CPS 302: LOGISTICS & SUPPLY CHAIN MANAGEMENT

[DEGREE – ONLINE]

END OF MAY - AUGUST 2021 SEMESTER EXAM

TIME: 3HRS

Lecturer: Davies Ndonye

INSTRUCTIONS

This paper contains six questions of 10 marks each. Attempt FOUR questions in total. Question ONE is compulsory.

QUESTION ONE

(a) Differentiate between supply chain and logistics. **(2 marks)**

(b) Distinguish between P-time and D-time as measures of performance for the total supply process . **(2 marks)**

(c) There are many possible types of relationships in the supply chain including having partnerships. Identify TWO advantages of partnerships. **(2 marks)**

(d) A major task for the directors in the management of firms is to balance the diverse interests of the various groups of stakeholders that are involved. In addition to employees and customers, explain FOUR other major stakeholders in a firm. **(4 marks)**

QUESTION TWO

(a) Define the term "Vendor-managed inventory (VMI)" and state one of its immediate benefits to the supplier. **(2 marks)**

(b) One approach in segmenting suppliers into categories is based on the strength of the buying company in the buyer–supplier relationship, and the number of suppliers able and willing to supply product items in the short term. From this perspective, explain the meaning of:

i. Strategic items **(2 marks)**
ii. Bottleneck items **(2 marks)**
iii. Non-critical items **(2 marks)**

iv. Leverage items **(2 marks)**

QUESTION THREE

Having logistics advantage means an organization setting objectives or goals that are clear, measurable and quantifiable.

(a) Explain the meaning of the term 'hard objectives'? **(2 marks)**

(b) Two basic strategies for managing timeliness in the logistics pipeline are make to stock (MTS) and make to order (MTO). Differentiate between the two strategies. **(2 marks)**

(c) Explain the THREE 'hard objectives' firms commonly use for creating logistics advantage. **(6 marks)**

QUESTION FOUR

(a) Explain FOUR barriers organizations face in the attempts to establish strategic partnerships with their suppliers or customers. **(4 marks)**

(b) Discuss any SIX challenges associated with the international sourcing of goods. **(6 marks)**

QUESTION FIVE

(a) Distinguish between customer satisfaction and customer loyalty. **(2 marks)**

(b) A challenge for logistics is to support the development of customer loyalty by designing and delivering quality of service. Identify FOUR potential benefits of customer loyalty. **(4 marks)**

(c) Explain any FOUR key capabilities that supply chain managers of the future need possess for effectiveness: **(4 marks)**

QUESTION SIX

(a) Define the term inventory as used in a firm **(1 mark)**

(b) Discuss THREE reasons inventory is sometimes regarded as a hindrance to business. **(3 marks)**

(c) Explain THREE significant ways the use of new procurement technologies can create value for organizations. **(6 marks)**