

**KISII UNIVERSITY ELDORET CAMPUS**

**SECOND YEAR EXAMINATION FOR THE AWARD OF THE DEGREE OF  
BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT**

**SECOND SEMESTER 2022/2023 MAY-AUGUST 2023**

**BPSM 210: PURCHASING POLICY AND STRATEGY**

**INSTRUCTIONS: ANSWER QUESTIONS ONE AND ANY THREE OTHER  
QUESTIONS.**

**QUESTION ONE**

- a) The role and contribution of purchasing has increased quite steadily over the second half of 20th century. Explain any five reasons behind this paradigm. **(5 marks)**
- b) Policies act as reference point for purchasing function. Explain five advantages of single sourcing. **(10marks)**
- c) Explain Michael Porters five forces as to s of strategic analysis **(10marks)**

**QUESTION TWO**

- a) Discuss five purpose of supplier development program. **(5 marks)**
- b) Building relationship with suppliers is becoming an explicit part of the procurement strategy for both small and big companies. Explain five types of procurement relationship. **(10marks)**

**QUESTION THREE**

- a) Purchasing strategy is a comprehensive planning. Describe the three main component of a planning process. **(6 marks)**

b) Explain any NINE reasons for sourcing globally. (**9 marks**)

#### **QUESTION FOUR**

a) Discuss the six core group of purchasing strategies that ought to be implemented in all organizations respective of the size. (**7 marks**)

b) Explain any four growth strategies that an organization can use to seek growth in the sales, profit and market share. (**8 Marks**)

#### **QUESTION FIVE**

a. Explain circumstances and pressures favoring buy decision in a manufacturing firm. (**6 marks**)

b. Analyze the macro environmental factors likely to affect purchasing and supplies strategies of an organization (**9 marks**)