

UGANDA MARTYRS UNIVERSITY
FACULTY OF BUSINESS ADMINISTRATION AND MANAGEMENT
STRATEGIC PROCUREMENT
Supplementary Examination

2015 – 2016

BAM III

Date: 26/07/2016

Time: 10.00 am to 1.00 pm

Instructions

Read the following before answering the examination questions.

- a) Do **NOT** write anything on this question paper.
- b) Answer any **FOUR** questions, Question One is **compulsory**
- c) Begin a new number on a fresh page
- d) Credit will be given for use of relevant examples and illustrations
- e) Mobile phones are **NOT** allowed in the examination room

QUESTION ONE

Black is a new investor in the manufacturing industry and wondering why he is facing a lot of costs in both manufacturing and distribution. He has lost trust in his management because of failure to manage the escalating costs which would have otherwise been controlled. Having approached you as procurement professional to assist him;

- a. Explain to him the meaning of strategic cost management. (5 marks)
- b. Explain to him the key elements of the new concept in his mind under single company focus. (20 marks)

QUESTION TWO

- a. The supply chain rather than the individual business unit is positioned as the key competitive unit. Using relevant examples and illustrations, describe what integrated supply chain management is and show how different it is from the traditional supply chain management. (6marks)
- b. Explain any excellence traits of integrated supply chain management known to you. (12marks)
- c. Suggest areas that need to be improved within integrated supply chains. (7marks)

QUESTION THREE

- a. Describe the concept 'supplier development'. (5marks)
- b. Discuss the benefits of a formalized supplier development programme that could be operated by any given organization. (10marks)
- c. Discuss the enablers and inhibitors of sustained supplier development programme in an organization (10marks)

QUESTION FOUR

The essence of strategic supplier alliances is to leverage the strategic and operational capabilities of individual participating companies to achieve ongoing benefits to each other. Using relevant examples, explain how an organization can engage into a relationship with a supplier of strategic value. (25marks)

QUESTION FIVE

- a. Discuss the strategies that may be adopted by management using a product positioning matrix in this competitive business environment. Use an illustration. (13marks)
- b. Examine the kind of supplier strategies that are applied by purchasing professionals in a global context using a portfolio approach/model. (12marks)

QUESTION SIX

Kamba Enterprises is preparing to change her procurement strategy from product differentiation to new product development (NPD) strategy while considering integration of suppliers. Using your knowledge in strategic procurement, advise Kamba Enterprises authorities on how to formulate a comprehensive integration of suppliers into NPD strategy. (25marks)

End of Question Paper