



PAN AFRICA CHRISTIAN UNIVERSITY
SCHOOL OF LEADERSHIP, BUSINESS & TECHNOLOGY
END OF SEMESTER EXAMINATION FOR THE DEGREE OF
BACHELOR OF COMMERCE
DIPLOMA IN PROCUREMENT & SUPPLY CHAIN MANAGEMENT
MAY-AUGUST 2019 SEMESTER

CAMPUS: ROYSAMBU

DEPARTMENT: BUSINESS STUDIES

COURSE CODE: CPS301|DSM109

COURSE TITLE: SUPPLY CHAIN MANAGEMENT

EXAM DATE: MONDAY 5th AUGUST 2019

DURATION: 2 HOURS

TIME: 2:00PM-4:00PM

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) Explain the term purchasing strategy as applied in business operations. (2 marks)
- b) Distinguish the terms procurement and purchasing. (4 marks)
- c) Discuss the importance of purchasing as a functional department in an organization. (6 marks)
- d) Explain **four** concepts that are applicable to building a healthy customer-supplier relationship. (8 marks)
- e) Using a local organization as an example, illustrate how the Internet has impacted on its business supply chain management function. (6 marks)
- f) Assuming you are the Supply Chain Manager for Kay Foods Ltd, advise the management on the essentials of a valid contract with respect to procurement of their foods requirements. (4 marks)

SECTION B. ATTEMPT ANY THREE QUESTIONS FROM THIS SECTION.

QUESTION TWO (10 MARKS)

- a) Describe each of the following types of procurement processes for a product:
 - i. Routine (2 marks)
 - ii. Leverage (2 marks)
- b) List **six** indicators of procurement fraud. (6 marks)

QUESTION THREE (10 MARKS)

- a) There are globally, a number of companies offering supply chain management services to client organizations through the World Wide Web platform.
 - i. State **four** challenges that such service providers may face. (4 marks)
 - ii. Suggest how the four challenges you have identified may be mitigated. (4 marks)
- b) Identify **two** techniques of materials handling as used in manufacturing flow management. (2 marks)

QUESTION FOUR (10 MARKS)

- a) Define the term value proposition as applied in supply chain management. (2 marks)
- b) Supply chain model approaches have been used to address both the upstream and downstream elements of supply chain management in recent years. Using a labeled diagram, explain the elements in Michael Porter's supply chain model. (8 marks)

QUESTION FIVE (10 MARKS)

- a) Identify **six** activities that characterize the implementation of an effective supply chain management system. (6 marks)
- b) Describe the following supply chain support systems:
 - i. Just-In-Time (JIT) System. (2 marks)
 - ii. Economic Order Quantity (EOQ) system. (2 marks)

QUESTION SIX (10 MARKS)

- a) Discuss the term e-procurement (5 marks)
- b) State **five** problems associated with outsourcing purchasing. (5 marks)