



**NAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY**

**FACULTY OF MANAGEMENT SCIENCES
DEPARTMENT OF MARKETING AND LOGISTICS**

QUALIFICATION: BACHELOR OF LOGISTICS AND SUPPLY CHAIN MANAGEMENT	
QUALIFICATION CODE: 07BLSC	LEVEL: 7
COURSE CODE: PMM711S	COURSE NAME: PROCUREMENT MANAGEMENT
SESSION: JULY 2019	PAPER: THEORY
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
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INSTRUCTIONS
<ol style="list-style-type: none">1. This paper consists of 2 Sections, A and B2. Answer ALL 4 questions in all sections3. Read each question carefully4. Write as legible and precise as possible5. Indicate your class lecturer's name on your answer sheet

THIS EXAMINATION QUESTION PAPER CONSISTS OF 5 PAGES (Including this front page)

SECTION A

[34 MARKS]

MULTIPLE CHOICE QUESTIONS

There are (17) seventeen multiple choice questions with several possible choices each, choose the best possible answer e.g. 1.1 A.

Each question is worth 2 marks.

- 1.1 Which of the following is considered during the Procurement Planning Process?
- a) Whether to procure
 - b) How to procure and how much to procure
 - c) What and when to procure
 - d) All of the above
- 1.2 Which of the following processes involves obtaining information (bids and proposals) from prospective sellers?
- a) Procurement Planning
 - b) Source Selection
 - c) Solicitation
 - d) All of the above
- 1.3 Which of the below is not a government procurement methods?
- a) Sealed bidding
 - b) Competitive proposals
 - c) Acquisition
 - d) All of the above
- 1.4 Which of the following is not a strategic issue in making the outsourcing decision?
- a) The issue of short-term vulnerabilities
 - b) Core competencies
 - c) Supplier Dominance
 - d) All of the above
- 1.5 From a strategic level, which of the following items is the most logical to outsource?
- a) An item that can be bought and sold in a commodity exchange
 - b) An item that is critical to the success of the product
 - c) An item that requires specialized design, manufacturing skills or equipment
 - d) All of the above
- 1.6 Organisational reputation may be negatively affected by?
- a) Low return on investment
 - b) An ethical supplier
 - c) An unethical supplier
 - d) All of the above

1.7 PESTLE is an acronym for what?

- a) Political, environmental, technological, legal, and environmental
- b) Political, environmental, shareholding, technological, logistical, and e-marketing
- c) Political, environmental, social, technological, legal, and environmental
- d) Political, environmental, societal, technological, learning, and e-marketing

1.8 Which of the below represent a tactical procurement strategy?

- a) Acquisition of a small café business for New Café
- b) News Café decision on extending trading hours
- c) News Café decisions on what to serve in festive season
- d) All of the above

1.9 Which of the below represent a strategic procurement strategy?

- a) Acquisition of a small café business for New Café
- b) News Café decision on extending trading hours
- c) News Café decisions on what to serve in festive season
- d) All of the above

1.10 _____ benefits focus on the savings that come from adherence to established procurement policies.

- a) Transactional
- b) Compliance
- c) Management information
- d) Price

1.11 _____ Which of the following is not a reason for why purchasers are adopting a more proactive and aggressive role in the procurement process?

- a) There are myriad inefficiencies associated with suppliers initiating marketing efforts towards purchasers
- b) An excess number of suppliers currently exist
- c) Achieving competitive advantage in the supply chain
- d) Purchasers may be aware of important benefits that are not known to the supplier
- e) All of the above

1.12 _____ The selection of suppliers, design of supplier contracts, product design collaboration, procurement of material, and evaluation of supplier performance are a part of?

- a) Procurement.
- b) Sourcing.
- c) Supplier scoring and assessment.
- d) All of the above

- 1.13 From a buyer's standpoint, which of the following is true?
- a) Procurement planning should include consideration of potential subcontracts
 - b) Procurement planning does not include consideration of potential subcontracts since this is the duty of the contractor.
 - c) Subcontractors are first considered during the Solicitation Process
 - d) All of the above
- 1.14 Which is not an element of procurement management?
- a) Purchasing
 - b) Expediting
 - c) Marketing
 - d) All of the above
- 1.15 Which is not a consideration in a make or buy decision?
- a) Sales volume
 - b) Existence of sufficient administrative / technical personnel
 - c) Political and social factors with the organization
 - d) All of the above
- 1.16 Which of the following is not a potential procurement objective?
- a) Managing the supply base
 - b) Developing strong relationships with other functional groups
 - c) Supporting operational requirements
 - d) All of the above
- 1.17 Which of the following statements is false?
- a) Supplier selection and evaluation generally involve multiple criteria.
 - b) The evolution of business practices and philosophies may require new supplier selection criteria.
 - c) Selecting suppliers is the final step of the supplier selection and evaluation process.
 - d) All of the above

Section A subtotal: 34 marks

SECTION B: STRUCTURED QUESTIONS

[66 MARKS]

QUESTION 2

[21 MARKS]

2.1 Contextualize how a company of your choice can adopt the competitive procurement strategy to its operations

[15 marks]

2.2 Discuss some of the ethical issues that are associated with procurement?

[6 marks]

QUESTION 3

[45 MARKS]

3.1 You are working for a company of your choice, which is planning to expand into the Angolan market, how will you use PESTEL to evaluate the market? [15 marks]

3.2 Discuss why you rather outsource your software development than developing it in house?

[30 marks]

Section B subtotal: 66 marks

GRAND TOTAL: 100 MARKS