

TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS_ DEPARTMENT OF MANAGEMENT SCIENCE

(FEB-MAY 2016)

END OF SEMESTER EXAMINATION QUESTIONS

**COURSE CODE AND TITLE: BPC 4400_E-PROCUREMENT & SUPPLY CHAIN
MANAGEMENT**

CLASS: BCOM PROCUREMENT OPTION YEAR 4

INSTRUCTIONS:

- i. Answer question one and any other two questions
- ii. Do not write on the question paper
- iii. Time allowed is 2 hours

QUESTION ONE

- a) An effective e-procurement solution automates the procurement process and supports users at all stages. With clearly explained examples, explain how e procurement processes differ from the traditional manual from process (10 marks)
- b) Explicitly discuss how e-procurement systems can be used to enhance the leverage of the government owned entities in Kenya (10 marks)
- c) Implementation of e-procurement in many has helped to curb maverick buying. With an example, explain what maverick buying is and discuss the cost of maverick buying to an organization (10 marks)

QUESTION TWO

- a) The e-procurement business case measures the projected costs and savings of the project, identifies the business benefits that will accrue and provides an argument for funding an e-procurement project. With an example, explain the steps followed in the preparation of an e-procurement business case (10 marks)
- b) Explain the development of supplier-buyer relationships over time, clearly highlighting their influence in the development of e-procurement (10 marks)

QUESTION THREE

- a) E-procurement can lead to a fundamental change in the way companies do business. Explain the two categories of e-procurement key performance indicators (KPIs) that can be used to measure success of implementing an e-procurement solution (10 marks)
- b) One aspect of competition is the automation of business processes, which led to major multinational companies introducing sophisticated procurement technologies. Clearly discuss the evolution of procurement technologies over time (10 marks)

QUESTION FOUR

- a) An organization can determine which e-procurement tools it is likely to need by reference to its e-procurement needs and to the types of products it intends to purchase through e-procurement. Using the supply positioning model, explain the suitability of e-catalogues and e-auctions in the purchase of different items (8 marks)
- b) The key gains for the purchasing departments are process savings through automation of tasks, greater compliance to purchasing policies by the company as a whole and greater leverage with suppliers. Clearly discuss the impact of e-procurement on the role of procurement departments (12 marks)

QUESTION FIVE

- a) Explain the concept of the extended value chain concept, clearly discussing the activities of an extended enterprise (12 marks)
- b) Distinguish between an English forward auction and English reverse auction, and explain the advantages of e-auctions (8 marks)