



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

DATE: Wednesday, 18th March 2026

TIME: 11:00 – 13:00

Instructions

1. This examination consists of **FIVE** questions.
2. Answer **SECTION A 30 MARKS (COMPULSORY)** and any other **TWO** questions in SECTION B.

SECTION A (Compulsory)

PART I (MCQ)

1. A supply chain team is learning behavioral supply chain principles. During meetings, some members dominate conversations while others stay silent. Which statement best explains how understanding behavioral supply chain principles can improve team participation?
 - A) Recognizing group behaviors allows facilitators to adjust discussions and encourage quieter members to contribute
 - B) Assigning more tasks to dominant members ensures quieter members participate
 - C) Implementing strict rules on speaking order guarantees equal participation
 - D) Focusing only on individual productivity ensures team interactions improve
2. A logistics manager reviews past supply chain successes and failures to improve warehouse decision-making. What is the main benefit of applying historical insights in this scenario?
 - A) Studying past supply chains guarantees that mistakes will never recur
 - B) Following historical routines exactly ensures identical decisions by current employees
 - C) Relying solely on technology removes the need for human judgment

D) Historical advances in behavioral supply chains provide context for informed operational decisions under uncertainty

3. A manager uses reinforcement principles to encourage timely deliveries from the logistics team, giving rewards and feedback for late performance. Which statement best describes the manager's approach?

A) The manager relies only on individual motivation without considering team context

B) Applying behavioral theories in leadership shapes team performance effectively through rewards and feedback

C) The manager focuses mainly on punishment rather than positive reinforcement

D) Technology monitoring replaces the need for motivational leadership strategies

4. A warehouse supervisor adjusts workloads after noticing fatigue among staff. This scenario reflects:

a) Status quo bias

b) Cognition

c) Simulation heuristic

d) Emotional intelligence

5. A supervisor notices a team member struggling with procurement deadlines. They provide emotional support and adjust workload expectations. How does this approach reflect good supply chain management practice?

A) Relying solely on authority guarantees task completion

B) Using technology automatically ensures deadlines are met without supervisor intervention

C) Demonstrating emotional intelligence maintains trust and honors psychological contracts

D) Applying general behavioral theories alone controls compliance without personal support

6. Applying behavioral theories in supply chain leadership helps managers influence team behavior using structured feedback and recognition.

A) True

B) False

7. A supply chain team uses collaborative software to plan inventory. Some members adapt immediately, while others are hesitant. Which best explains the situation?

- A) Historical supply chain practices fully predict adoption
- B) Only leadership style determines adoption of new tools
- C) Emotional labor alone explains why some adopt technology faster
- D) Group dynamics and technology adoption interact to affect participation and decision-making

8.is the assumption that a supplier will be late because of one past delay demonstrates:

- a) Confirmation bias
- b) Status quo bias
- c) Recency bias
- d) Framing effect

9. A supply chain manager uses historical data to anticipate shipment delays and adjust inventory levels proactively. Which statement best explains this action?

- A) Human judgment integrates historical knowledge and current operational conditions to improve decision-making
- B) Technology alone ensures accurate predictions
- C) Emotional intelligence automatically prevents errors
- D) Leadership power dictates inventory adjustments

10. A team member selects a supplier simply because it is highly recognized, ignoring recent performance data. This demonstrates:

- a) Anchoring heuristic
- b) Recognition heuristic
- c) Representativeness heuristic
- d) Simulation heuristic

11. A supply chain manager has been working long hours preparing for an important audit. Due to stress and lack of sleep, they struggle to accurately recall supplier performance data, past delivery timelines, and recent order discrepancies. This difficulty in remembering and processing information is primarily influenced by:

- a) Emotional labor
- b) Cognition
- c) Perception
- d) Human judgment

- 12.** A procurement manager notices that she often favors certain suppliers without realizing why, even though objective data shows other suppliers could be better. She is unaware of the subtle preferences and past experiences influencing her choices. Which concept explains the hidden influence of past experiences and automatic preferences on the manager's decision-making?
- A) Conscious Thought
 - B) Conditioned Response
 - C) The Unconscious Mind
 - D) Bounded Rationality
- 13.** A procurement manager is given responsibility for approving supplier orders independently for the first time. She hesitates to make decisions on her own, constantly seeks approval for minor choices, and feels anxious when her recommendations are questioned. Which psychosocial stage best explains the manager's underlying challenge in developing confidence and independence in her decision-making?
- A) Trust vs. Mistrust
 - B) Autonomy vs. Shame and Doubt
 - C) Identity vs. Role Confusion
 - D) Industry vs. Inferiority
- 14.** A team divides tasks based on member strengths and communicates effectively. This is an example of:
- a) Strong group dynamics
 - b) Weak group dynamics
 - c) Emotional labor
 - d) HRM practice
- 15.** A procurement trainee is learning how to evaluate supplier performance. At first, she applies simple rules based on past experiences, like assuming a supplier is reliable if they delivered on time before. Later, she begins to analyze multiple factors, such as quality, cost, and lead time, and adapts her decision-making strategies based on new information. Which concept best explains the trainee's progression
- A) Stages of cognitive development in learning and adapting
 - B) Emotional intelligence in professional judgment
 - C) Classical conditioning of responses to suppliers
 - D) Behavioral reinforcement through rewards and penalties

16. A procurement manager, Jane, notices that whenever her main supplier fails to deliver materials on time, she immediately feels frustrated and stressed. After several late deliveries, even the supplier sending a routine email update about a shipment delay causes Jane to feel tense, even before seeing the actual delay. Match the following behavioral psychology concepts in this scenario:

1. Unconditioned Stimulus (US)
2. Unconditioned Response (UR)
3. Conditioned Stimulus (CS)
4. Conditioned Response (CR)

- A) US – Feeling tense; UR – Supplier fails to deliver; CS – Email update; CR – Frustration
B) US – Email update about shipment; UR – Feeling tense; CS – Supplier fails to deliver on time; CR – Frustration/stress
C) US – Supplier fails to deliver on time; UR – Frustration/stress; CS – Email update about shipment; CR – Feeling tense before seeing actual delay
D) US – Supplier fails to deliver; UR – Email notification; CS – Feeling tense; CR – Reaction to delay

17. Employee burnout from high workloads illustrates:

- a) Current behavioral issue
- b) Emotional labor
- c) Group dynamics
- d) Leadership style

18. A young procurement manager has recently joined a large, multi-department supply chain team. Despite having strong technical skills and being competent in managing supplier data, she finds herself hesitant to collaborate deeply with colleagues or share strategic ideas, often keeping her work isolated. Over time, this begins to affect her influence on team decisions and integration into key projects. Which stage of psychosocial development best reflects the manager's underlying challenge?

- A) Identity vs. Role Confusion
- B) Generativity vs. Stagnation
- C) Intimacy vs. Isolation
- D) Industry vs. Inferiority

- 19.** A new procurement manager notices that junior staff often follow the methods demonstrated by senior colleagues when negotiating with suppliers. She realizes that employees tend to adopt successful behaviors they observe, even without formal instructions or written procedures. Which concept best explains how employees are learning these behaviors?
- A) Innate cognitive development stages
 - B) Classical conditioning through rewards and punishments
 - C) Operant conditioning using reinforcement schedules
 - D) Learning through observation and modeling
- 20.** A customer service agent hides frustration while handling a difficult client. This demonstrates:
- a) Leadership power
 - b) Emotional intelligence
 - c) Emotional labor
 - d) Cognition
- 21.** Choose the option that best explains the concept. Employees expect career growth, fair treatment, and recognition beyond what is written in formal contracts.
- A) Employees' expectations are fully determined by HRM policies and formal rules.
 - B) Employees' behavior is shaped only by team interactions and group dynamics.
 - C) Employees' expectations reflect psychological contracts, including unwritten mutual obligations.
 - D) Employees' alignment with goals is determined primarily by technology adoption.
- 22.** Team members sabotage each other's work to gain recognition. This demonstrates:
- a) Organizational politics
 - b) Team leadership
 - c) Emotional intelligence
 - d) Cognition
- 23.** A manager involves staff in decisions and gives feedback. This is an example of:
- a) Autocratic leadership
 - b) Democratic leadership
 - c) Laissez-faire leadership

d) Transactional leadership

24. A procurement manager closely monitors her team's performance, sets clear rules and targets, and provides rewards or corrective feedback based on whether employees meet expectations. Which of the following captures this statement?

A) The manager inspires a shared vision, encouraging employees to take initiative and innovate beyond assigned tasks.

B) The manager focuses on maintaining structure by enforcing rules, tracking performance, and giving feedback or rewards based on results.

C) The manager allows employees to self-organize and make independent decisions with minimal oversight.

D) The manager primarily relies on team consensus and informal influence to guide actions.

25. Prioritizing delivery schedules based on intuition rather than analytics illustrates:

a) Human judgment in operations

b) Technology reliance

c) Cognition

d) Emotional intelligence

26. Motivating staff by emphasizing potential losses from poor performance demonstrates:

a) Prospect theory

b) Emotional intelligence

c) Leadership power

d) Framing effect

27. Employees collaborate more with colleagues who previously assisted them. This illustrates:

a) Social IOUs

b) Group dynamics

c) Emotional intelligence

d) HRM practice

28. Read the statement carefully and choose the option that best describes the managerial approach being applied. Managers want employees to consistently follow procurement procedures, not

by imposing strict rules or penalties, but by subtly changing how choices and reminders are presented to guide behavior.

- A) Managers strictly enforce compliance by monitoring every action and applying penalties for missed procedures, ensuring adherence through authority.
- B) Managers rely solely on financial rewards for correct behavior, hoping that positive reinforcement alone will change long-term habits.
- C) Managers use subtle modifications in the choice environment, such as prompts and reminders, to guide employees toward the desired behavior without restricting their freedom.
- D) Managers mandate frequent training sessions to repeatedly instruct employees on rules, assuming knowledge alone guarantees consistent compliance.

29. Mentoring employees to prepare them for higher responsibilities is:

- a) HRM development
- b) Psychological contract
- c) Leadership power
- d) Emotional intelligence

30. A procurement manager must estimate demand for a new product line and decides to adjust the automated forecast based on her experience with seasonal trends and supplier reliability. Which one describes this process?

- A) The manager relies solely on technology and automated systems without considering past experience.
- B) The manager uses random sampling methods to make distribution decisions.
- C) The manager applies human judgment to adjust forecasting and distribution decisions based on experience and contextual knowledge.
- D) The manager delegates all decisions to the supplier without evaluation.

SECTION B (select any **TWO** questions)

QUESTION TWO

- a) Using relevant examples, briefly explain **THREE** ways in which the behavioral supply chain psychology can influence human judgment in procurement and distribution. For each way, provide a specific example to illustrate your point. **(6 marks)**
- b) Identify and explain **THREE** strategies that could be used to reduce the impact of bias for a manager as he is making procurement decisions. Providing an example for each strategy.

(9 marks)

QUESTION THREE

- a) Explain **TWO** ways in which Nudge Theory can influence decision-making in supply chain management. Include practical examples for each application. (6 marks)
- b) Discuss **THREE** ways in which emotional intelligence can help managers recognize and manage unconscious motives and desires in supply chain teams. Provide one practical example for each point to illustrate your answer. (9 marks)

QUESTION FOUR

- a) Briefly discuss any **THREE** leadership styles that would affect a manager's decision-making style (6 marks)
- b) Assess **THREE** roles that organizational politics and culture would play in shaping decision-making and performance in supply chain teams. For each role include an example. (9 marks)

QUESTION FIVE

- a) Explain **THREE** ways in which psychological contracts in supply chains would impact organizational culture (6 marks)
- b) Analyze **THREE** negative behavioral issues that can affect supply chain efficiency. For each issue, suggest a strategy to address it. (9 marks)