

COOPERATIVE UNIVERSITY OF KENYA
UNIVERSITY EXAMINATIONS 2021/2022
YEAR II SEMESTER II EXAMINATION FOR THE DEGREE OF BACHELOR OF
COMMERCE

BPSM 2201: PRINCIPLES OF PURCHASING & SUPPLIES

DATE: MAY 2022

TIME: 2 HOURS

INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS.

QUESTION ONE (30 MARKS)

- (a) Distinguish between the following terms: specifications and standards. [4 marks]
- (b) Explain the challenges of green procurement in an organization. [4 marks]
- (c) Specify important areas to check on financial status of a potential supplier during supplier appraisal. [4 marks]
- (d) Distinguish between the following two terms: outsourcing and subcontracting. [4 marks]
- (e) Explain advantages of quality control and assurance. [4 marks]
- (f) Differentiate between the two major styles and approaches of negotiation. [4 marks]
- (g) Highlight important considerations when evaluating suppliers [6 marks]

QUESTION TWO (20 MARKS)

- (a) What is e-procurement? [2 marks]
- (b) Explain the main advantages of e-procurement. [10 marks]
- (c) Describe any two methods used in public procurement. [8 marks]

QUESTION THREE (20 MARKS)

- (a) Differentiate between the following terms: value analysis and value engineering. [8 marks]

- (b) Explain any four alternatives to individual specifications. [4 marks]
- (c) Explain the purposes of specifications and standards. [8 marks]

QUESTION FOUR (20 MARKS)

- (a) Explain the objectives of purchasing. [6 marks]
- (b) Describe the procurement cycle. [12 marks]