

**UNIVERSITY COLLEGE TATI (UC TATI)****FINAL EXAMINATION QUESTION BOOKLET**

COURSE CODE	: BME 4043
COURSE	: PURCHASING & SUPPLY CHAIN MANAGEMENT
SEMESTER/SESSION	: 2-2023/2024
DURATION	: 3 HOURS

**Instructions:**

1. This booklet contains 4 questions. Answer **ALL** questions.
2. All answers should be written in answer booklet.
3. Write legibly and draw sketches wherever required.
4. If in doubt, raise your hands and ask the invigilator.

**DO NOT OPEN THIS BOOKLET UNTIL YOU ARE TOLD TO DO SO**  
**THIS BOOKLET CONTAINS 4 PRINTED PAGES INCLUDING COVER PAGE**

**QUESTION 1**

- a) **Explain** the purchasing function contribution to profitability. (4 Marks)
- b) **Contrast** between value chain and supply chain management. (4 Marks)
- c) **Apply** logistics in supply chain management and explain how logistics impacts upon:
- i. A retail organization clothing (2 Marks)
  - ii. An international airline (2 Marks)
  - iii. A construction company with projects in Europe and the Middle East(2 Marks)
- d) **Interpret** the relationship between the growth in worldwide competition and the evolution of the supply chain concept. (5 Marks)
- e) **Choose THREE (3)** factors that might influence how important purchasing is to the success of an organization. (6 Marks)

**QUESTION 2**

- a) **Compare** and contrast the use of quotations and competitive bidding in the procurement process. What are the advantages and disadvantages of each method? Provide real-world examples to illustrate your points. (11 Marks)
- b) **Describe** the reasons why price changes may occur in business contracts and agreements. Discuss the different provisions that can be included in contracts to effectively address and manage price changes. (8 Marks)
- c) **Analyze** the factors should organizations consider when determining the appropriate discount rate. (6 Marks)

**QUESTION 3**

- a) **Discuss THREE (3)** major impediments of outsourcing in the public sector. (6 Marks)
- b) **Evaluate TWO (2)** implications of the gray zone in make or buy. (4 Marks)
- c) **Explain** the concept of reverse marketing in the context of supplier development. (3 Marks)
- d) **Describe** the criteria that can be used to measure purchaser satisfaction and supplier satisfaction and discuss the strategies that organizations can employ to improve satisfaction levels on both sides. (6 Marks)
- e) If you were the sole owner of your own company, would you favor the make side or the buy side of the make or buy decision? **Justify** your answer. (6 Marks)

**QUESTION 4**

- a) **Describe** the different levels of strategic planning in the context of purchasing and supply management and discuss the key characteristics and objectives of each level. (7 Marks)
- b) Using a business-related example, **show** how the strategic planning process unfolds from the corporate level to the functional level of purchasing and supply management. (6 Marks)
- c) **Analyze** one major strategic area within the purchasing function and explain its significance and impact on the overall supply strategy. (6 Marks)
- d) From question in (c), choose a specific industry or sector and **illustrate** how the major strategic area you identified influences the purchasing function and contributes to the organization's competitive advantage. (6 Marks)

-----End of question-----