

 W1-2-60-1-6

**JOMO KENYATTA UNIVERSITY**

**OF**

**AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATIONS 2018/2019**

**END OF SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF ENTREPRENEURSHIP**

**HPS 2101: PRINCIPLES OF PROCUREMENT**

**DATE: DECEMBER 2018 TIME: 2 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE**

1. Explain the meaning of the following terms as used in procurement;
2. Procurement. [2 marks]
3. Logistics [2 marks]
4. Supply Chain [2 marks]
5. Lead time [2 marks]
6. Specification. [2 marks]
7. Briefly describe the procurement process/cycle. [10 marks]
8. Highlight FIVE reasons why analysis of market conditions is necessary to sourcing. [10 marks]

**QUESTION TWO (20 MARKS)**

1. Explain FIVE objectives of purchasing/procurement. [10 marks]
2. Explain FIVE advantages of specification to a firm. [10 marks]

**QUESTION THREE (20 MARKS)**

(a)(i) Give a procurement definition of a quality. [2 marks]

 (ii) Highlight FOUR contribution of purchasing on quality. [10 marks]

(b) Explain FIVE factors that influence make or buy decision in an

 organization. [10 marks]

**QUESTION FOUR (20 MARKS)**

1. Describe FIVE strategies and tactics used in distributive negotiations. [10 marks]
2. Explain FIVE important roles of purchasing ethics to an organization. [10 marks]