



# TECHNICAL UNIVERSITY OF MOMBASA

---

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

## UNIVERSITY EXAMINATION FOR:

BACHELOR OF COMMERCE (PROCUREMENT AND LOGISTICS OPTIONS)

BPC 4302: SUPPLY CHAIN MANAGEMENT

## END OF SEMESTER EXAMINATION

## SPECIAL/SUPPLEMENTARY EXAMINATIONS

**SERIES:** DECEMBER 2016

**TIME:** 2 HOURS

**DATE:** DECEMBER 2016

### Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of FIVE questions. Attempt Question ONE and any other TWO Questions

**Do not write on the question paper.**

---

### Question ONE

- a) The number of auditing jobs performed by KK's auditing firm in each of the last nine months are listed below:

Month	Jobs
September	353
October	387
November	342
December	374
January	396
February	409
March	399
April	412
May	408

**Required:**

KK firm feels that if June auditing jobs are more than 410, they should hire an extra auditor. Should they if you:

- (i) Assume a linear trend function.(10 marks)
  - (ii) Assume a three-month period weighted moving average with weights of 0.60, 0.30 and 0.10:(7 marks)
  - (iii) How does your forecast in (i) and (ii) compare?(3 marks)
- b) Explain the advantages of using the exponential smoothing method in demand forecasting (10 marks)

**Question TWO**

a) You have been hired by a new multi-national firm in the country and your first assignment is related to inventory management. Clearly advise the firm on how it can use the following approaches in managing its inventory.

- i) Action level approach (8 marks)
- ii) Periodic review approach (6 marks)

b) With examples, explain the different supply chain drivers and discuss their impact on supply chain performance (6 marks)

**Question THREE**

a) With explained examples, distinguish between Knowledge Process Outsourcing and Business Process Outsourcing (BPO) (8 marks)

b) Over the last few decades, the world has grown a good deal smaller and most organizations are spreading their operations to almost every corner of the world so as to remain competitive. Clearly explain the forces that collectively drive the trend towards globalization (12 marks).

**Question FOUR**

a) What is supplier development? With clearly articulated examples, explain the reasons for supplier development and state some of the challenges or problems experienced in supplier development (12 marks).

b) “Understanding the concept of outsourcing is just a waste of time”. Is this statement true? Discuss your answer by using appropriate examples (8 marks)

**Question FIVE**

a) With clear examples, discuss the reasons why firms hold inventory (10 marks)

b) What is bull-whip effect? With examples, explain how bull-whip effect affects supply chain operations (10 marks)