



**School of Business**  
*Nurturing business innovators*

**SEPTEMBER – DECEMBER 2019 SEMESTER**  
**EXAMINATION FOR DIPLOMA OF BUSINESS ADMINISTRATION**

**DAY PROGRAMME**

**RBP 010 – INTRODUCTION TO PROCUREMENT AND SUPPLY CHAIN  
MANAGEMENT**

**DATE: 13<sup>TH</sup> DECEMBER 2019**

**TIME: 2 HOURS**

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**GENERAL INSTRUCTIONS:**

Students are NOT permitted to write on the examination paper during reading time. This is a closed book examination. Text book/Reference books/notes are not permitted.

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**SPECIAL INSTRUCTIONS:**

- 1 Write your REGISTRATION NO. Clearly on the answer booklet(s).
- 2 Answer QUESTION ONE (COMPULSORY) and any other two.
- 3 Questions in all sections should be answered in answer booklet(s).
- 4 Marks allocated to each question are shown at the end of the question.
- 5 PLEASE start the answer to EACH question on a NEW PAGE.
- 6 For the questions, write the number of the question on the answer booklet(s) in the order you answered them.
- 7 Write your answers in paragraph form unless stated otherwise.
- 8 Keep your phone(s) SWITCHED OFF at the front of the examination room and NOT on your person.
- 9 Keep ALL bags and caps at the front of the examination room and do not refer to any unauthorized material before or during the course of the examination.
- 10 You are only allowed to leave the exam room 30minutes to the end of the Exam.

## SECTION A: COMPULSORY

### QUESTION ONE

- a) Outline the factors that influence how important purchasing is to the success of an organization. **(10 marks)**
- b) Considering the emerging trends, what is the possible role of purchasing in leading sustainability efforts? **(10 marks)**
- c) Discuss the four enablers of purchasing and supply chain management. **(10 marks)**

## SECTION B: ANSWER ANY TWO QUESTIONS

### QUESTION TWO

- a) What are the risks to buyers associated with each of the different types of contracts (fixed price, incentive, and cost based contracts)? **(10 marks)**
- b) Briefly describe a potential ethical dilemma that a purchasing professional might encounter in day-to-day activities. **(10 marks)**

### QUESTION THREE

- a) Briefly discuss each of the seven periods in the evolution of purchasing and supply chain management. **(15 marks)**
- b) What is the difference between a purchase order and blanket purchase order? **(5 marks)**

### QUESTION FOUR

- a) Briefly outline how purchasing become aware of purchase requirements. **(10 marks)**
- b) What factors contribute to the increasing importance of purchasing within the organizational hierarchy **(10 marks)**