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(The *University of Choice*)

MASINDE MULIRO UNIVERSITY OF SCIENCE AND TECHNOLOGY (MMUST)

UNIVERSITY EXAMINATION

2023/2024 ACADEMIC YEAR

FOURTH YEAR FIRST SEMESTER EXAMINATIONS

FOR THE DEGREE

OF

BACHELOR OF COMMERCE

COURSE CODE: BCB 411

COURSE TITLE: SUPPLY CHAIN RELATIONSHIPS

DATE: MONDAY, 18TH /12/2023 **TIME: 8:00- 10:00AM**

INSTRUCTIONS TO CANDIDATES

Attempt Question one and any other two questions

Question One

Toyota spends much time on evaluating potential suppliers in order to choose the right suppliers, agree on long-term contracts and establish long-term relationships based on mutual trust. Likewise, Toyota continuously assesses each supplier's performance with regard to quality, reliability, creative proposal and costs. In the years to come Toyota intends to reduce 30% of costs throughout the whole supply chain and share half of the profits with its suppliers).In order to sell its cars to end customers Toyota has established a network of dealers across the world. All of them operate according to different distribution strategies to cater for local needs. It goes unquestioned that this requires high quality customer service and effective As such, a service company's supply chain is not totally different. Similar to manufacturers, service companies focus on the management and coordination of all activities in the supply chain, yet place emphasis on aspects such as service capacity, waiting time, distribution channels and quality of service *(* Wisner, et al, 2008 *)*.

a) Highlight five strategic Key Performance Indicators (KPIs) that Toyota Inc could use to measure its supply chain performance (5 Marks).

b) How would Toyota Inc create hard and soft objectives (10 Marks)

c) Enumerate any four benefits likely to be gained by Toyota Inc as a result of entering into partnerships with their suppliers (4 Marks)

d) Describe any two type of relationships that could exist between Toyota Inc and its upstream and downstream supply chain partners (4 Marks)

e) Supplier association is a key network for bringing together Toyota Inc important suppliers. Briefly describe four objectives and rationale of developing supplier association (7 Marks)

Question two

a) True partnerships are not easily created and much has to be done to get the most out of any partnerships. Using well articulated examples discuss six major ingredients for developing successful partnerships in modern supply chains (12 marks).

b) Discuss how the purchase portfolio matrix (supplier positioning model) can be used in procurement of goods / services in an organization of your own choice (8 Marks).

Question three

a) Bullwhip effect can be detrimental to the survival of any viable supply chain relationship. Discuss the major consequences of lack of coordination in supply chain (10 Marks)

b) In the late 1940,s Japanese assemblers began to recognize the potential benefits of becoming active members of the associations. Describe five major objectives and rationale of developing supplier associations. (10 Marks)

Question four

a) Highlight four key advantages / benefits of electronic collaborative systems (4 Marks)

b) "Trust and cooperation among channel members are key to achieving high level of customer service" do you agree or disagree. Support your point of view bringing out four major issues influencing supply chain relationships (10 Marks)

c) Briefly describe four major reasons that may lead to failure of partnerships in supply chain relationships. (6 Marks).

Question five

a) Using well labeled diagram describe the concept of Japanese Keiretsu bringing out its key advantages and disadvantages (10 Marks)

b) Assume you have been appointed as a lead consultant in a FMCG enterprise. Assess five different approaches FMCG Inc can take towards supplier development (10 Marks).