



UGANDA BUSINESS AND TECHNICAL EXAMINATIONS BOARD

Business and Humanities Certificate Examinations

NOV-DEC 2021 SERIES

PROGRAMME

NCPLM, NCBA

PAPER NAME

ELEMENTS OF PURCHASING AND SUPPLIES MANAGEMENT

PAPER CODE

NCPS121/CFP2105

2½ HOURS

MONDAY, 24TH JANUARY, 2022

INSTRUCTIONS TO CANDIDATES

1. This paper consists of **two** sections **A** and **B**.
2. Section **A** is compulsory and carries **20** marks.
3. Section **B** consists of **six** questions. Answer only **four** questions from this section.
4. All questions carry equal marks.
5. All answers to each question should begin on a fresh page.
6. **Do not** write on the question paper.
7. All answers and rough work should be done in the official answer booklet provided.
8. Read other instructions on the answer booklet.

SECTION A - (20 MARKS)

Answer all questions in this section.

Question One

- (a) State **two** benefits of decentralised purchasing. (02 marks)
- (b) Outline **two** reasons why writing specifications is important before goods are purchased. (02 marks)
- (c) State **two** types of organisational buyers. (02 marks)
- (d) Define **sourcing** as applied in purchasing. (02 marks)
- (e) State **two** drivers of using third party providers. (02 marks)
- (f) Outline **two** factors considered in supplier selection. (02 marks)
- (g) Outline **two** methods of specifying purchases. (02 marks)
- (h) List **two** purchasing models used in purchasing. (02 marks)
- (i) Define **specification** as used in purchasing. (02 marks)
- (j) Outline **two** advantages of multiple sourcing. (02 marks)

SECTION B - (80 MARKS)

Answer only four questions from this section.

Question Two

Happy Business and Vocational Institute is planning to purchase foodstuffs like maize flour, beans, cooking oil and rice for feeding students next semester. You have been invited by the store assistant to help in developing specifications for the foodstuffs;

- (a) Explain **five** factors that you will consider when undertaking this assignment. (10 marks)
- (b) Discuss **five** purposes of carrying out the assignment to the institution. (10 marks)

Question Three

Kamugen Youth Saving and Credit Society (KVSCS) wants to purchase computers that will be used for facilitating the society's activities. The society approached you to help in drafting the specification for this purchase.

- (a) Explain **five** contents that you will include in the specifications. (10 marks)
- (b) With relevant examples, explain **five** benefits of carrying out the above task to KYSCS. (10 marks)

Question Four

A co-operative union currently uses a purchasing model where all the requirements needed by the user departments are purchased by one centralised purchasing department.

- (a) Explain **five** benefits that the union seeks to enjoy in using this model. (10 marks)
- (b) Present **five** challenges that the union may encounter in using the model. (10 marks)

Question Five

M&J investments Ltd has been getting supplies from many suppliers across the country. Recently, the company opted to source from only one supplier. Based on your knowledge in purchasing field;

- (a) Explain **five** reasons why the company adopted this option. (10 marks)
- (b) Discuss **five** challenges attributed to the option that the company adopted.

(10 marks)

Question Six

Okello intends to start a business and become self-employed after studies. He has often heard colleagues talking about the green purchasing strategy. He has therefore, sought your guidance on the strategy.

- (a) State **five** justifications why the strategy is important in business. (10 marks)
- (b) Discuss **five** challenges that Okello is likely to face if he implements the strategy in his business. (10 marks)

Question Seven

TAMU Manufacturing Company is involved in purchasing different products ranging from those used in production to consumption. Assuming you are purchasing officer of the company;

- (a) With examples, describe **five** types of purchases made by the company. (10 Marks)
- (b) Explain **five** roles that you would play in the purchase of these items. (10 marks)

END