



**KENYATTA UNIVERSITY**

**UNIVERSITY EXAMINATIONS 2017/2018**

**FIRST SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF  
COMMERCE (PROCUREMENT)**

**BMS 317: PRINCIPLES OF SUPPLY CHAIN MANAGEMENT**

**DATE: Wednesday 22<sup>nd</sup> November, 2017**

**TIME: 11.00 a.m. - 1.00 p.m.**

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**INSTRUCTIONS: Answer question ONE and any other TWO questions**

**QUESTION ONE**

Toyota Motor (Toyota) is one of the leading automotive manufacturers in the world. It is engaged in the manufacture and sale of motor vehicles, as well as financing and other related businesses. Toyota sells its vehicles in more than 170 countries and regions worldwide. The worldwide automotive market is highly competitive. The competition among various auto players is likely to intensify in light of continuing globalisation and consolidation in the worldwide automotive industry. The factors impacting competition include product quality and features, the amount of time required for innovation and development, pricing, reliability, safety, fuel economy, customer service and financing terms. Toyota is subject to disruption of production due to natural disasters such as earthquakes and floods, among others. The company primarily operates in Japan which is one of the highest earthquake-prone regions in the world. Product recalls have also affected Toyota's performance. The company recalled more than 10m vehicles during the period from 2009 to 2011 as a litany of technical problems bedevilled a manufacturer once renowned as a pioneer of production knowhow. Toyota is subject to laws in various jurisdictions regulating the levels of pollutants generated by its plants. In addition, Toyota is subject to regulations relating to the emission levels, fuel economy, noise and safety of its products.

## QUESTION ONE

- a) Outline the supply chain management processes that Toyota may be involved in. (10 Marks)
- b) Highlight internal supply chain risks that are exhibited by Toyota (10 Marks)
- c) Explain the aspects of lean production applicable to Toyota (10 Marks)

## QUESTION TWO

- a) Supply chain can be classified in numerous ways Highlight Five such ways. (10Marks)
- b) As a supply chain manager in an organization, outline the objectives of supply chain optimization that you may aim to achieve. (10 Marks)

## QUESTION THREE

- a) Discuss the supply chain management enablers that must be fully leveraged if supply chain management is to be successful (10 Marks)
- b) With reference to the porter's supply chain, explain how the activities of a supply chain can contribute to competitive advantage (10 Marks)

## QUESTION FOUR

- a) Explain the attributes that may be considered in assessing supply chain performance (10Marks)
- b) Describe the SCOR's model (10 Marks)