**PAN AFRICAN CHRISTIAN UNIVERSITY (PAC)**

**EXAMINATION 2020**

**DEGREE IN BACHELOR IN BUSINESS LEADERSHIP.**

**BCM204: FUNDAMENTALS OF SUPPLY CHAIN MANAGEMENT**

**DATE: APRIL 2021** **TIME: 3 HOURS**

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**SECTION A: COMPULSORY**

**QUESTION ONE (10mks)**

a) Define the following terms
   i. Purchasing (1mk)
   ii. Logistics (1mk)
   iii. Supply chain management (1mk)
   iv. Operations Management (1mk)

b) Discuss FOUR purchasing principles (4mks)

c) Describe the supply chain network (2mks)

**SECTION B: ANSWER ANY THREE QUESTIONS**

**QUESTION TWO (10mks)**

a) Explain the lean supply management (2mks)

b) Discuss FOUR aspects of agile supply chain management (4mks)

**QUESTION THREE (10mks)**

a) Discuss TWO types of inventory control techniques (4mks)

b) In 2019, ABC Ltd anticipated a demand of 60,000 units of khaki trousers. The purchasing department established with the supplier that each order would cost Kes 1,000 per 3,000 units of khaki and a cost of Ksh 250 per khaki. The carrying cost per unit was 0.2% of the cost of each unit of khaki. Determine the following
   i. The total holding cost (1mks)
   ii. Total ordering cost (1mks)
   iii. Total cost of inventory (1mks)
   iv. Economic Order Quantity (EOQ) (3mks)

**QUESTION FOUR (10mks)**

a) Differentiate the term efficiency and effectiveness as relates to productivity in supply chain management (2mks)

b) Briefly discuss the purchasing process or cycle (8mks)

**QUESTION FIVE (10mks)**

a) Explain the FOUR types of supply relationship that a company can adopt (4mks)

b) Discuss THREE components of physical distribution (6mks)

**QUESTION SIX (10mks)**

a) Explain FOUR emerging trends in supply chain management (4mks)

b) Describe any THREE characteristics of global supply chain (6mks)