# THE CATHOLIC UNIVERSITY OF EASTERN AFRICA

## A. M. E. C. E. A

## MAIN EXAMINATION

### AUGUST - DECEMBER 2018 TRIMESTER

### FACULTY OF COMMERCE

### DEPARTMENT OF MARKETING AND MANAGEMENT

### REGULAR / ODEL PROGRAMME

### CMM 421: SUPPLY CHAIN MANAGEMENT

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| **Date:  DECEMBER 2018** | **Duration: 2 Hours** |
| **INSTRUCTIONS:  Answer Question ONE and ANY OTHER TWO Questions** | |

Q1. Answer the following questions:

a) Assume you have your own business (be specific of the type of business your like). You realize that you cannot create the best value for the end-consumer alone. You want to establish a supply chain. With whom would you partner to be able to create the best value for your customers so that you gain a bigger market share and improve your profits? Discuss it.          **(6 marks)**

b) In demand management we talk about "reducing variability and increasing flexibility", what do we mean? Explain          **(6 marks)**

c) What do we need to do to build a successful SCM? Explain each of the factors on which we need to build it.          **(6 marks)**

d) In what ways would proper inventory management contribute towards the creation of best value for the end-consumer? What are the most critical variables that affect the total inventory costs that we need to pay a particular attention? Why? Explain.          **(6 marks)**

e) What are the major transport modes? Compare their advantages and limitation.          **(6 marks)**

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Q2.  On source management and the role of ICT in supply chain, answer the following:
   a) What is source management? Why should supply chain partners worry about it? Explain. **(5 marks)**

   b) What source management strategic options do we have? When should we use each of them? Explain. **(5 marks)**

   c) Why are ICT technologies considered to be critical in the supply chain management? What are the roles it can play within the business and among the SC partners? Explain. **(5 marks)**

   d) Give a list of possible ICT applications for SC. Choose three of them and explain their use. **(5 marks)**

Q3.  Regarding supply management, explain the following:
   a) What is Vendor Managed Inventory (VMI)? What do we need to make it work effectively? Explain. **(7 marks)**

   b) What is bull-whip effect? How do we control its effects? Explain. **(7 marks)**

   c) What is reverse auction? When can we effectively use it? Explain. **(6 marks)**

Q4.  Regarding to facility location and transportation, explain the following:
   a) We say that "SC facilities location decisions are strategic." What does it mean? And how could affect the efficiency of the SC? Explain by giving specific examples of your own. **(5 marks)**

   b) Explain how a global business makes strategic location decisions. **(5 marks)**

   c) In transport management always we need to keep abreast of trade regulation. Why? Explain. **(5 marks)**

   d) Freight consolidations allow us to making the best transportation choices. How? Explain by giving your own examples. **(5 marks)**

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