



NATIONAL OPEN UNIVERSITY OF NIGERIA

University Village, Nnamdi Azikwe Express Way, Jabi, Abuja

Faculty of Agricultural Sciences

2020_1 Examination

Programme: Hotel and Catering Management

Course Code: HCM343 Credit Unit: 2

Course Title: Procurement and Supply Management

Time Allowed: 2hours

Instructions:

- 1. Attempt question Number one (1) and any other three (3)**
- 2. Question number 1 is compulsory and carries 34 marks, while the other questions carry equal marks each.**

- 1a. Apart from purchasing per se, a purchasing department has several complementary activities. Mention and explain five of these activities. 7mks
 - b. What is leasing. 4mk
 - c. Leasing is carried out under a number of types of arrangement. Name and explain four leasing methods you know. 4mks
 - d. Enumerate four advantages and disadvantages each of leasing, 4mks
 - e. A lease for longer than a year must be put in writing to be enforceable. Name six contents of a formal written lease. 6mks
- 2a. What is a purchasing order? List the essential information in a purchasing requisition form. 5mks
 - b. Discuss the pre-requisite for competitive bidding in taking decision as to what and what to buy 10mks
- 3a. Give specifically the steps in the procurement cycle that affect decision making. 10mks
 - b. Why is pricing very important in purchasing? 5mks
- 4a. Expatriate on the following: maximum, minimum, order and hastening stock levels. 10mks
 - 4b. Identify ten principal benefits of effective management of procurement process. 5mks
- 5a. What is standardization? Mention and comment on any two-standardization process. 9mks
 - b. Outline any three benefits and drawback of standardization. 6mks
- 6a. What is Global sourcing? 2mks
 - b. Name seven (7) services of the Nigerian global sourcing companies in the international procurement functions? 8mks
 - c. Enumerate five (5) Problems Associated with International Procurement. 5mks