



REFORMED CHURCH UNIVERSITY

FACULTY OF COMMERCE

**Bachelor of Commerce Honours Degree in Logistics and Supply
Chain Management**

Fundamentals of Procurement

HLSM 109

Part 1 Semester 2 Examination

Total Marks [100]

Date: November 2019

Time: 3 Hours

INSTRUCTIONS

1. This paper has *six (6)* questions
2. Answer question *one (1)* and *any* other *three (3)*
3. Each question carries *25 marks*
4. Start each question on a new page

1. 'Organisation should adopt a centralized procurement structure'. Discuss. (25)
2. Analyse the various ways in which procurement can contribute to added value for an organisation. (25)
3. (a) Explain **two** ways in which 'procurement' differs from 'purchasing' (10)
(b) Distinguish between goods, services and works. (15)
4. Developments in ICT like automating the procurement process have radically changed the way people do business. Discuss (25)
5. Distinguish between a conformance specification and a performance specification. (25)
6. a) Examine any **five** ways in which an effective specification leads to value addition. (15)
b) Explain the downsides of using specifications. (10)

End of Paper