

UGANDA MARTYRS UNIVERSITY

BACHELOR OF BUSINESS ADMINISTRATION AND MANAGEMENT

YEAR 111 SEMESTER 11 EXAMINATION 2010/2011

PROCUREMENT TACTICS AND OPERATIONS

Date 2nd May 2011

Instructions

- 1. Time allowed: 3hrs**
- 2. Answer any four (4) questions.**
- 3. Carefully read through the questions before attempting**

Question 1

- a) Describe the concept of Total Quality Management (TQM) and show some principles that underline its significance. **15 marks**
- b) Why should a company adopt a total quality management philosophy? **10 marks**

Question 2

- a) Describe the concept 'six sigma'. **5 marks**
- b) Explain the two six sigma sub-methodologies and explain the conditions under which the two may be used. **10 marks**
- c) Differentiate between value analysis and value engineering. **10 marks**

Question 3

- a) Describe the term 'negotiation' and explain the approaches that can be employed in negotiation. **6 marks**
- b) Explain the situations under which the buyers and suppliers may be in strong negotiation positions. **10 marks**
- c) There are a number of ways to help recognize the complexity and be able to deal with negotiation. What issues need to be put into consideration? **5 marks**
- d) Negotiations may have a past, future and a present. Why is the past important in negotiations? **4 marks**

Question 4

- a) Define capital equipment and give at least four (4) categories under which capital equipment may fall. **5 marks**
- b) Explain the factors the need to be considered when an organization is trying to purchase capital equipment. **10 marks**
- c) What advantages and disadvantages that could be forwarded for the purchase of used equipment. **10 marks**

Questions 5

- a) Explain the five (5) approaches identified by Gavin that define quality. **10 marks**
- b) What are some of the attributes that underline quality. **5 marks**
- c) Explain the quality related costs in purchasing. **10 marks**

Question 6

Write short notes on any five (5) of the following: **(5marks each)**

- i. Outsourcing and sub contracting
- ii. Supplier proposal and supplier appraisal
- iii. Off shoring and multi sourcing
- iv. Distributive negotiation and collaborative negotiation
- v. Single sourcing and sole sourcing
- vi. Capital expenditure and capital goods

GOOD LUCK