



PAMIBIA UNIVERSITY
OF SCIENCE AND TECHNOLOGY

FACULTY OF COMMERCE, HUMAN SCIENCES AND EDUCATION
DEPARTMENT OF MANAGEMENT

QUALIFICATION: BACHELOR OF MANAGEMENT	
QUALIFICATION CODE: 07BBMA	LEVEL: 7
COURSE CODE: PSM611S	COURSE NAME: PURCHASING MANAGEMENT
SESSION: JUNE 2022	PAPER: 1
DURATION: 3 HOURS	MARKS: 100

SECOND OPPORTUNITY EXAMINATION QUESTION PAPER	
EXAMINER(S)	Ms O.N Kangandjo Mr M Nelenge
MODERATOR:	Mr M B Simasiku

THIS QUESTION PAPER CONSISTS OF 3 PAGES (Including this front page)

INSTRUCTIONS	
1.	Answer all questions .
2.	Read all the questions carefully before answering.
3.	Marks for each question are indicated at the end of each question.
4.	Please ensure that your writing is legible, neat and presentable and start each Section on a new page.

PERMISSIBLE MATERIALS

1. Examination question paper
2. Examination answer sheet

SECTION A

Question 1

[87 Marks]

- 1.1 A buyer has to be knowledgeable about the form of competition present in different markets so that he or she is able to plan for purchasing prices. Explain how the different market structures influence suppliers' price determination. (12)
- 1.2 As a purchaser you ought to be aware of risks. Outline and explain the various types of purchasing and supply risks. Provide an example of each risk. (16)
- 1.3 Outline any five circumstances under which purchasing and supply negotiation should take place. (10)
- 1.4 Outline three categories of e-procurement. (3)
- 1.5 Many purchasers do not welcome small business purchasing programmes and have certain justified objections against affirmation purchasing. Discuss four of these objections. (10)
- 1.6 Performance evaluation has been identified as one of the techniques for purchasing and supply control. You are required to outline the steps in the process of evaluating the purchasing and supply function. (10)
- 1.7 As a consultant hired by a company that manufacture electronic equipments, you discovered that the company does not have purchasing and supply policies and strategies, you advised them to develop one. What issues would you advise the company to consider in developing purchasing and supply policies and strategies? (16)
- 1.8 Dishonest people in the purchasing and supply function are in the position of being able to enrich themselves personally, or to gain other personal favours for granting contracts or orders or giving preferential treatment to specific suppliers. Identify and explain possible areas of unethical conduct in purchasing and supply management. (10)

Question 2

[13marks]

Read the case below and answer the questions that follow.

Health Care for Truckers

Truck drivers in Africa have a new navigation tool to help them find healthcare centres along the subcontinent's major transport corridors. In a partnership between Shell, Maplecroft and North Star Alliance, four maps have been published showing the exact locations of more than 160 roadside wellness centres in west, east and southern Africa.

Some of the services provided by the wellness centres include sexual health education and counselling, HIV/Aids testing, blood pressure testing, TB screening, treatments of minor infections and wounds, and the distribution of free condoms.

The maps are produced by Maplecroft and funded by Shell. Shell recognises that the wellbeing of the drivers has a direct impact on the business.

Shell distributes the maps to its road transport managers in various sub-Saharan African countries. North Star Alliance³ also distributes the maps to drivers who visits their roadside wellness centres, and to other roadside clinic networks in sub-Saharan Africa.

Source: Abstracted from Export and Import South Africa (2010:33) as cited by Badenhorst-Weiss (2013)

- 2.1 What impact can the health of truck drivers have on the performance of purchasing and supply and the supply chain as a whole? (4)
- 2.2 To which categories of corporate social responsibilities does the effort of taking care of the health of truck drivers contribute? Motivate your answer. (9)