



Module: Sourcing and Procurement

- This paper contains 08 Questions on 02 pages.
- Answer any FIVE (05) questions.
- You can use appropriate graphs, diagrams, equation/s to prove or justify the answers.
- This examination accounts for 100% of the module assessment.
- If you have any doubt as to the interpretation of the wording of a question, make your own decision, but clearly state it on the script.
- Only non-programmable calculators are allowed in the examination hall.

Date: 2023.01.28

Pass mark 50%

Time: 03 Hours

Question 01

- (a) Discuss the key sector levels that you identify in the business world and explain each sector with examples. (05 Marks)
- (b) It is important to monitor the Key Performance Indicators (KPI) of an organization's entire supplier base. Discuss in detail the necessity and importance to monitor Procurement Key Performance Indicators? (15 Marks)

Question 02

A leading manufacturing organization in Sri Lanka has five manufacturing locations and each one of them are operating on an individual basis. The Chairman, in his new year 2023 message emphasized the importance of survival as a company during the current crisis and changes required to be done in order to minimize the operational cost in a strategical manner.

- (a) According to the Chairman's advice, the Procurement cost of the five manufacturing factories should be minimized in the upcoming 1st financial quarter. Outline a cogent/convincing proposal to the Chairman on this area? (10 Marks)
- (b) Discuss the risk areas that you may encounter when executing the above (a) based on the changes you suggested in the above proposal. (10 Marks)

Question 03

The terms 'value chain' and 'supply chain' are commonly found in the academic theory that you learned in class. Are these terms the same? Identify the key activities discussed during theory and elaborate their application in an organization of your choice. (20 Marks)

Question 04

In the modern business world, every organization is trying to achieve business excellence in their relevant area. Yet they encounter challenges when achieving business excellence due to being unfocused on their core business activities. Citing examples, proffer detailed suggestions on how organizations can stay focused on their core business activities whilst eliminating non-core activities to expertise in their relevant field? (20 Marks)

Question 05

- (a) When engaging in International Trade, a valid contract is a must as it involves solving many disputes which arise within the business among many stakeholders. Discuss the key characteristics of a valid contract and how the validity is depended on it. **(10 Marks)**
- (b) Due to certain drawbacks through the contract process, you are required to discharge the agreement between the stakeholders. Explain in detail the ways you would undertake such an action. **(10 Marks)**

Question 06

International trade is currently going through post pandemic period after the Covid 19 outbreak. The experiences the manufacturing sector gained from the pandemic, lead to make changes in their sourcing and procurement strategies.

Discuss in detail the options they initiated from the sourcing and procurement perspective and explain the benefits of the initiated options. **(20 Marks)**

Question 07

In the current context, everyone is so keen about 'sustainability' and it is a key topic in sourcing and procurement field as well.

- (a) What is meant by sustainability? **(05 Marks)**
- (b) Discuss how green purchasing assists towards 'sustainable procurement process'. **(05 Marks)**
- (c) Define 'CSR' in procurement. **(05 Marks)**
- (d) Discuss the activities which organizations do under CSR. **(05 Marks)**

Question 08

Discuss any four (04) of the following with examples.

- (a) Barriers to collaboration in business
- (b) Monopoly and oligopoly
- (c) Process of risk mapping
- (d) Importance of Intellectual Property Rights
- (e) Reasons for Supplier Rationalization

(04 X 05 = 20 Marks)

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