



# MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY

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## University Examinations 2015/2016

FIRST YEAR FIRST SEMESTER EXAMINATION FOR DEGREE OF  
BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT

### BBS 3127: SUPPLIES & MATERIALS MANAGEMENT I

DATE: NOVEMBER 2015

TIME: 2 HOURS

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INSTRUCTIONS: Answer question *one* and any other *two* questions

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#### QUESTION ONE (30 MARKS)

- a) Supplies chain function is a spring board towards the Kenya's vision 2030. Conversely, the function in question is engrossed with many risks which turn out to be an impediment to the realization of the country's vision. Analyze the key types of risks faced by organizations and suggest ways to mitigate such risks (8 Marks)
- b) In a contemporary business environment, out sourcing is a conspicuous corporate management strategy which is used by many successful business firms. In view of this observation discuss the key benefits in line with this policy (6 Marks)
- c) Explain how a manufacturing firm can gain competitive advantage through an efficient supplies management (6 Marks)
- d) Identify and explain the key drivers of supply chain management in an organizational set up (6 Marks)
- e) Discuss the distinct emerging issues in supplies management (4 Marks)

**QUESTION TWO (20 MARKS)**

- a) Discuss the key parameters used by the buying organisations to appraise the supplies performance (6 Marks)
- b) Explain the distinct activities in line with supply management in an organisation set up (6Marks)
- c) Briefly discuss the challenges facing supplies managers in provision of efficient materials management (8 Marks)

**QUESTION THREE (20 MARKS)**

- a) Highlight the key dimensions of quality in an organisation (4 Marks)
- b) What are the possible indicators of fraudulent behaviour within the supplies function (8 Marks)
- c) Explain the purpose of supplies development in an organisation (8 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Analyze the scope of materials management in an organisational set up (6 Marks)
- b) Explain the importance of ethical standards in purchasing and supply (8 Marks)
- c) Outline the key sourcing tools in an organisation (6Marks)

**QUESTION FIVE (20 MARKS)**

- a) Write short notes on the following supplies and materials management terms.
  - i. Material requirement planning (MRP) (4Marks)
  - ii. Capital Expenditure (4Marks)
  - iii. Sub-contracting (4Marks)
  - iv. Early supplier involvement (ESI) (4Marks)
  - v. Supply base optimization (4Marks)