



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY  
UNIVERSITY EXAMINATION 2016/2017**

**EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS  
ADMINISTRATION**

**3<sup>RD</sup> YEAR SEMESTER I (MAIN CAMPUS)**

**ABA 335: PROCUREMENT AND SUPPLY CHAIN: THEORY AND PRACTICE**

**DATE: DECEMBER 2016**

**TIME: 2 HOURS**

**INSTRUCTIONS:**

Answer **QUESTION ONE** and any other **TWO QUESTIONS**.

### **QUESTION ONE (30 MARKS)**

- a) For an effective operation of procurement and supply functions, there should be close relationship with finance and user departments. Demonstrate on how these relationships work. **(10 marks)**
- b) Discuss the evolution of procurement and supply chain management. **(12 marks)**
- c) Many procurement functions nowadays are adopting an environmental procurement policy that forms part of buyers' consideration during the process of acquisition. Discuss issues that are included in such policy. **(8 marks)**

### **QUESTION TWO (20 MARKS)**

- a) Imagine you are a procurement manager of JOOUST and the University has approached you to give them advice on matters of supplier development process. Briefly, describe supplier development process that should be adopted by the University. **(14 marks)**
- b) Highlight six factors that should be considered when appraising a supplier. ( **6 marks**)

### **QUESTION THREE (20 MARKS)**

- a) Discuss the current development issues in Purchasing and supplies Management. **(10 marks)**
- b) Describe the process in the purchase cycle that reflects the interactions, at different levels, between purchasing and suppliers. **(10 marks)**

### **QUESTION FOUR (20 MARKS)**

- a) Discus five procurement strategies that a procurement manager would use when buying small, bulk and emergency orders in an organization. **(10 marks)**
- b) Explain five reasons why organizations should have and maintain procurement and supply chain management function. **(10 marks)**

### **QUESTION FIVE (20 MARKS)**

- a) Recently, JOOUST has been experiencing difficulties with suppliers such as poor quality of products, late deliveries, unfilled orders and many more. Discuss any five strategies the JOOUST can adopt in an attempt to improve their supplier performance and capabilities. **(10 marks)**

- b) Explain any five benefits and limitations that an organization can accrue from centralized purchasing. **(10 marks)**

**JARAMOGI OGINGA ONDINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY  
SCHOOL OF BUSINESS AND ECONOMICS**

**PROGRAM: BACHELOR OF BUSINESS ADMINISTRATION**  
**YEAR OF STUDY: YEAR 3 SEM II SEPT-DECEMBER 2016**  
**UNIT CODE: ABA 335**  
**UNIT NAME: PROCUREMENT & SC: (THEORY & PRACTICE)**  
**INSTRUCTOR: ARANI WYCLIFFE EMAIL araninemuel@gmail.com**

**Purpose**

This course provides students with an overview of the ever-changing profession of procurement and supply chain management by tracing the historical developments of the discipline, identifying fundamental concepts in the discipline. It will also address the major trends and influences in the discipline of procurement and supply chain management.

**Learning Outcomes:**

At the end of the course unit learner will be able to:

1. Appreciate the history of procurement and supply chain management.
2. Define the terminologies in procurement and supply chain management.
3. Link procurement and supply chain functions to other organizational functions.
4. Explain the major trends and influences in the discipline of procurement and supply chain management.
5. Analyze the environment in which procurement takes place.

**Content:**

The scope of supply chain management, Key terms and concepts in supply chain management, The traditional rights of procurement, The principles of procurement, The contribution of the procurement function, Evolution of procurement and supply chain, Major trends in procurement, Internal and external SCM environment, stakeholders in the internal and external environment, Relating procurement to other functions of an organization and SCM upstream and downstream activities

**Course Outline**

**1. Scope of procurement and supply chain management**

- Key terms and concepts in procurement and supply chain management
- Objectives of procurement and supply chain management

## **2. Evolution of procurement and supply chain**

- Stages of procurement and SCM evolution
- Drivers of procurement and SCM evolution
- Role of the procurement and SCM function

## **3. Procurement and other functions**

- Phases and relationship with other departments
- Organization and structures in supply organization i.e centralization and decentralization

## **4. Principles of procurement**

- Rights of procurement
- Procurement cycle
- Order processing

## **5. Procurement and supply chain management best practices**

- Strategic sourcing
- Strategic supplier selection
- Supplier development
- Managing relationships

## **6. Procurement environment**

- Sustainability/green and environmental soundness
- Establishing a policy on environmental soundness
- Strategy for minimizing impacts
- Risks for purchasing and supply managers
- Implementation issues

## **7. Trends in procurement and supply chain management**

- Distribution network configuration
- Inventory control
- Supply contracts
- Production sourcing
- Distribution strategies
- Customer value

**Learning Methodologies/Approaches:**

Lectures; interactive sessions; small group learning sets; preparation and presentation of class exercises.

**Course Assessment:**

Students registered for the unit are required to complete all continuous assessments which comprise 30% (15 % CAT 1 and 15 % CAT 2) of the final grade and end of semester examination which comprise 70%. A student is not allowed to take the final examination before completing the course work assessments. A Student must attend 70% of the lectures to be eligible to sit the end of semester/trimester examination. Pass mark is 40%.

**Policies:**

- ❖ Students are required to attend all classes and sign the class register at every class session unless there is a legitimate reason such as medical.
- ❖ Reasons for failure to attend classes should be communicated in writing to the course instructor/Chair of Department.
- ❖ Students are expected to be punctual in class and each student must present from the assigned reading, case studies and all group discussions.
- ❖ Late work will not be accepted nor will faculty time be taken to review material which students miss out of class absent.
- ❖ Plagiarism and other forms of academic misconduct are not permitted and will be dealt with per policy which includes a zero score, suspension or even expulsion.
- ❖ Group work and collaboration is encouraged as this promotes team spirit and synergy but originality and spirit of good academic conduct must be maintained.

**Main Texts:**

1. Kachru, Upendra. (2009). *Exploring the supply chain: Theory and practice*. New Delhi: Excel Books.
2. Cousins, Paul et al. (2008). *Strategic supply management: Principles, theories and practice*. New York: Prentice Hall/Financial Times.

3. Simchi-Levi, David, Chen Xin, Bramel, Julien. (2005). *The logic of logistics: Theory, algorithms and applications for logistics and supply chain management*. New York: Springer

**Further Readings:**

1. Shah, Janat. (2009). *Supply chain management: Text and cases*. New Delhi: Pearson Education India.
  2. Wisner, Joel D, Tan, Keah -Choon, Leong, Keong, G. (2008). *Principles of supply chain management: A balanced approach* (2nd ed). New York: Cengage Learning.
- Cox, W. Andrew, Hines, Peter. (1997). *Advanced supply management: the best practice debate*. Boston: Earlsgate

**Support Materials and Equipment:**

Text books, journal articles, hand-outs, White boards, flip charts, LCD projector and screen, laptop, LAN, DVDs, and CDs.