



**STRATHMORE BUSINESS SCHOOL**  
**BACHELOR OF SCIENCE IN SUPPLY CHAIN AND OPERATIONS MANAGEMENT**  
**END OF SEMESTER EXAMINATION**  
**SCM 1202: BEHAVIOURAL SUPPLY CHAIN AND SUPPLY CHAIN PSYCHOLOGY**

**DATE:** Friday, 14<sup>th</sup> March 2025

**TIME:** 13:30 – 15:30

**Instructions**

1. This examination consists of **FIVE** questions.
2. Answer **Question ONE (COMPULSORY)** and any other **TWO** questions.

**QUESTION ONE**

**(30 MARKS)**

(a) Supply chain perception in itself refers to how various stakeholders (such as consumers, businesses, suppliers, and investors) view and understand the activities, processes, and overall effectiveness of a supply chain. Supply chain managers therefore need to ensure a dominantly positive stakeholder perception for the success of their function.

What **FIVE** strategies that can be applied by managers to improve stakeholder perception towards supply chain? Give examples where applicable. **(10 Marks)**

(b) Decisions form are key part of human judgments in supply chain management. Briefly outline at least **FIVE** steps followed by managers in decision-making. **(10 Marks)**

(c) In brief, discuss the below theories as applied in behavioral economics

- a. Theory of Planned Behavior
- b. Cognitive Dissonance Theory
- c. Dual Process Theory
- d. Social Comparison Theory
- e. Scarcity Theory

**(10 Marks)**

**QUESTION TWO**

**(15 MARKS)**

Heuristics refers to a problem-solving approach or method that employs a practical, non-optimal solution to generate quick, satisfactory results, often when an exhaustive search is impractical

Heuristics in supply chain management refer to rule-based decision-making approaches or problem-solving techniques used to simplify complex decision-making processes. In the context of supply chains, heuristics can offer practical solutions to various challenges such as inventory management, production planning, logistics, and demand forecasting, especially when dealing with uncertainty or incomplete information.

Outline at least **FIVE** areas where some common heuristics can be applied in supply chain management. **(15 marks)**

**QUESTION THREE (15 MARKS)**

Emotional intelligence (EI), often referred to as EQ (Emotional Quotient), is the ability to recognize, understand, manage, and effectively use emotions in ourselves and others. While giving at least one example, outline **FIVE** areas of supply chain management where emotional intelligence can be applied to enhance functional performance. **(15 Marks)**

**QUESTION FOUR (15 MARKS)**

Supply chain perception refers to how individuals or organizations view and interpret various aspects of supply chains - ranging from their efficiency and reliability to sustainability and transparency. This perception can be shaped by experiences, industry benchmarks, media coverage, and personal biases. Understanding supply chain perception is crucial for businesses, as it influences customer trust, brand reputation, and ultimately, business success.

Discuss **FIVE** drivers of perception in supply chain management. **(15 marks)**

**QUESTION FIVE (15 MARKS)**

Management is a highly dynamic function, constantly changing as the world evolves across all development areas. Human behaviour and approach towards supply chain is equally influenced by changes in the global business arena.

a). While giving examples, provide an overview of least **FIVE** emerging trends in the behavioral psychology of service supply chains that encompass several dimensions that influence how consumers and service providers interact, make decisions and adapt to changes in the marketplace. **(10 Marks)**

b). Technological influences have significantly shaped behavioral psychology within the context of supply chain management (SCM). List **FIVE** areas where technology has interfaced with the field of behavioural psychology of supply chains. **(5 Marks)**