

**KIBABII UNIVERSITY**



**UNIVERSITY EXAMINATIONS**

**2021/2022 ACADEMIC YEAR  
FOURTH YEAR FIRST SEMESTER  
SPECIAL/SUPPLEMENTARY EXAMINATION**

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

**DATE: 14/11/2022**

**TIME: 8.00 – 10.00AM**

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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**

## CASE STUDY

### KENYA'S COMPETITIVE EDGE WITH THE AfCFTA TREATY

The idea of first African Continental single market (AfCFTA) was mooted during the Assembly of heads of state and government eighteenth ordinary session held in Addis Ababa, Ethiopia which took place from the 29th-30th January, 2012, with an aim of integrating Africa's markets. AfCFTA objectives are in line with our founding fathers' aspirations of a more formidable Africa with an expanded markets for African goods and services, unobstructed factor movements, the reallocation of resources, free movement of capital and persons, single continental customs union, promotion of economic diversification, structural transformation and technological development, enhancement of human capital, attaining sustainable and inclusive socio-economic development, agitation for gender equality, promoting industrial development through diversification and regional value chain development, agricultural development and food security and enhancing competitiveness of the economies of State Parties within the continent and the globally.

Kenya's strategic location, aggressive youthful population, improved infrastructure, comparatively well educated and trained human resource and technological advancement could be our competitive edge in the new formation. According to the World Bank, Kenya is a leading sub-Saharan African (SSA) producer and exporter of services. It is a key services provider to the East African Community (EAC), a distribution hub, telecommunications axis, financial center, and with well-developed service industries and an abundance of services providers. World Bank Group projects that AfCFTA agreement will create the largest free trade area in the world measured by the number of countries participating. The pact connects 1.3 billion people across 55 countries with a combined gross domestic product (GDP) valued at US\$3.4 trillion. It notes that AfCFTA has the potential to lift 30 million people out of extreme poverty and increase real income gains by 7% percent by 2035, or nearly US\$450 billion. Kenya has made considerable progress to bring down the political tensions in the Country, however, African Development Bank (AFDB) notes that despite the relative political calm witnessed recently, the security situation in Kenya continues to be fragile, exacerbated by the long, porous borders, a large number of refugees and regional instabilities, especially in Somalia, South Sudan, and the Great Lakes Region.

- a) Explain **FIVE** ways in which Kenya would leverage on effective communication skills to negotiate in AfCFTA. (5 marks).
- b) List **THREE** characteristics of concentrated supply chains (3 marks)
- c) Outline **FOUR** mistakes committed in trade negotiation that Kenya should take note of in AfCFTA markets. (4 marks).
- d) Outline **FIVE** functions of purchasing department in an organization (5 marks).

e) i) Analyze **FIVE** common impediments to establishing true supplier partnerships that Kenya should take note of in AFCFTA (5 marks).

ii) Demonstrate **THREE** ways how Kenya can reduce its carbon footprint in AFCFTA by greening its transport systems. (4 marks)

iii) List **FOUR** Characteristics of successful collaborative buyer-supplier relationships (4 marks).

#### **QUESTION TWO**

a) Using examples, Appraise **FIVE** Unethical Negotiations techniques (10 marks)

b) Justify **FIVE** reasons for measurement of supplier performance. (10 marks)

#### **QUESTION THREE**

a) Discuss **SIX** components of supplier relationship development as represented in the Cox Model (12marks)

b) Explain **FOUR** advantages of using Cost based method in supplier evaluation (8 marks)

#### **QUESTION FOUR**

a) Demonstrate **FIVE** determinants of Customer Satisfaction (10 marks)

b) Appraise **FIVE** Supply risk faced by organizations (10 Marks)

#### **QUESTION FIVE**

a) Discuss **FIVE** steps organizations should take to make TQM system work. (10 marks)

b) Illustrate **FIVE** Strategies to enhance Customer Satisfaction in Organizations (10 marks).