

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

EXAMINATION FOR THE AWARD OF DIPLOMA IN PROCUREMENT AND LOGISTICS

DPLM 0111: PRINCIPLES OF PROCUREMENT

STREAMS: DPLM Y1S1

TIME: 2 HOURS

DAY/DATE: FRIDAY 06/12/2019

11.30 A.M. – 1.30 P.M.

INSTRUCTIONS:

- Answer question **ONE** and any other **TWO**.

QUESTION ONE

- (a) Chuka University is considering whether to centralize its purchasing operations. As a procurement specialist explain to the management the benefits of centralization and decentralization of the purchasing function. (15 marks)
- (b) Discuss the reasons why procurement department has to relate closely with other departments. (10 marks)
- (c) Purchasing staff should be knowledgeable of specialization. Explain the principles in writing a specification. (5 marks)

QUESTION TWO

- (a) Explain the advantages of implementing information technology in managing function. (10 marks)
- (b) Procurement follows certain procedures in the satisfaction of various organization needs. Highlight the steps followed in purchasing. (10 marks)

QUESTION THREE

- (a) Evaluate the various procurement methods that a planning entity can use to procure goods, services and works. (12 marks)
- (b) Discuss the main ethical considerations in procurement. (8 marks)

QUESTION FOUR

Explain the following concepts as used in procurement: (20 marks)

- (i) Green procurement
 - (ii) Diminishing of quality
 - (iii) Areas of supplier prequalification and assessment
 - (iv) Principles of purchasing
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