



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY

SCHOOL OF BUSINESS & ECONOMICS

UNIVERSITY EXAMINATION FOR BACHELOR OF BACHELOR OF BUSINESS

ADMINISTRATION (With IT) 3RD YEAR SEMESTER I

MAIN Campus

COURSE CODE: ABA 335

COURSE TITLE: PROCUREMENT AND SUPPLY CHAIN: THEORY AND PRACTICE

EXAM VENUE:

STREAM:

DATE:

EXAM SESSION:

TIME: 2 HOURS

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.**

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 procurement and user departments. Demonstrate on how these relationships work. **(10 marks)**
- b) Explain the meaning of the following terms: **(10 marks)**
- i. Procurement
 - ii. Supply chain management
 - iii. Logistics management
 - iv. Green procurement
 - v. Store management
- 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. **(10 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. 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) Examine the current development issues in Purchasing and supplies Management. **(10 marks)**
- b) Explain the process in the purchase cycle that reflects the interactions, at different levels, between purchasing and suppliers. **(10 marks)**

QUESTION FOUR (20 MARKS)

- a) Evaluate five procurement strategies that a procurement manager would use when buying small, bulk and emergency orders in an organization. **(10 marks)**
- b) Assess 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. Recommend five strategies the JOOUST can adopt in an attempt to improve their supplier performance and capabilities.

(10 marks)

b) Discuss the evolution of procurement and supply chain management. **(10 marks)**

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PROGRAM: BACHELOR OF BUSINESS ADMINISTRATION
YEAR OF STUDY: YEAR 3 SEM I SEPT-DECEMBER 2018
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%.

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.