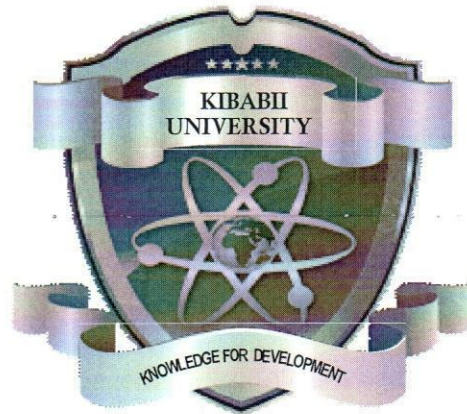


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**KIBABII UNIVERSITY**



**UNIVERSITY EXAMINATIONS**

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

**FOR THE DEGREE OF BACHELOR OF COMMERCE  
COURSE CODE: BCP 312  
COURSE TITLE: STRATEGIC SUPPLY CHAIN  
MANAGEMENT**

**DATE: 16/11/2022**

**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

### The Hospital Store

Gerald works as an inventory manager for a hospital. The hospital stores a large variety of products including medicines, bandages, surgical kits, bed linen, cleaning fluids, spare parts of X-ray equipment and ambulances. The hospital needs to expand and plans to convert the very large store into a maternity unit and plan to build a new store, less than half the size of the original store, within the hospital site.

Gerald is unhappy with the reduction in size of the store and believes that it will be impossible to provide the required service level when operating under such space constraints. The hospital management team has recently attended a seminar on 'cost savings through inventory reductions.' The management team believes that by reducing the size of the store, the hospital will be forced to reduce its levels of inventory. It has suggested the introduction of new inventory management techniques such as just in time (JIT)

Gerald is aware of the benefits of (JIT), but believes that it is necessary to explain to the management team the requirements of JIT so that it understands the risks of operating JIT for critical stock items. Gerald is concerned about the impact of reducing the size of the store.

- a) Discuss why it is important that the hospital management team needs to adopt JIT. (10 Marks)
- b) Outline four other inventory management techniques that Gerald could use to help use space. (10 Marks)
- c) Explain how information and communication technology may be used to improve performance of supply chain management in the hospital (10 marks)

## QUESTION TWO

- a) Explain the underlying principles behind the concept of supply chain management in an industry of your choice. In your view demonstrate how activities in the supply chain can be useful to enhance organizational performance (10 marks)
- b) "The adoption ERP is a waste of resources of an organisation". Do you agree with this statement? Discuss your answer. (6 marks)
- c) The best way to manage a supply chain is through "pulling rather than pushing". Explain. (4 marks)

## QUESTION THREE

- a) "Lean or agile?". The supply chain manager of a leading supermarket was overheard asking. Highlight the circumstances under which she/he should consider each of these supply chain strategies. (14 marks)

b) What is "Muda" as used in lean supply chains? (6 marks)

**QUESTION FOUR**

a) Identify the key supply chain decision phases & explain their significance. (8 marks)

b) Explain the stages involved in a negotiation process. (12 marks)

**QUESTION FIVE**

a) Explain why traditional supply chain practices are inadequate in today's business environment. (10 marks)

b) Describe the concept of value as it relates to value analysis. Provide examples of how an organization can increase value to itself or to its customers. (10 marks)