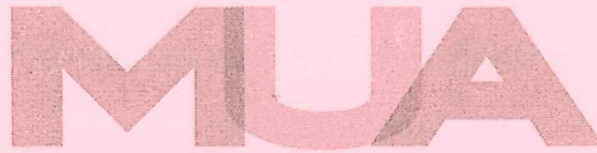


The
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DIPLOMA UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

**DIPLOMA IN MANAGEMENT AND LEADERSHIP/ DIPLOMA IN
SUPPLY CHAIN MANAGEMENT**

**DML 102/DSM 102 : PROCUREMENT AND SUPPLY CHAIN
MANAGEMENT**

DATE: 4TH DECEMBER 2024

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. DO NOT write on this question paper.
3. This paper contains SIX (6) questions.
4. Question ONE is compulsory.
5. Answer any other FOUR questions.
6. Question ONE carries 30 MARKS and the rest carry 10 MARKS each.
7. Write all your answers in the Examination answer booklet provided.

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

DOUBLESET COMPANY LIMITED

The Doubleset Company Limited is a distribution company of various products in East and central Africa valued at approximately US\$ 500 million. The boom in the construction industry over the past five years or so has simultaneously driven significant growth in the distribution of various products in construction market which has increased the sales of Doubleset Company and the estimates growth for the coming years is looking bright. As a result of rising demand for the products distributed, the East and Central Africa market has become a competitive and crowded arena dominated by several large players.

Doubleset Company Limited distributes a wide range of construction products from various manufacturers and everything in-between. In recent years, the brands have become a household name by providing a total solution ranging from cement, breaks, switches, sockets, bulbs, low-voltage switch gear, cables and industrial plugs and sockets. Consequently, the brands enjoy a leadership position in the market which forms the bulk of the construction market.

Apart from establishing itself strongly in the domestic market, Doubleset Company Limited has made inroads into several overseas markets and currently exports to 5 other countries ranging from the Middle and Far East. The brand, a one hundred percent African owned company coming from a family of entrepreneurs who have consistently pushed boundaries in their strive for excellence in whatever they do, creating a home grown brand of international standard, which can stand its own against larger and better known international brands. Doubleset Company Limited has invested in the best technology currently available and used international best practices in supply chain management to sustain a competitive position by providing a seamless value to the customer.

Supply Chain Management (SCM), in recent years, has received increased attention from both academicians and managers. Managing a supply chain implies the integrated management of a network of entities that begins with the suppliers' suppliers and ends with the customers' customers, for the production of products and services to the end consumers. The Managing Director of Doubleset Company Limited Mr. Johnston has seen the organization grow to be large organization and now offers after sale services in its products. The company has organized for auditing of its services to improve their services as they plan to venture into more countries and the outcome of the audit recommend that among many other things, a complete review is required of existing strategies of the business, requirement of effective marketing of the organization existing business, an overhaul of existing investment with view to selling of unprofitable activities as soon as market will allow. It was also recommended introduction of a less bureaucratic management structure that is more able to deal with the rapid changes faced by organization. It was also noted that the purchasing activity across organization is fragmented and needs to be restructured.

Required:

- a) Advise Doubleset management strategic planning process and the various activities in an organization **(10 marks)**
- b) Explain five areas Doubleset Company should look for in suppliers when selecting a supplier **(10 marks)**
- c) Define supply chain management and explain to Doubleset Management any five activities of a typical supply chain **(10 marks)**

QUESTION TWO

- a) Identify and explain five elements that make up strategic thinking as identified by Liedtka and discussed by Lawrence. **(5 marks)**
- b) Vertical integration strategies reflect the extent to which an organization expands upstream, or downstream, explain what you understand by:
 - i. Backward integration **(2.5) marks)**
 - ii. Forward integration **(2.5 Marks)**

QUESTION THREE

- a) Discuss any five critical success factors relating to purchasing strategies and what they include (5 marks)
- b) An e-catalogue is a web page that provides information on products and services offered, explain any five advantages of E-Catalogues (5 marks)

QUESTION FOUR

- a) Discuss five functions of Master Production schedule (MPS) (5 marks)
- b) Discuss four factors to consider in purchasing planning when developing a procurement strategy (5 marks)

QUESTION FIVE

- a) Intensive strategies are vigorous efforts to improve an organization's competitive position in relation to its competitors. Discuss three intensive strategies (5 marks)
- b) Explain any five characteristics of strategic purchasing in contrast to tactical purchasing (5 marks)

QUESTION SIX

- a) Explain with the help of a diagram illustrate Michael Porter's Value Chain model, a business management concept (5 marks)
- b) The purchasing process can vary from one organization to another, but there are some common key elements, explain any five steps involved (5 marks)