

2903/301

3307

PURCHASING AND SUPPLY STRATEGY

November 2022

Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

**DIPLOMA IN SUPPLY CHAIN MANAGEMENT
MODULE III**

**BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE
EXAMINATION
STAGE III**

PURCHASING AND SUPPLY STRATEGY

3 hours

INSTRUCTIONS TO CANDIDATES

This paper consists of SEVEN questions.

Answer any FIVE questions in the answer booklet provided.

All questions carry equal marks.

Candidates should answer the questions in English.

This paper consists of 2 printed pages.

Candidates should check the question paper to ascertain that both pages are printed as indicated and that no questions are missing.

1. (a) Some organizations are reluctant to adopt the strategic management approach in their operations. Outline **five** reasons that may account for the reluctance. (10 marks)
- (b) Explain **five** advantages of scanning the environment in which an organization operates before developing a strategic plan. (10 marks)
2. (a) Explain **five** ways in which the supply chain strategy may contribute to the attainment of cost minimization objective in an organization. (10 marks)
- (b) Outline **five** ways in which the management of an organization may communicate the supply chain management policy manual. (10 marks)
3. (a) Chingo Limited intends to develop an organizational structure for its purchasing and supply chain department. Explain **five** factors that may be considered when undertaking the task. (10 marks)
- (b) Explain **five** negative consequences of failing to evaluate the performance of the supply chain management function in an organization. (10 marks)
4. (a) Outline **five** challenges that an organization may face when auditing the purchasing and supply function. (10 marks)
- (b) Outline **five** characteristics of the strategic management approach to purchasing and supply function. (10 marks)
5. (a) Describe **five** types of resources that may be required for effective implementation of the supply chain strategies in an organization. (10 marks)
- (b) Explain **five** advantages of adopting the Just-In-Time strategy in the supply chain management operations. (10 marks)
6. (a) Outline **five** factors that may hinder effective implementation of supply chain policies in an organization. (10 marks)
- (b) Outline **five** features of the line supply chain organizational structure. (10 marks)
7. (a) Outline **five** uses of the supply chain evaluation report in an organization. (10 marks)
- (b) Kimbo Limited has adopted the team approach in preparing its strategic plan. Outline **five** advantages of adopting this approach. (10 marks)

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