



JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY
SCHOOL OF BUSINESS & ECONOMICS
UNIVERSITY EXAMINATION FOR THE DEGREE OF BACHELOR OF LOGISTICS
AND SUPPLY CHAIN MANAGEMENT
3RD YEAR 2ND SEMESTER 2024/2025 ACADEMIC YEAR
KISUMU CAMPUS

COURSE CODE: BAB 1348

COURSE TITLE: Risk Management in Supply Chain

EXAM VENUE:

STREAM: (BBA)

DATE:

EXAM SESSION: SEP-DEC, 2024

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.**

QUESTION ONE

There are frequent alterations in companies operation that cause disruptions in their daily operations. These types of alterations are a consequence of potential risks that exist in the environment in which the business activity takes place. Identifying and analyzing the risks of supply chain disruption is essential to prevent disaster scenarios.

- a) Highlight the potential risks that exist in the environment in which the business activity takes place. (6 marks)
- b) Identify the frequent alterations in companies operation that cause disruptions in their daily operations. (6 marks)
- c) Highlight the tools that can be used to identify and analyze the risks of supply chain disruption. (6 marks)
- d) List the characteristics of a successful Risk Management initiative. (6 marks)
- e) Outline the principles of Risk Management. (6 marks)

QUESTION TWO

- a) The Kraljic Matrix is a purchasing portfolio classification method whose main objective is to identify the strategic weight of various purchasing families, both internally and externally, to help you adapt your purchasing strategies. Using the Kraljic Matrix, explain how an entity can mitigate risks. (10 marks)
- b) Demonstrate the importance of risk management of a supply chain to guarantee the success of the organization. (10 marks)

QUESTION THREE

- a) The traditional view of risk management has been one of protecting the organization from loss through conformance procedures and hedging techniques. This is about avoiding the downside. The new approach to risk management is about 'seeking the upside while managing the downside'. Discuss the Risk Management process using the new approach to risk management.(10 marks)

- b) Reducing the risk of Inside Jobs and other opportunistic behavior within the supply chain is more reliant on relationships than processes put in place. Elaborate on how risk can be mitigated through supply chain redesign. (10 marks)

QUESTION FOUR

- a) A risk management initiative cannot be successful unless the culture of the organization is receptive to the initiative. In order to be receptive, a risk-aware culture is required in the organization. Discuss the components of a risk-aware culture. (10 marks)
- b) Describe the risk mitigation strategies according to Juttner, Peck, and Christopher. (2003) (10 marks)

QUESTION FIVE

- a) The key tool to carry out this entire process is the creation of a department dedicated to risk management that analyzes and determines the scope of each situation and the measures to be taken, being aware that a crucial element is a strong communication. Assess the importance of risk assessment as a critically important stage in the risk management process. (10 marks)
- b) Discuss the different ways that an organization can use to categorize risks. (10 marks)