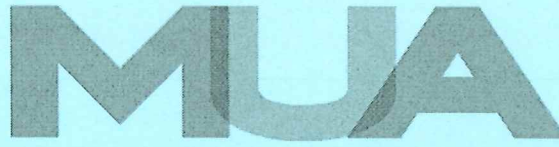


The
Management
University
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UNDERGRADUATE UNIVERSITY EXAMINATIONS

SCHOOL OF MANAGEMENT AND LEADERSHIP

DEGREE OF BACHELOR OF MANAGEMENT AND LEADERSHIP

BML 104 : INTRODUCTION TO PURCHASING AND SUPPLIES

DATE: 4th April 2023

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 **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 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 a, b and c:

ETHICAL DILEMMA

At the end of a career planning workshop for students who would soon be entering the job market, the workshop facilitator instructed the participants to write their own obituaries. Morbid? Maybe? Useful? Absolutely? The purpose of the exercise was to force the students to project to the end of their lives, and then summarize how their lives had been lived. This exercise of coerced self-reflection was designed to examine each student's values. What kind of career unfolded? How did this person treat other people? Did this person touch the lives of others in such a way so as to be missed? All of us write our own obituaries each day of our lives by the way we choose to live our lives. If your obituary discussed your ethics, what would you want it to say?

Required.

- i) Analyze the statement: Companies today are paying a great deal of attention to the "ethical supply chain". (5 marks)
- ii) Identify and discuss the five main ethical and environmental "green" issues which need to be taken into account when considering commercial relationships. (10 marks)
- iii) Explain five reasons why ethics is important for the purchasing staff and discuss the management's responsibility in upholding an ethical purchasing environment. (10 marks)

QUESTION TWO

- a) Analyze the statement: Generally speaking, firms with the fastest time to market with new products by using cross functional teams including suppliers enjoy higher profits. (10 marks)
- b) It has been said that manufacturer's quality problems can be traced back to defects in purchased materials. Explain this in the context of quality management. (5 marks)

QUESTION THREE

- a) Evaluate the statement: When supply savings and increased sales due to superior supply chain management are combined, it can lead to competitive advantage. (9 marks)
- b) The term "procurement" puts emphasis on long term collaborations and partnerships with regard to the acquisition process. Explain. (6marks)

QUESTION FOUR

- a) Inventory is generally considered to be a necessary evil in organizations. Analyze in the context of inventory management giving five reasons. (10 marks)
- b) The extended enterprise means a group of firms collaborating as a supply alliance, i.e. a strategic network or virtual corporation. Explain using an organization, industry or sector that you are familiar with. (5 marks)

QUESTION FIVE

- a) Analyze the challenges when a group or network of firms collaborates in a partnership (alliance) fashion; the collaboration is sometimes referred to as a strategic network, virtual corporation, or extended enterprise. (8 marks)

- b) Evaluate the statement: "Strategic procurement is about understanding the markets you're purchasing from inside and out and learning from your own organization and your suppliers". (7marks)

QUESTION SIX

- a) Give five reasons to explain why devolved organizational structures often use cross functional teams to achieve the best of both centralized and decentralized decision making. (10 marks).

- b) Analyze the statement: Artificial Intelligence and smart technology has strengthened the case for decentralization of purchasing. (5 marks)