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FACULTY OF LAW, BUSINESS INTELLIGENCE AND
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DEPARTMENT OF ECONOMICS, MARKETING, AND ENTREPRENEURSHIP
EXAMINATION PAPER

MODULE CODE : CPS 423
MODULE TITLE : E- Procurement
SPECIAL REQUIREMENTS : None
DURATION : 3 Hours
LEVEL : 4.2
DATE : 02 APR 2025 07 APR 2025

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue
2. Use of silent, non-programmable calculators is allowed
3. Answer ALL questions in Section A and any three (3) questions in Section B.
4. The number of marks for each question or part question is shown in brackets []
5. Begin each answer on a new page.
6. **DO NOT OPEN THIS PAPER UNTIL THE INVIGILATOR INSTRUCTS YOU.**

Section A

Case Study: Boosting Efficiency with E-procurement - Acme Corporation

Background: Acme Corporation, a mid-sized manufacturing company, struggled with an outdated and inefficient procurement process. Manual tasks, paper-based approvals, and limited visibility into spending led to delays, errors, and high costs. To address these challenges, Acme decided to implement an e-procurement solution. Acme selected a cloud-based e-procurement platform with features like e-catalogues, online sourcing, automated workflows, and supplier management too. The project involved data migration, user training, and integration with existing systems. Change management initiatives were implemented to encourage adoption.

Acme achieved a 15% reduction in procurement costs through improved efficiency, better pricing negotiations, and reduced paper usage. The time to process a purchase order decreased by 50%, and approvals were streamlined through automated workflows. Real-time visibility into spending and supplier performance enabled better decision-making. Online communication and collaboration tools improved relationships with suppliers. Ensuring data accuracy and completeness during migration was crucial. Change management efforts helped overcome resistance and encourage user engagement. There was a challenge with suppliers as not all suppliers were initially equipped for e-procurement, requiring ongoing support and training.

Question 1

- a. What were the key factors driving Acme's decision to implement e-procurement?
[6 marks]
- b. What specific functionalities of the e-procurement platform contributed most to cost savings and efficiency gains?
[6 marks]

- c. What strategies did Acme use to encourage user adoption and overcome resistance to change? [7 marks]
- d. How did e-procurement impact Acme's relationship with its suppliers? [6 marks]

SECTION B (choose any three questions from this section)

QUESTION 2

E-procurement is new in third world countries. What are the future challenges and opportunities for e-procurement? [25 marks]

QUESTION 3

- a. Discuss the role of artificial intelligence in e-procurement? [10 marks]
- b. Explain the key considerations for ensuring data security in e-procurement? [10 marks]
- c. What are the ethical considerations of e-procurement, especially regarding supplier relations? [5 marks]

QUESTION 4

E-procurement is a good tool used to manage risk in the supply chain? Critique this statement. [25 marks]

QUESTION 5

"E-procurement can be used as an effective tool in the Supply Chain Management."
Outline how the success of an e-procurement implementation can be measured?

[25 marks]