



NATIONAL OPEN UNIVERSITY OF NIGERIA

University Village, Nnamdi Azikwe Express Way, Jabi, Abuja
Faculty of Agricultural Sciences
2022_2 Examination

Programme: Hotel and Catering Management

Course Code: HCM 343

Course Title: Procurement & Supply Management Credit Unit: 2

Total Score: 70 Marks

Time Allowed: 2 Hours

Instructions: Attempt four (4) questions. Question 1 carries 25 marks, while others 15 marks each

- 1a. Define the term procurement in line with the view of Lyons(2000) 3mks
- b. Discuss the methods used by the professional buyers to determine the purchase price of goods and Services. 12mks
- c. Enumerate Siropolis (1997) view on purchasing function. 5mks
- a. Describe all type of inspection 5mks
- 2a. Enumerate the benefits of accurate supplier selection. 3mks
- c. List and comment on six of sources of supply of information in purchasing. 12mks
- 3a. Discuss the principal benefits associated with central purchasing. 6mks
- b. Explain what is meant by decentralized purchasing. 5mks
- c. Give at least four (4) situation that justify decentralization of purchasing in companies. 4mks
- 4a. Differentiate between Buying and Procurement. 2marks
- b.. Briefly outline five roles of price in purchasing.5mks
- c State and explain the four (4) phases of the face to face negotiation processes . 8marks
- 5a. Define Discount 2mks
- b. Industrial purchases are usually subject to cash trade and quality discount. Name and explain three types of discounts 9mks
- c. Enumerate two reasons for giving discount as a supplier. 4mks
- 6a. Identify and explain the two fundamental policy decisions on procurement 6mks
- b. Write shot notes on: (i) Hand- to- Mouth Buying (ii) Speculative buying. (Iii) Forward Buying. 3mks each. (9mks)