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MAASAI MARA UNIVERSITY

**REGULAR UNIVERSITY EXAMINATIONS**

**2015/2016 ACADEMIC YEAR**

**THIRD YEAR FIRST SEMESTER**

**SCHOOL OF BUSINESS AND ECONOMICS**

**BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 345**

**COURSE TITLE:** **PURCHASING MANAGEMENT**

**DATE: 5TH MAY 2016 TIME: 11.00 AM - 1.00 PM**

**INSTRUCTIONS TO CANDIDATES**

1. Answer Question **ONE** and any other **THREE** questions

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

**QUESTION ONE**

1. Purchasing performance refers to quantitative or qualitative assessment of the degree to which the purchasing function and those employed in it achieve the general objectives. Citing relevant examples, discuss the methods of evaluating performance. **(10marks)**
2. To what extend do you think purchasing management is essential for today’s organisation? **(8 marks)**
3. What rationale is used by organization in making the decision to use single sourcing to meet their needs for material requirement. **(7 marks)**

**QUESTION TWO**

1. What is quality?, Discuss the dimensions of quality management. **(9 marks)**
2. You have been selected to a procurement management committee of your organization, and tasked with the designing of a job function of the procurement manager. Discuss the various roles you will assign to the bearer of this title. **(6 marks)**

**QUESTION THREE**

1. What do you understand by inventory management? Discuss the various tools of inventory management. **(7 marks)**
2. Clearly describe the differences beteween modern procurement management and traditional purchasing. **(8 marks)**

**QUESTION FOUR**

Every firm transacts in business and requires the skills of a negotiator. Discuss the process of negotiation bearing in mind the basic phases of negoatiation. **(15marks)**

**QUESTION FIVE**

Strategic purchasing is defined as when purchasing activities are linked to corporate atrategic processes. Discuss the strategic issues that organisation may adopt in their day to day activities. **(15marks)**

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