



# **MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY**

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## **UNIVERSITY EXAMINATIONS 2021/2022**

SECOND YEAR, SECOND SEMESTER EXAMINATION FOR DEGREE OF  
BACHELOR OF COMMERCE

### **BBS 3278: PROCUREMENT AND LOGISTICS MANAGEMENT**

**DATE: AUGUST 2022**

**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) Explain the key performance indicators in a procurement function. (8 Marks)
- b) Explain the aspects that should be considered by a procurement officer when evaluating a potential supplier in an organization. (10 Marks)
- c) Explain the roles and responsibilities of user department in the public procurement process. (6 Marks)
- d) Discuss benefits an organization will obtain from implementing supplier development program. (6 Marks)

#### **QUESTION TWO (20 MARKS)**

- a) Discuss at least five procurement methods used by public entities to procure goods, services and works as outlined in the public procurement and asset disposal act, 2015. (10 Marks)
- b) Explain sources from which a buying entity may obtain information on potential suppliers in the market. (10 Marks)

### **QUESTION THREE (20 MARKS)**

- a) Section 86(3) of the republic procurement and asset disposal Act 2015 requires the accounting officer of the procuring entity to notify and debrief in writing the bidders whose bids were deemed unsuccessful. Justify why debriefing of suppliers is necessary. (10 Marks)
- b) Explain the role of logistics in the procurement function. (10 Marks)

### **QUESTION FOUR (20 MARKS)**

- a) Section 46 of the public procurement and asset disposal Act 2015, mandates an accounting officers of public entities to constitute an ad hoc evaluation committee prior to any complex procurement process. The ad hoc evaluation committee is required to prepare an evaluation report at the end of the exercise. Recommended critical components that entail an evaluation report. (10 Marks)
- b) Explain your understanding on adversarial type of negotiation and give the characteristics that entails such kind of negotiation. (10 Marks)

### **QUESTION FIVE (20 MARKS)**

- a) Suggest the possible reasons many organization adopt intermodal form of transportation. (10 Marks)
- b) “In procurement function the right price is not necessarily the lowest price.” Discuss (10 Marks)