



MACHAKOS UNIVERSITY

University Examinations for 2022/2023 Academic Year

SCHOOL OF BUSINESS, ECONOMICS AND HOSPITALITY AND TOURISM

MANAGEMENT

DEPARTMENT OF BUSINESS ADMINISTRATION AND FINANCE

THIRD YEAR SECOND SEMESTER EXAMINATION FOR

BACHELOR OF COMMERCE (PROCUREMENT AND SUPPLY CHAIN

MANAGEMENT OPTION)

BMS 321: SUPPLIER QUALITY MANAGEMENT

DATE:

TIME:

INSTRUCTIONS

This paper consists of FIVE questions

Answer question one and other two questions in this paper

Hitting the right notes: Santa Cruz Guitar Co

For companies further removed from the long-term satisfaction of customers, it's easier to let quality control slide. Yet there are plenty of ways in which growing manufacturers can pursue both quality and sales volumes simultaneously. Artisan instrument makers the Santa Cruz Guitar Co (SCGC) prove a salient example. Although the California-based company is still a small-scale manufacturing operation, SCGC has grown in recent years from a basement operation to a serious business.

Owner Dan Roberts now employs 14 expert craftsmen, who create over 800 custom guitars each year. In order to ensure the continued quality of his instruments, Roberts has created an environment that improves with each sale. To keep things efficient (as TQM must), the shop floor is divided into six workstations in which guitars are partially assembled and then moved to the next station. Each bench is manned by a senior craftsman, and no guitar leaves that builder's station until he is 100 percent happy with its quality. This product quality is akin to a traditional assembly line; however, unlike a traditional, top-to-bottom factory, Roberts is intimately involved in all phases of instrument construction.

Utilising this dotting method of quality management, it's difficult to see how customers wouldn't be satisfied with the artists' work. Yet even if there were issues, Roberts and other senior management also spend much of their days personally answering web queries about the instruments. According to the managers, customers tend to be pleasantly surprised to find the company's senior leaders are the ones answering their technical questions and concerns. While Roberts has no intentions of taking his manufacturing company to industrial heights, the quality of his instruments and high levels of customer satisfaction speak for themselves; the company currently boasts one lengthy backlog of orders

QUESTION ONE (30 MARKS)

- a) Evaluate FIVE quality control tools that could be adopted in an organization to manage supplier quality. (10 marks)
- b) Discuss FIVE measures that may be used in the above organizations to enhance control quality. (10 marks)
- c) Describe the five stages that may be involved in the case above to maintain quality by use of the Six Sigma maintenance process. (10 marks)

QUESTION TWO (20 MARKS)

- a) Highlight the principles that should guide a supply chain manager in a specification writing exercise. (10 marks)
- b) Inspection is critical in organizational efforts to control quality. Explain the challenges of inspection in an organization. (10 marks)

QUESTION THREE (20 MARKS)

- a) The use of sample is an alternative method of specifying quality to suppliers. Highlight the circumstances which would favour the use of this method. (10 marks)
- b) Explain the factors that would lead to the preference of whole batch inspection as opposed to sampling inspection of materials. (10 marks)

QUESTION FOUR (20 MARKS)

- a) Shiego Shingo, a Japanese JIT authority identifies seven wastes as the targets of continuous improvement in production process. Highlight six of these wastes. (12 marks)
- b) Explain the challenges that an organization which is ISO 9001 certified is likely to face in its pursuit to retain the certification. (8 marks)

QUESTION FIVE (20 MARKS)

You have been approached by Dimple Company limited as a consultant in quality management.

- a) Advise the management on the limitations of Value Analysis (VA) investigations. (10 marks)
- b) Describe the procedure the management of Dimple can follow to have the company ISO certified. (10 marks)