



**NATIONAL OPEN UNIVERSITY OF NIGERIA**  
**14/16 AHMADU BELLO WAY, VICTORIA ISLAND, LAGOS**  
**SCHOOL OF MANAGEMENT SCIENCES**  
**JUNE 2013 EXAMINATION**

**Course Code: HCM343**

**Credit Unit: 2**

**Course Title: Procurement and Supply Management**

**Time Allowed: 2 hours**

**Instruction:**

**Attempt question one and any two questions of your choice. Question one carries 30 marks while the others carry 20 marks each. Present your answer legibly and logically.**

**QUESTIONS**

1. a. Describe the process of standardization. **(15 marks)**  
b. Outline the benefits of specification. **(10 marks)**  
c. Outline five advantages of an effective procurement. **(5 marks)**
2. a. Explain the term “Single versus Multi-plant Purchasing Organization” **(10 marks)**  
b. What are the advantages of decentralization of purchasing? **(10 marks)**
3. a. Outline the factors that lead to duplication of procured items. **(10 marks)**  
b. Mention and describe the various types of inspection. **(10 marks)**
4. a. Outline five function of a purchasing department **(10 marks)**  
b. What are the key procurement variables? **(10 marks)**
5. What do you understand by centralization of purchasing authority? **(20 marks)**