



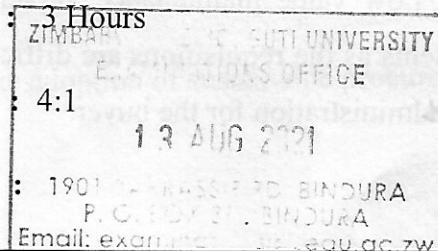
ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING

DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT

EXAMINATION PAPER

COURSE CODE : CPS 403
COURSE TITLE : SUSTAINABLE PROCUREMENT
SPECIAL REQUIREMENTS : NO SPECIAL REQUIREMENTS
DURATION : 3 Hours
LEVEL : 4:1
DATE : 13 AUG 2021



INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue.
2. Answer question **ONE** and any **THREE (3)** questions.
3. Begin each question on a new page.
4. The number of marks for each question or part question is shown in brackets []
5. Use of practical examples where necessary is encouraged

Question 1

CASE STUDY - THE PROTECTIVE EQUIPMENT COMPANY

Introduction The Protective Equipment Company (PEC) is a medium-sized enterprise in the private sector. PEC manufactures and sells a range of protective work-wear and equipment which is designed to withstand the most hazardous working conditions. The products are made to extremely high quality standards and PEC constantly updates its products to reflect different operating environments and health and safety at work requirements. New product development is often focused primarily on technical excellence rather than profitability.

Procurement Activities

The current buyer at PEC has been in the position for six months having been promoted from purchasing assistant when the previous buyer retired. Due to her limited experience combined with the complexity of the product range and the need for high levels of quality, she has found it difficult to influence sourcing strategy. Formal procurement procedures and systems at PEC are very limited. Currently, the buyer waits to receive a requisition from the production function to place orders for equipment, materials and products. This means that orders are usually urgent and the buyer has little opportunity to review alternative suppliers or sourcing approaches. Low value maintenance, repair and operations (MRO) requirements cause particular problems as the requisitions are difficult to aggregate. This causes excessive and time-consuming administration for the buyer.

Testing requirements

Pressure testing machinery used for testing the quality of seams in the protective work-wear is nearing the end of its life and will soon require replacement. Product testing is essential to confirm final quality of manufacture and conformance to industry standards. The test equipment is highly specialised and will be costly to replace. Also, recent machine maintenance highlighted both the cost and the long lead times of the MRO items required to keep the machine operational. If the equipment is not replaced, the test work will need to be outsourced to a facility specialising in this type of service provision.

N.B The information in this case study is purely fictitious. Any resemblance to any organisation is purely coincidental. This has been prepared for assessment purposes only.

Question 1

(a) Explain how the procurement professional at Protective Equipment Company (PEC) could introduce a sustainable procurement policy. **(15 Marks)**

(b) Discuss how the procurement professional could mitigate the challenges at PEC for the sustainable procurement policy to be successful. **(10 Marks)**

Question 2

a) Discuss the following sustainability factors in relation to sustainable procurement;

(i) Social **(5 Marks)**

(ii) Economic **(5 Marks)**

(iii) Environmental **(5 Marks)**

b) Explain why it is difficult to achieve all the above factors at one goal citing relevant examples. **(10 Marks)**

Question 3

Sustainable Procurement is a topical issue in developed countries. How relevant is the concept of sustainable procurement in developing countries like Zimbabwe? **(25 Marks)**

Question 4

Explain the role of the following to the adoption of sustainable procurement;

a) Consumer preference **(5 Marks)**

b) Competitors **(5 Marks)**

c) Costs **(5 Marks)**

d) Media **(5 Marks)**

e) Supply chain influence **(5 Marks)**

Question 5

Examine why procurement staff are particularly well positioned to act as change managers for sustainability. **(25 Marks)**

END