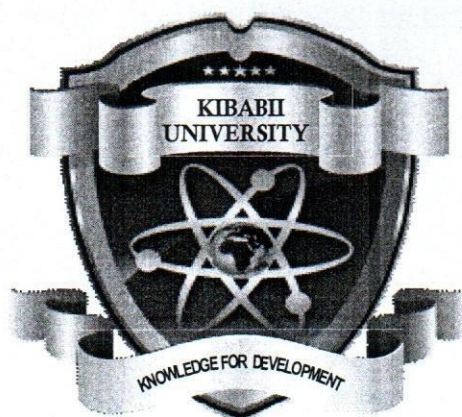


# KIBABII UNIVERSITY



## UNIVERSITY EXAMINATIONS

**2019/2020 ACADEMIC YEAR  
FOURTH YEAR FIRST SEMESTER  
MAIN EXAMINATION**

**FOR THE DEGREE OF BACHELOR OF COMMERCE  
COURSE CODE: BCP 411  
COURSE TITLE: MANAGING SUPPLY CHAIN  
RELATIONSHIP**

**DATE: 11/11/2020**

**TIME: 2.00 – 4.00PM**

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### **INSTRUCTION TO CANDIDATES**

- 1) The paper contains **FIVE** questions
- 2) Attempt **THREE** questions
- 3) Question **ONE** is Compulsory

**TIME: 2 Hours**

**KIBU observes ZERO tolerance to examination cheating**

## QUESTION ONE

### Supplier Relationship Management and Supply chain performance.

The importance of Supplier Relationship Management within the supply chain is substantiated by a number of scholars. Burnes and New (1996) emphasize the importance of partnership sourcing for supply chain improvement. Slack and Bates (1997) stress that partnerships are critical to the successful management of the supply chain. Lamming (1994) asserts that good relationships with suppliers are necessary for a lean supply process. The role of the supplier in the procurement process was always implied in discussions about the supply chain. However, as the supply chain management concept developed specific implications on Supplier Relationship Management have been addressed. Cooper and Ellram (1993) on the role of logistics and purchasing, concluded that they could contribute to supply chain management in five ways including leadership, inventory management expertise, facilitate information links, provide negotiation expertise, and providing an interfirm perspective. Novack and Simco (1991) provided a conceptual model of the purchasing process in the supply chain. They maintained that purchasing is the key intermediary between members of the supply chain. The point being made is that it is essential that purchasing serve an integral, if not a primary role, in the management of the supply chain (Leenders et al., 1994)

Supplier Relationship Management necessitates a consistency of approach and a defined set of behaviors that foster trust over time (Flynn, 2010). Effective Supplier Relationship Management requires not only institutionalizing new ways of collaborating with key suppliers, but also actively dismantling existing policies and practices that can impede collaboration and limit the potential value that can be derived from key supplier relationships. At the same time, SRM should entail reciprocal changes in processes and policies at suppliers. Lindgreen and Wynstra (2005) suggested that two supplier management models have emerged from both practice as well as academic research on the issue of how to optimally manage suppliers. They distinguished between two basic purchasing strategies, tactical and strategic or in other words, adversarial and partnership

The importance of Supplier Relationship Management within the supply chain is substantiated by a number of scholars discuss Adversarial approach to relationship and Collaborative relationships

(10 marks)

b) There are various dimensions of buyer supplier relationship discuss four (8marks)

c) Discuss the sources of supplier information in managing supply chains relationships (12marks)

## **QUESTION TWO**

- a) Suppliers are very important to any organization and its important to appraise suppliers discuss what should be appraised (14 marks)
- b) Discuss methods used for appraisal of suppliers (6marks)

## **QUESTION THREE**

- a) Discuss the actions that the buyer could take to balance commercial and technical award criteria when selecting suppliers. (12 marks)
- b) Outline advantages of supplier partnering from the buyer's viewpoint (8 marks)

## **QUESTION FOUR**

- a) Outline disadvantages of supplier partnering from the buyer's viewpoint (8 marks)
- b) Explain six areas that an organization might use to monitor the performance of its suppliers. (12 marks)