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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2022/2023 ACADEMIC YEAR**  
**FOR THE CERTIFICATE IN PROCUREMENT AND SUPPLY CHAIN**  
**MANAGEMENT**  
**CPS 022- POLICY AND ORGANIZATION OF SUPPLY**

Date: 13<sup>th</sup> December 2022  
Time: 2:30pm-4:30pm

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

Policies are set guidelines and norms that guide the operations, activities and individuals in an organization on how to conduct themselves in relation to the business or organization.

- a) What is a purchasing policy in purchasing and supply concept? (3 Marks)
- b) List one of the purchasing policies that guide the purchasing department. (3 Marks)
- c) In the “Make” or “Buy” decision making, list down two factors that will make us decide to buy instead of making. (3 Marks)
- d) State what is “Out sourcing” in Purchasing and supply Chain Management. (3 Marks)
- e) Explain what is reciprocity buying policy in Purchasing and supply function. (3 Marks)
- f) Expound on what is supplier Rationalization. (3 Marks)
- g) Explain what customer satisfaction represent in purchasing and supply. (3 Marks)
- h) Customer delightment Is one of the latest emerging issues in purchasing and supply. Elaborate its meaning. (3 Marks)
- i) What are Ethics in a business set up, give one example. (3 Marks)
- j) List two reasons that can force an organization to buy internationally. (3 Marks)

**QUESTION TWO (20 MARKS)**

- a) Discuss one objective of the purchasing and supply policy in an organization. (6 Marks)
- b) Elaborate two characteristics that are considered to be good in a purchasing policy. (7 Marks)
- c) Expound on two justifications that will push you to make instead of buying. (7 Marks)

**QUESTION THREE (20 MARKS)**

- a) With a well elaborate example, discuss on what “Outsourcing” represents in the supply function. (7 Marks)
- b) State one risk that is associated with the outsourcing activity. (6 Marks)
- c) Sub-contracting is an activity of works witnessed when a main contractor realizes they are not able to deliver as expected hence choose others help in the execution of the job at hand. Expound one advantage of subcontracting. (7 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Discuss on what supplier rationalization represents, giving one example that supports your explanation. (6 Marks)
- b) Ethics are now considered as the backbone of doing any business globally. State what is Ethics listing one example that justifies your explanation. (6 Marks)
- c) Highlight on the importance of positive relationships within an organization pointing out one example to support your answer. (8 Marks)

**QUESTION FIVE (20 MARKS)**

- a) As a transport manager explain two factors that will influence your choice to a particular mode of transport. (8 Marks)
- b) The modern purchasing and supply environment insist on green purchasing. Elaborate on what is Green Purchasing giving an example of the green issue factors. (8 Marks)
- c) Elaborate on two challenges that are likely to be experienced in international purchasing. (4 Marks)