

UNIVERSITY OF ESWATINI

FACULTY OF COMMERCE

DEPARTMENT OF BUSINESS ADMINISTRATION

RE-SIT EXAMINATION PAPER; B.COM & B.ED (BUSINESS)

AUGUST 2021

TITLE OF PAPER : PURCHASING & SUPPLY CHAIN MANAGEMENT

COURSE CODE : BUS435

TIME ALLOCATED : THREE [3] HOURS

TOTAL MARKS : 100 MARKS

INSTRUCTIONS

1. TOTAL NUMBER OF QUESTIONS IN THIS PAPER IS 5
2. THE PAPER IS DIVIDED INTO SECTION A AND SECTION B, OF WHICH SECTION A IS COMPULSORY. .
3. THE MARKS ALLOCATED FOR A QUESTION/PART OF A QUESTION ARE INDICATED AT THE END OF EACH QUESTION/PART OF QUESTION.
4. PLEASE CLEARLY SHOW ALL YOUR WORKINGS IN YOUR ANSWER BOOKLET

THIS PAPER MUST NOT BE OPENED UNTIL PERMISSION HAS BEEN GRANTED BY THE INVIGILATOR.

SECTION A: Answer all questions in this section.

QUESTION 1

- a. Solve the following Assignment problem to maximize benefits to the students. Note that figures in the Table represent scores awarded to the teachers indicating their performance in the three subjects taught at the school. **(20 marks).**

Subject scores out of 30

Teachers @ Logoba School	MOB	Economics	Accounting
Malaza	22	28	12
Ronny	16	20	22
Mike	18	24	14

- b. Will there be any change in the assignments to be made if the school decides to add a new subject called Entrepreneurship. Scores given for the new subject are Malaza (28), Ronny (27) and Mike (28). **(10 marks)**

QUESTION 2.

Determine the initial transportation cost in the following Transportation Tableau using both the Lowest Cell Cost (LCC) and the North West Corner (NWC) method and comment on your results. Figures in the cells represent transportation rates per unit (E) along the respective routes (cells). **(20 marks).**

Destinations

Supply	A	B	C	Capacity(tonnes)
1	8	5	6	120
2	15	10	12	80
3	3	9	10	80
Demand	150	70	60	

SECTION B: Answer two questions only from this section

QUESTION 3.

The prevalence of certain signs and symptoms indicate that all is not well in the procurement department. Explain these signs and symptoms. **(25 marks).**

QUESTION 4.

The ABC analysis is one of the most effective tools for solving inventory management problems. Solve the following ABC analysis problem using the 70, 20 and 10 rule.

(25 marks).

Inventory item	Unit cost (E)	Annual demand(units)
ABC101	20.00	120
ABC102	2.00	155,000
CDE103	8000.00	13
JKL104	950.00	6
FGH104	0.30	7,000
QRS110	10.00	9,400
PQR109	6,000.00	70
LMN111	400.00	240
WWX112	0.50	200
KLM114	20,000.00	1

QUESTION 5.

A company that offers coal collection and distribution services already have centres A to G around the country. In order to cater for increasing demand for its services the company is considering to open an additional facility. You have been hired to assist the company in choosing the most appropriate location and you have just remembered that in one of the BUS435 Module lessons you discussed the **centre of gravity theory**. Apply the centre of gravity theory to analyse the Table below. Based on the analysis recommend to company management where they can locate the new facility.

(25 marks).

Site	X_i	Y_i	Demand(Q_i)
A	1	5	6
B	4	3	14
C	5	4	14
D	10	1	10
E	8	5	8
F	6	9	12
G	14	1	14
TOTAL			78