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MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS**

**2016/2017 ACADEMIC YEAR**

**SECOND YEAR SECOND SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS**

**BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 210**

**COURSE TITLE: INTRODUCTION TO PURCHASING**

**AND SUPPLIES**

**DATE: 28TH APRIL 2017 TIME: 2.00PM-4.00PM**

**INSTRUCTIONS TO CANDIDATES**

* ***Answer question ONE (compulsory) and any other THREE***
* ***Question one carries 25 marks***
* ***All other questions carry 15 marks***

*This paper consists of 2 printed pages. Please turn over*

**QUESTION 1**

a) Define the term Purchasing and enumerate four factors that the purchasing department needs to consider when procuring materials required in the organization. **(6 marks)**

b) Examine four objectives of purchasing in a business enterprise. **(4 marks)**

c) Describe FIVE duties of a store man. **(5 marks)**

d) Discuss the important functions of purchasing department in an organization.

**(10 marks)**

**QUESTION 2**

a) Discuss three ways in which an organization may determine the quality of materials before the purchase process. **(6 marks)**

b) Explain the functions of quality control in purchasing. **(9 marks)**

**QUESTION 3**

a) Outline any FIVE guidelines for improving buyer seller relationships in the organization. **(5 marks)**

b) Highlight security measures that a production firm should undertake in their storage facilities. **(5 marks)**

c) Enumerate any FIVE factors that influence the negotiation process in purchasing. **(5 marks)**

**QUESTION 4**

a) Enumerate the objectives of Standardization. **(5 marks)**

b) Explain the factors that influence price setting in an organization. **(10 marks)**

**QUESTION 5**

a) As a Purchasing Officer of Kenyatta National Hospital which elements would you use to measure performance of purchasing function?  **(5 marks)**

b) Explain the objectives of Material Management. **(10 marks)**