Purchasing function can contribute to the implementation and sustenance of such strategies. (10 Marks)

Question Three (20 Marks)

- a) Organization's strategy must be supported by an appropriate structure. Evaluate contemporary structures for a purchasing function. (10 Marks)

- b) Explain how a purchasing strategy is formulated. (5 marks)

Question four (25 Marks)

Proof your understanding of the following terms as used in purchasing policy and supplies by writing short notes on

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|---------------------------|-----------|
| (a) Purchasing strategy. | [5 marks] |
| (c) External environment. | [5 marks] |
| (d) Partnership. | [5 marks] |
| (e) Outsourcing. | [5 marks] |
| (f) Corporate objectives | [5 marks] |
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