



PAN AFRICA CHRISTIAN UNIVERSITY

END OF SEMESTER EXAMINATION FOR

DIPLOMA IN PURCHASING AND SUPPLIES MANAGEMENT

JANUARY – APRIL 2018 SEMESTER

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS STUDIES

COURSE CODE: DSM 204

COURSE TITLE: PURCHASING MATERIALS I

EXAM DATE: TUESDAY 10TH APRIL 2018

TIME: 2:00PM-5:00PM

INSTRUCTIONS

- This examination script consists of **Six (6)** questions.
- Read all questions carefully before attempting.
- Write your **student number** on the answer booklet provided.
- Question **ONE** is compulsory , answer any **FOUR** other questions

QUESTION ONE: COMPULSORY

- a. Define the term purchasing.(2 Marks)
- b. Explain five rights that the marketing department is expected to fulfill.
 - i) Right Quality (2 Marks)
 - ii) Right Suppliers(2 Marks)
 - iii) Right Quantity (2 Marks)
 - iv) Right Time (2 Marks)
 - v) Right Price (2 Marks)
- c. Describe the relationship between purchasing department and marketing departments in the organization. (8 Marks)
- d. Describe the benefits of bar coding in the purchasing and supply department (10 Marks)
- e. Discuss the factors considered in deciding where to buy. (10 Marks)

QUESTION TWO

- a. Define the term outsourcing. (2 Marks)
- b. Explain the considerations made in deciding what to outsource (13 Marks)

QUESTION THREE

Discuss the seven steps involved in the purchasing cycle of an organization. (15 Marks)

QUESTION FOUR

- a. Explain the term rush orders (3 Marks)
- b. Describe the four methods that a purchasing manager can use to minimize small order problem (12 Marks)

QUESTION FIVE

- a. Highlight five advantages of electronic point of sale. (5 Marks)
- b. Explain five functions of a warehouse. (10 Marks)

QUESTION SIX

Discuss five ethical principles in which purchasing as a profession is developed.

(15 Marks)