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**JOMO KENYATTA UNIVERSITY**

**OF**

**AGRICULTURE AND TECHNOLOGY**

**UNIVERSITY EXAMINATIONS 2014/2015**

**FIRST YEAR FIRST SEMESTER EXAMINATION FOR THE**

**DEGREE OF MASTER OF SCIENCE IN PROCUREMENT AND LOGISTICS**

**HEPL 3101: STRATEGIC PURCHASING AND SUPPLY MANAGEMENT**

**DATE: AUGUST 2015 TIME: 3 HOURS**

**INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

1. The strategic capacity of purchasing has in the past elicited varied views in

some instances denying the purchasing function allocation of strategic

responsibilities and resources. Analyze the issues raised by the following

parties:

1. Opponents who question the strategic capacity of purchasing. [10 marks]
2. Proponents who justify the strategic capacity of purchasing. [5 marks]
3. Describe the concept of purchasing integration as used in strategic purchasing

and describe how it can be deployed towards transforming purchasing into

supply management. [15 marks]

**QUESTION TWO**

1. A theory based rationale of purchasing and supply management’s strategic

 role is important in justifying the strategic nature of your choice.

Discuss the strategic contribution of purchasing to firm performance. [10 marks]

1. Discuss the internal and external barriers to successful deployment of

strategic purchasing practices in a firm. [5 marks]

**QUESTION THREE**

1. One of the key objectives of strategic purchasing and supply management

is to create, renew and sustain advantages for the firm. Describe the

advantages the function can create at each of the below levels:

1. Corporate level
2. Business Planning level
3. Functional level

[10 marks]

1. Based on the literature, there are indicators that can be used to measure

whether strategic purchasing is being practiced effectively in an organization

or not. Discuss FIVE such indicators. [5 marks]

**QUESTION FOUR**

1. Define strategic supply base management and describe the main components

that makes up its framework. [8 marks]

1. Discuss the challenges of implementing ethics in a strategic purchasing process. [7 marks]

**QUESTION FIVE**

1. Integration of suppliers is critical in strategic purchasing and supply management.

Describe how this integration can be achieved at the strategic, functional and

operational levels. [8 marks]

1. Analyze how you may overcome the supply risks posed by lean purchasing

Practices. [7 marks]