



STRATHMORE BUSINESS SCHOOL
BACHELOR OF SCIENCE IN SUPPLY CHAIN AND OPERATIONS MANAGEMENT
END OF SEMESTER EXAMINATION
SCM 4207: SUPPLY CHAIN ETHICS AND DUE DILIGENCE

DATE: Tuesday, 10th December 2024

TIME: 10:30 – 12:30

Instructions

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

Question One

(30marks)

Brookfield, a global manufacturer of household goods prides itself on quality and growing customer base across the Greater lakes region. The company has however experienced challenges managing its complex supply chain in a globalized environment. Key concerns have been raised with regards to ethical breaches and vendor quality, factors which may negatively affect Brookfield's brand in the regional market and negatively affect its performance.

To ensure compliance with global ethics and due diligence practices, the Supply Chain Director has embarked on departmental sensitization sessions covering various aspects of ethical supply chain and due diligence, part of which includes governance and ethical standards, ethical principles and corporate social responsibility among others.

- a). Briefly discuss the below principles of ethical supply chain as may apply to Brookfield.

(4 marks)

 - i. Transparency
 - ii. Accountability
 - iii. Sustainability
 - iv. Equity and Fairness
- b). Discuss **THREE** benefits that the company stands to gain by practising ethical supply chain.

(6 marks)
- c). Explain in brief at least **FIVE** principles that make up ethical supply chain. **(10 marks)**

d). Discuss at least **FIVE** key components of a company's code of conduct. **(10 marks)**

Question Two **(15 marks)**

Breach of ethics in supply chain has negatively impacted public perception towards the profession. Governments and other agencies involved in regulation of the supply chain function have therefore generated legislations to ensure that supply chain functions are ethically undertaken across the public sector.

In light of the above, briefly discuss any **five** legislations/laws developed in Kenya to enhance ethical standards across the country's public sector supply chain function.

Question Three **(15 marks)**

Discuss **FIVE** possible areas of conflicts/disputes in supply chain and propose measures how the same can be resolved or mitigated against.

Question Four **(15 marks)**

Fraud remains one of the key ethical breaches in Kenya's public procurement functions. Briefly outline and describe **five** forms of fraud that can be considered as ethical breaches in a firms supply chain department.

Question Five **(15 marks)**

Resolving disputes among stakeholders in supply chains can be a daunting task due to various barriers or hindrances. Discuss at least **FIVE** challenges experienced in resolution of such conflicts.