



PAN AFRICA CHRISTIAN UNIVERSITY

SCHOOL OF LEADERSHIP, BUSINESS & TECHNOLOGY

**END OF SEMESTER EXAMINATION FOR CERTIFICATE IN SUPPLY
CHAIN MANAGEMENT**

MAY-AUGUST 2019 SEMESTER

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS STUDIES

COURSE CODE: CSPM0114

COURSE TITLE: FUNDAMENTALS OF SUPPLY CHAIN MGNT

EXAM DATE: WEDNESDAY 7th AUGUST 2019

DURATION: 2 HOURS

TIME: 9:00AM-11:00AM

INSTRUCTIONS

- Read the instructions and questions carefully before you write the answers.
- Write your **STUDENT NUMBER** in the Answer Booklet given
- *Write clearly and legibly.*
- This exam script consists of **Six (6)** questions.
- Answer question **ONE** and ANY other **THREE** Questions.
- *ALL PAC University's examination rules and regulations apply*

Section A: Compulsory

QUESTION ONE. (Compulsory) 30 marks

- a) Define the term supply chain as applied in business transactions. (3 marks)
- b) Identify the **five** rights of purchasing activity. (5 marks)
- c) Explain the characteristics of any **three** types of organization buyers of goods/services. (6 marks)
- d) Explain **two** concepts that are applicable to building a healthy customer-supplier relationship. (4 marks)
- e) Using a local organization as an example, explain **two** ways in which the Internet has impacted on its business supply chain activities. (6 marks)
- f) Assuming you are a Supply Chain Supervisor at Bekool Drinks Ltd, explain to the Head of Department the requirements for economic order quantity supplies requisition system that you think they should adopt. (6 marks)

Section B: Attempt any three questions from this section.

QUESTION TWO (10 marks)

- a) Explain each of the following types of procurement processes for a product:
 - i. Routine (2 marks)
 - ii. Leverage (2 marks)
- b) Describe the steps involved in the procurement life cycle in a modern business entity. (6 marks)

QUESTION THREE (10 marks).

- a) A number of companies are offering supply chain management services to client organizations through the Internet platform globally.
 - i. Explain **three** challenges that such service providers may face. (6 marks)
 - ii. State how any **two** such challenges that you have identified may be mitigated. (2 marks)
- b) Identify **two** techniques of materials handling as used in manufacturing flow management. (2 marks)

QUESTION FOUR (10 marks).

- a) Explain the term value addition as applied in supply chain management. (3 marks)
- b) Explain the elements of Michael Porter's value chain model. (7 marks)

QUESTION FIVE (10 marks).

- a) Describe the process involved in the planning of distribution process in supply chain logistics. (4 marks)
- b) Describe the characteristics of any **three** types of organizational buyers of goods and services. (6 marks)

QUESTION SIX (10 marks).

- a) Explain the term strategic thinking as applied in supply chain management. (2 marks)
- b) With respect to the Public Procurement and Disposal Act, 2005 Laws of Kenya, state **four** of its objectives. (4 marks)
- c) Name **four** public organizations that come under the Public Procurement and Disposal Act, 2005. (4 marks)