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JOMO KENYATTA UNIVERSITY OF AGRICULTURE AND TECHNOLOGY

**UNIVERSITY EXAMINATION 2017/2018**

**EXAMINATION FOR THE DIPLOMA IN PURCHASING SUPPLIES MANAGEMENT**

**HEP 0204: MEASURING PURCHASING PERFORMANCE**

**DATE: AUGUST 2018 TIME: 1 ½ HOURS**

INSTRUCTIONS: ANSWER QUESTION ONE (COMPULSORY) AND ANY

OTHER TWO QUESTIONS

**QUESTION ONE: 30 MARKS**

a. Explain the two methods used to evaluate purchasing performance measurement. (6 marks)

b. Explain three forms of benchmarking as used in purchasing performance measurement. (6 marks)

c. Explain four benefits of purchasing performance assessment.(8 marks)

d. Explain the following terms implied in purchasing performance measurement:- (10 marks)

i. Six sigma

ii. Qualitative assessment

iii. Purchasing management audit

iv. Management by objectives (MBO)

v. Budgeting control

**QUESTION TWO: 15 MARKS**

a. Explain benefits and criticisms of benchmarking. (10 marks)

b. Explain five ways in which budgetary control assists performance measurement. (5 marks)

**QUESTION THREE: 15 MARKS**

a. Explain the importance of purchase management audit. (10 marks)

b. Explain five difficulties encountered when measuring purchasing performance. (5 marks)

**QUESTION FOUR: 15 MARKS**

a. Discuss any five contents of purchasing audit. (10 marks

b. Explain five principles of performance measurement. (5 marks)