KIBABII UNIVERSITY

INSTRUCTIONS TO CANDIDATES
Answer Question ONE (compulsory) and ANY OTHER TWO questions

QUESTION ONE

CASE STUDY - FIRMS PARTNER TO 'INCREASE FAIRNESS ACROSS COFFEE SUPPLY CHAIN'

The companies said the collaboration would help increase transparency, credibility, and fairness across the whole coffee supply chain, as well as build farm-to-consumer trust by providing detailed information about where the product has been sourced.

The Colombian coffee has been supplied by the Colombian Coffee Growers Federation and Volcafe, and the Rwandan coffee by Supremo NV, a subsidiary of ECOM Group. Retailers and consumers can trace the two coffees back to their origins using an app.

The companies said the collaboration would be a roadmap for other operators on how to standardise and aggregate vital information across different supply chains and partners.

Blockchain technology, provided by Farmer Connect, allows retailers and consumers to trace coffee back to its origins by scanning a QR code on the packaging, and seeing the full lifecycle through its 'Thank My Farmer' app.

Lian Enting, lead category manager for food at HEMA, said the company wanted to make sure customers had access to products that allowed them to always shop responsibly.

"So far, our work with Farmer Connect has proven incredibly valuable and has been a strong indicator that consumers are shopping more mindfully," he said. "In fact, now 70% of our range is fully traceable."

Miguel Reguera, blockchain project leader at UCC Coffee Benelux, said: "We firmly believe that further change can happen if the coffee industry works together as a whole, to promote interaction at both ends of the supply chain, this has the potential to revolutionise not just the coffee industry, but the retail industry too."

Farmer Connect's software uses technologies such as blockchain, self-sovereign identity, and artificial intelligence to allow safe and private business data storage and sharing.

Michael Chrisment, CEO of Farmer Connect, said: "This collaboration is an example to the industry that if we work together, we can tackle the issues in our supply chain to make systemic change."

Posted by *Marino Donati* in *Procurement, Sustainability*

Suggestion

a) Dutch retailer HEMA and supplier UCC Coffee Benelux have teamed up to create two traceable single-origin coffees from Colombia and Rwanda. Discuss the benefits that would accrue from such partnership. (10 marks)

b) Illustrate the type of the supply chain that the collaboration would yield. What other types of supply chain are there. Discuss (10 marks)

c) The companies said the collaboration would be a roadmap for other operators on how to standardise and aggregate vital information across different supply chains and partners. In the event the collaboration does not yield its objectives. How will the colloboration relationship be terminated? (10 marks)

QUESTION TWO

a) Discuss the drivers of a collaborative relationship in supply chains (8 marks)

b) Describe the relationship type that might be appropriate for:

(i) A strategic procurement (6 marks)
(ii) A routine procurement (6 marks)

QUESTION THREE

a) Explain the following types of disputes resolution:

(i) Mediation (3 marks)
(ii) Arbitration (3 marks)
(iii) Adjudication (3 marks)

b) Outline the meaning of the term 'litigation' and explain the potential disadvantage s of litigation as a method of resolving contract disputes (11 marks)

QUESTION FOUR

a) Discuss the ways in which e-tools affect buyer-supplier relationships (10 marks)

b) Explain and illustrate with a diagram a supplier preferencing matrix (10 marks)

QUESTION FIVE

a) One of the sourcing strategies model was advanced Peter Kraljic (1983) taking into consideration both the importance of the item to the organization and complexity of the supply market. With the use of appropriate diagrammatic matrix, explain the concept giving relevant examples (12 marks)

b) Discuss the four ways of managing conflict in contractual relationships
(8 marks)