



**UNIVERSITY OF CAPE COAST**  
**COLLEGE OF HUMANITIES AND LEGAL STUDIES**  
**SCHOOL OF BUSINESS**  
**DEPARTMENT OF MANAGEMENT STUDIES**

**BCOM PROCUREMENT AND SUPPLY CHAIN MANAGEMENT**  
**PCM 102: PROCUREMENT PRINCIPLES AND PRACTICE**  
**RESIT EXAMINATION-AUGUST 2015**

**TIME ALLOWED: 1HOUR 30MINUTES**

**INSTRUCTION: INSTRUCTIONS [ANSWER ANY FOUR (4) QUESTIONS]**

**QUESTION 1**

- a. Explain briefly three things that differentiate procurement from purchasing. [3marks]
- b. Explain briefly any of the following principles of procurement:
  - i. Integrity [1mark]
  - ii. Accountability [1mark]
  - iii. Openness [1mark]
  - iv. Competition [1mark]
  - v. Transparency [1mark]
  - vi. Economy [1mark]
- c. Procuring in excess is no longer a luxury. Discuss any three disadvantages of procuring in excess. [3marks]
- d. i. State any two goals of procurement in a public organization. [2marks]  
ii. State any one goal of procurement in a private business. [1mark]

**QUESTION 2**

- a. Explain the following as related to the procurement process.
  - i. Needs Analysis [1mark]
  - ii. Budget allocation [1mark]
  - iii. Solicitation [1mark]
  - iv. Supplier selection and evaluation [1mark]
  - v. Contract negotiation and award [1mark]
  - vi. Contract management and Procurement evaluation [1mark]
- b. Explain briefly the following as applied to tendering:
  - i. Tender security [2marks]
  - ii. RFQ [2marks]
  - iii. Open tender [2marks]
  - iv. Restricted tendering [2marks]
  - v. National Competitive tendering [1mark]

### QUESTION 3

- a. i. The concept of No Purchase Order (PO), No Payment is popular with reputable companies. Explain this concept briefly giving two benefits of using a Purchase order. **[4marks]**
- ii. What is a purchase requisition and its significance? **[2marks]**
- iii. Distinguish between single and sole sourcing. Give two (2) justifications for sole sourcing. **[4marks]**
- b. i. Explain fully the term sustainable procurement. **[2marks]**
- ii. Give three practical examples of sustainable procurement applications. **[3marks]**

### QUESTION 4

- a. Discuss briefly the following ethical risks in the procurement process:
- i. conflict of interest **[1mark]**
  - ii. fraud **[1mark]**
  - iii. corruption **[1mark]**
  - iv. coercion **[1mark]**
  - v. collusion **[1mark]**
- b. Explain the following ethical principles as applied to procurement:
- i. Golden Rule **[1mark]**
  - ii. Collective Utilitarian principle **[1mark]**
  - iii. Slippery Slope **[1mark]**
  - iv. No Free Lunch **[1mark]**
- c. i. Explain bid rigging and briefly discuss two types of bid rigging. **[3marks]**
- ii. State any three tools and mechanisms used to prevent and detect unethical practices in the procurement process. **[3marks]**

### QUESTION 5

- a. i. What is meant by the term Procurement entity? **[2marks]**
- ii. Explain the roles of the Entity Tender Committee and the Tender Review Board as stipulated in the Public Procurement Act of Ghana. **[4marks]**
- b. There are agitations at the Metro Mass Transit Limited, Ghana arising from the condition of buses at this state company. The confusion is arising because buses that have been declared obsolete, unserviceable and surplus are believed not to have been disposed off by the rules.
- i. Explain one after the other the terms obsolete, unserviceable and surplus as stated in the Public Procurement Act of Ghana. **[6marks]**
  - ii. State any three disposal options available to the management of Metro Mass Transit per the Public Procurement Act. **[3marks]**