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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR
FOR THE CERTIFICATE IN PROCUREMENT AND SUPPLY CHAIN
MANAGEMENT
CPS 022-POLICY AND ORGANIZATION OF SUPPLY

Date:
Time:

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Define the following terms as used in organisation of supply;
- i) Local purchasing (2 Marks)
 - ii) International purchasing (2 Marks)
 - iii) Policy (2 Marks)
 - iv) Local supplier policy (2 Marks)
- b) Organizations can choose to adopt a centralized, decentralized or combined purchase and supply system:
- i) List the advantages of centralized system. (6 Marks)
 - ii) List the advantages of decentralized systems. (6 Marks)
 - iii) List the disadvantages of centralized systems. (6 Marks)
- c) List the importance of organising structures in supply. (4 Marks)

QUESTION TWO (20 MARKS)

- a) Describe the role of purchasing/ supplies department in an organisation. (8 Marks)
- b) Discuss the benefits of group buying. (8 Marks)
- c) Explain the advantages of adopting a combined/ hybrid purchase and supply system. (4 Marks)

QUESTION THREE (20 MARKS)

- a) Discuss the factors affecting an organisations supplier base. (8 Marks)
- b) Explain are the objectives of supply policy. (8 Marks)
- c) Discuss the factors considered in formulating purchasing and supply policy. (4 Marks)

QUESTION FOUR (20 MARKS)

- a) Explain the advantages of using local suppliers. (6 Marks)
- b) Explain the emerging trends in policy and organisation of supply. (8 Marks)
- c) Explain the disadvantages of group buying. (6 Marks)

QUESTION FIVE (20 MARKS)

- a) Explain the possible risks of reduced supplier base. (6 Marks)
- b) Explain the disadvantages of using local suppliers. (6 Marks)
- c) Describe the process of formulating a purchasing and supply policy. (8 Marks)