

CHUKA



UNIVERSITY

UNIVERSITY EXAMINATIONS

**SECOND YEAR EXAMINATION FOR THE AWARD OF DEGREE
OF BACHELOR OF SCIENCE AND BACHELOR OF PROCUREMENT
AND LOGISTICS MANAGEMENT**

BPLM 216: PURCHASING POLICY AND STRATEGY

STREAMS: BPLM (Y2S2)

TIME: 2 HOURS

DAY/DATE: WEDNESDAY 11/4/2018

2.30 P.M. – 4.30 P.M.

INSTRUCTIONS:

- **ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**
- **BE CLEAR AND NEAT, GIVE EXAMPLES WHERE APPROPRIATE**

QUESTION ONE (30 MARKS)

- (a) Using an organization of your own choice, prepare a purchasing manual highlighting the vision, mission, goals, policies and strategies to be used to realize strategic integrated purchasing function after facing various challenges. [15 marks]
- (b) Discuss the supply chain management triangle showing the end goals of a good supply chain. [15 marks]

QUESTION TWO (20 MARKS)

- (a) Discuss how you can transform a vulnerable supply chain to gain a form of responsiveness and sustainability. [10 marks]
- (b) Discuss the key performance indicators in purchasing that can contribute to the organizational performance as a whole clearly outlining the specific reasons why you should measure procurement performance. [10 marks]

QUESTION THREE (20 MARKS)

- (a) Outline with relevant examples the main levels of strategies in an organization. [10 marks]
- (b) Using an organization of your own choice, undertake a SWOT and PESTEL analysis, giving strategic decisions for their operationalization. [10 marks]

QUESTION FOUR (20 MARKS)

Using examples, discuss the following purchasing policies and strategic decisions.

- (i) Manufacturing decisions [5 marks]
- (ii) Inventory decisions [5 marks]
- (iii) Policy/strategy decision [5 marks]
- (iv) Transport decisions [5 marks]
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