



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: Monday, 9th December 2024

TIME: 13:00 - 15:00

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)

QUESTION ONE

PART I (MCQ)

1. What is the primary focus of psychology?
 - A. Leadership development in organizations
 - B. Understanding economic trends
 - C. The scientific study of behavior and mental processes
 - D. The analysis of technological trends
2. According to Carl Jung, individuals who prefer "Thinking" over "Feeling" in decision-making are more likely to:
 - A. Make decisions based on logic and objective analysis
 - B. Focus on personal values and how decisions impact others
 - C. Rely on intuition rather than facts
 - D. Avoid making any decisions

3. The cognitive bias where individuals rely heavily on the first piece of information encountered is called:
 - A. Anchoring bias
 - B. Loss aversion
 - C. Availability heuristic
 - D. Confirmation bias
4. Which of the following is an example of Emotional Labor in the workplace?
 - A. Applying logical reasoning to decision-making
 - B. Managing one's emotions in customer-facing roles
 - C. Completing tasks faster
 - D. Delegating tasks effectively
5. A supply chain manager decides to prioritize urgent tasks even though they aren't critical for long-term success. This behavior reflects a failure in which psychological principle?
 - A. Emotional labor
 - B. Prioritizing urgent over important tasks
 - C. Availability bias
 - D. Cognitive dissonance
6. Perception plays a critical role in supply chain decisions. Which of the following best explains why?
 - A. It eliminates bias in the decision-making process.
 - B. It ensures that all decisions are data-driven.
 - C. It determines how individuals interpret information, leading to potential misjudgments.
 - D. It helps in reducing team conflict.
7. Which of the following best describes a psychological contract in the context of supply chains?
 - A. An unwritten set of expectations between an employee and employer
 - B. A formal contract signed between stakeholders
 - C. A set of ethical guidelines for decision-making
 - D. An explicit agreement between a supplier and buyer

8. A warehouse manager often makes decisions without consulting his team, which leads to mistakes and frustration among staff. What type of leadership style should he develop to improve teamwork and collaboration?
- A. Autocratic
 - B. Democratic
 - C. Laissez-faire
 - D. Transactional
9. An operations manager in a manufacturing plant frequently feels overwhelmed due to the emotional demands of handling customer complaints. Which of the following practices would best help her manage emotional labor effectively?
- A. Ignoring customer complaints to reduce stress
 - B. Expressing her emotions openly to the customers
 - C. Developing emotional intelligence skills to manage her emotions
 - D. Delegating tasks to her subordinates
10. A supply chain leader has to announce unpopular changes to logistics processes. Which is the most effective approach?
- A. Blame the employees for the changes
 - B. Increase workloads without any explanation
 - C. Acknowledge the impact of the changes on employees' emotions and explain the reasons behind the decision
 - D. Ignore employees' feelings and focus on the technical details
11. How can the supply chain manager integrate both **heuristics** and **emotional labor** strategies to improve decision-making while maintaining team morale during periods of high stress?
- A. Rely solely on satisficing to make quick decisions and suppress emotional responses to reduce stress
 - B. Combine the satisficing heuristic to make timely decisions with emotional labor strategies like empathy and emotional regulation to maintain team motivation and morale
 - C. Ignore emotional labor and focus only on using heuristics to streamline decision-making
 - D. Use emotional labor to resolve all conflicts, disregarding any heuristic strategies for decision-making efficiency

12. What leadership style is Team Leader B exhibiting when she fosters collaboration and team spirit?
- A. Autocratic leadership
 - B. Transformational leadership
 - C. Transactional leadership
 - D. Laissez-faire leadership
13. Which of the following best describes how group dynamics influence decision-making in supply chain teams?
- A. Groups always make more effective decisions than individuals
 - B. Team dynamics can lead to either better decisions or groupthink, depending on how they are managed
 - C. Team decisions are always slower but more accurate
 - D. Group dynamics only matter in larger teams
14. A supply chain analyst wants to design a new system that reduces human error in inventory forecasting. What would be the most appropriate approach?
- A. Rely on emotional intelligence to manage errors
 - B. Implement an algorithm that eliminates human judgment in forecasting
 - C. Develop a team-based approach that combines data analysis with human input
 - D. Ignore forecasting altogether and focus on reactive decision-making
15. A supply chain manager is tasked with improving collaboration between different departments. What is the first step in developing a successful team dynamic strategy?
- A. Create more individual tasks for employees
 - B. Assess the current team dynamics and identify areas for improvement
 - C. Set up competition between teams to increase motivation
 - D. Develop a hierarchy with strict rules for communication
16. Evaluate the following statement: “The use of cognitive biases always leads to poor decision-making in supply chain management.”
- A. True
 - B. False

17. A supply chain executive must decide whether to implement a new technology in procurement. What is the most important factor to consider when evaluating this decision?
- A. Whether the technology is popular in the industry
 - B. The financial costs and benefits of the new technology
 - C. How quickly the technology can be implemented
 - D. Whether competitors are using the same technology
18. A company is facing repeated delays in its supply chain due to human errors in forecasting. What should the manager evaluate first?
- A. The performance of forecasting software
 - B. The level of emotional intelligence among the staff
 - C. The role of team dynamics in decision-making processes
 - D. The level of trust between suppliers and buyers
19. Emotional labor in supply chain management refers to the physical effort of managing logistics.
- A. True
 - B. False
20. Psychological contracts in supply chains are formal, written agreements that outline specific duties and responsibilities.
- A. True
 - B. False

PART II (Essay Question)

- a) Discuss **three** roles that emotional intelligence plays in managing a supply chain team.

(6 marks)

- b) What are the **two** ways the Prospect Theory can be applied to improve decision-making in organizational settings.

(4 marks)

TOTAL 15 MARKS

SECTION B (select any two questions)

QUESTION TWO

A supplier is experiencing decreased motivation after not receiving expected support from a buyer.

- a. Evaluate **three** potential impacts of this situation on the supplier-buyer relationship. **(9 marks)**
- b. As a consultant, propose three strategies to restore trust in the relationship. **(6 marks)**

TOTAL 15 MARKS

QUESTION THREE

- c) A supply chain manager is dealing with high-stress levels and team conflicts during a supply chain decision making.
- i. What **three** strategies can you use to address the situation? **(6 marks)**
- ii. Discuss **three** ways of how implementing these strategies could improve team morale and overall project outcomes. **(9 marks)**

TOTAL 15 MARKS

QUESTION FOUR

- a) Analyze **three** roles of heuristics in decision-making within supply chain management. **(9 marks)**
- b) Write short notes on the following and include relevant examples for each
- i. Availability Heuristic
- ii. Anchoring Heuristic
- iii. Representativeness Heuristic **(6 marks)**

TOTAL 15 MARKS

QUESTION FIVE

- a) A team is experiencing frequent and unproductive behaviors during supply chain management tasks. Evaluate **three** potential influences of Skinner's operant conditioning theory and **three** potential influences of Pavlov's classical conditioning theory on these behaviors. **(9 Marks)**
- b) Explain **three** ways leadership affects HR management practices. **(6 marks)**

TOTAL 15 MARKS