

KIBABII UNIVERSITY



UNIVERSITY EXAMINATIONS

2021/2022 ACADEMIC YEAR

FOURTH YEAR SECOND SEMESTER

SPECIAL/SUPPLEMENTARY EXAMINATION

FOR THE DEGREE OF BACHELOR OF COMMERCE

COURSE CODE: BCP 421

**COURSE TITLE: SUPPLY CHAIN PERFORMANCE
MEASUREMENT**

DATE: 25/11/2022

TIME: 2.00 – 4.00PM

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

QUESTIONS : SECTION A

QUESTION ONE

Case Study

QUICK FIX LTD.

Quick Fix Ltd. (QFL) is a newly established vehicle recovery company specializing in getting broken down vehicles back on the road. The services provided include sending mechanics with a fully-equipped patrol pickup to the motorists. QFL has been in operation for four years and demand for their services is increasing. QFL has a fixed yearly rate of membership that entitles members to breakdown and recovery service anywhere in the country. This is the only charge to members irrespective of location of breakdown. Despite the growth in membership numbers, the business is not making profit. This can be attributed to QFL operations strategy and its ability to attract more customers.

WAY FORWARD:

John has been appointed the operations director at QFL and has been requested to give his views on the way forward. His preliminary report highlights the importance of operations management and its contributions to the overall organization strategy. John feels that however well the marketing team does their work, the operations unit must improve their performance.

He highlights competition from other established companies as a challenge. Staff are losing focus or are getting distracted by day-to-day operational issues; they are under pressure, they take shortcuts, work is poorly done and there are frequent repeat jobs. The business culture and work ethic is wrong.

There is increased competition from other vehicle recovery companies and roadside mechanics. John has also identified key operational areas that need to be addressed urgently if QFL is to achieve its objectives, as indicated below:

1. It is taking too long to have broken down vehicles repaired.
2. The patrol vehicles lack adequate spare parts.
3. Current crop of mechanics are short in the technical know-how and their customer service ability is wanting.
4. Patrol vehicles are inadequate and not able to meet customer demands.
5. Traffic jams have become a hallmark of all major towns in the country and hence becoming a bottleneck to quick response.

6. The organization's staff lack knowledge on modern technologies of locating broken down vehicles.
7. The drivers of old vehicles have too many frequent demands.
8. Staff morale is low and leave accumulation is high due to heavy workload.
9. The company's location and positioning of vehicles is a hindrance to quick response.

Required:

- a) Examine FIVE key performance objectives that could help QFL to achieve its operational objectives.
(10 marks)
- b) Discuss how benchmarking can be used by QFL to improve its operations.
(10 marks)
- c) Provide THREE examples of performance measures that might actually result in a negative longer-term effect on performance.
(10 marks)

(30 marks)

QUESTIONS : SECTION B

QUESTION TWO

- a) Discuss FIVE desirable characteristics of supply chain performance management system (SCPMS)
(10 marks)
- b) Dimensions of supply chain performance metrics is key to supply chain performance measurement. Some of the questions one has to answer include quantity, easiness, appropriateness and visibility. Discuss the meaning of the term "metric" in relation to the above explanation.

(10 marks)

(20 marks)

QUESTION THREE

- a) Briefly describe the performance prism as a performance management framework. (10 marks)
- b) Explain what is meant by the term customer value in a supply chain. How can value best be measured in a supply chain context?

(10 marks)

(20 marks)

QUESTION FOUR

- a) The 7s framework stresses that organizational effectiveness depends on the interaction and coordination between all the Ss to avoid conflicts and bottlenecks. Outline the Seven "S" framework

(10 marks)

- b) Explain how Porter's value chain can help an organization to gain competitive advantage.

(10 marks)

(20 marks)

QUESTION FIVE

- a) Discuss the reasons why measuring and evaluating purchasing performance has historically had certain problems or limitations.

(10 marks)

- b) Discuss how effective supplier appraisal enhances procurement performance using the main parameters of supplier appraisal.

(10 marks)

(20 marks)