



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**SCHOOL OF BUSINESS & ECONOMICS**  
**UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF BUSINESS**  
**ADMINISTRATION – SUPPLY CHAIN MANAGEMENT**  
**4<sup>TH</sup> YEAR 2<sup>ND</sup> SEMESTER 2016/2017 ACADEMIC YEAR**  
**MAIN CAMPUS**

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**COURSE CODE: ABA 446**

**COURSE TITLE: SUSTAINABLE PROCUREMENT & SCM**

**EXAM VENUE: LR 11**

**STREAM: (BBA - SCM)**

**DATE: 21/12/16**

**EXAM SESSION: 2.00 – 4.00 PM**

**TIME: 2 HOURS**

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**Instructions:**

- 1. Answer Question ONE (COMPULSORY) and ANY other 2 questions**
- 2. Candidates are advised not to write on the question paper.**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.**

## **QUESTION ONE: (Compulsory)**

### ***Adding value to the business***

Globalization is a term that has been used to explain how organizations can view the world as a single market. This has caused the global business market place to be considerably more complex. Organization's that sell into a single global market place are generally selling the same product but designed to fit the local markets worldwide. This practice has meant more fierce competition that means products are frequently redesigned with more functionality and as result product life cycles are decreasing. This has led to shortages of raw materials as products are replaced without disposing of the old products in an environmentally friendly and sustainable manner.

The global population is increasing and consumption rates per capita are growing. Human consumption of resources significantly exceeds what the earth can provide. Essential services such as clean air and water, a stable climate and viable forests and fisheries are in long-term decline. The resources on which we rely are being depleted at accelerating rates. This means 'business as usual' no longer an option for the public sector.

A range of social, environmental and economic objectives can be delivered through sustainable procurement, many of which are interlinked. Those involved in purchasing and supply are in a position to consider every stage of a business' processes, from raw materials to waste management. Purchasing and supply focuses on sourcing, pricing and buying the right things, at the right price and at the right time in order to deliver a quality service or product. This can help procurement specialists to spot ways of making efficiencies or opportunities to improve the quality of products or services bought. What would happen if Christmas trees were not available until Easter? How would you feel if you tried to buy a coffee at your favorite high street café only to be told they had run out of coffee beans? Making sure the key components that a business or service relies on are available when needed is the responsibility of the purchasing role.

- a) Explain the relevance to organizations of leading standards relating to sustainable sourcing in each of the following areas:

- Environmental
- Social
- Economic

(15 marks)

- a) Discuss Sustainable procurement process.

(7 marks)

b) Clearly, define the following concepts as used in sustainable procurement and supply chain management;

- Procurement cycle (2 marks)
- Procurement planning (2 marks)
- Specification development (2 marks)
- A service level agreement (SLA)( 2 marks)

**QUESTION TWO:**

Analyze how supply chain mapping can be used as a tool for identifying compliance risks in the supply chain. Support your answer with relevant examples (20 marks)

**QUESTION THREE:**

Having a sustainable specification is an important part of the sustainable procurement process. Propose and justify key sustainability criteria for inclusion in purchase specifications for products and services (20 marks)

**QUESTION FOUR:**

- a. Discuss the real barriers to sustainable procurement? (10 marks)
- b. Discuss strategies in enhancing sustainable procurement by public sector organizations? . (10 marks)

**QUESTION FIVE:**

- a) Discuss the ethical Dilemmas facing Public sector institutions in the management of sustainable procurement and supply chain practices (10 marks)
- b) Discuss the role of suppliers in achieving sustainable procurement and supply chain function (10 marks).