

# School of Business

MBA  
ETE - May 2023

Time : 3 Hours

Marks : 50

## Sem IV - MBOP6013 - Sourcing Management

*Your answer should be specific to the question asked*

*Draw neat labeled diagrams wherever necessary*

1. Illustrate Insourcing concept with example K2 CO1 (2)
2. Illustrate zero sum negotiation K2 CO2 (2)
3. Examine the benefit of quantitative method of supplier selection K4 CO3 (2)
4. List any four pricing strategies in international sourcing K4 CO4 (2)
5. Analyze the importance of network diagram in project procurement K4 CO5 (2)
6. Analyze the various benefits and challenges for outsourcing (discuss it in the context of an IT/IT enabled business) K4 CO1 (5)
7. Examine the various competitive and cooperative strategies in negotiation K4 CO2 (5)
8. Assess the relevance of Triple Bottom Line concept of sustainable sourcing K5 CO5 (6)
9. Robert fisk, General Manager for MasTech Inc. of Detroit, Michigan was preparing for a meeting. MasTech is a multinational Fast-Moving Consumer Goods (FMCG) company is looking for new suppliers to help reduce costs and improve the efficiency of their supply chain. The company operates in over 50 countries and produces a range of food and household products that are sold in supermarkets and convenience stores around the world. The company is looking to source products from suppliers in Asia, specifically from countries like China and Vietnam. However, the company is concerned about the quality of the products and the reliability of the suppliers. They need to identify reliable suppliers who can provide high-quality products at a reasonable cost.  
To identify the right suppliers, MasTech Inc takes the following steps:  
Step 1: Supplier Identification: The company uses a variety of methods to identify potential suppliers, including online directories, trade shows, and industry associations. They create a list of potential suppliers and evaluate them based on their size, experience, and reputation.  
Step 2: Prequalification: The company conducts a prequalification process to assess the potential suppliers' ability to meet their requirements. The prequalification process involves reviewing the suppliers' capabilities, financial stability, and technical expertise.  
Step 3: Request for Proposal (RFP): The company issues a Request for Proposal (RFP) to the selected suppliers. The RFP contains detailed information about the product specifications, delivery requirements, and pricing. The suppliers are required to submit a proposal that outlines their capabilities, pricing, and delivery timelines.  
Step 4: Evaluation: The company evaluates the proposals received from the suppliers. They assess the suppliers' ability to meet the product specifications, pricing, and delivery timelines. They also consider the suppliers' financial stability, technical expertise, and past performance.  
Step 5: Negotiation: The company negotiates with the selected suppliers to finalize the terms of the agreement. The negotiation process involves discussing pricing, delivery timelines, and quality standards.  
Step 6: Contracting: Once the terms of the agreement have been finalized, the company signs a contract with the selected suppliers.  
**Question:**  
Evaluate the above scenario and assess the various criteria that Mr. Robert fisk considered to identify reliable suppliers for their products from Asia?  
Mention the challenges to select a foreign supplier in the context of FMCG Company
10. Examine the various pricing methods in sourcing management and also mention the internal and external factors affecting the pricing decisions K5 CO4 (8)
11. Some organizations have historically appeared to believe that they need not involve their procurement professionals in the acquisition of capital equipment. In such cases, engineers and production staff have tended to be closely involved. Procurement staff were drawn in simply to sign the contract or get a discount. Assess this statement and elaborate how capital procurement practices are different with conventional procurement? K6 CO5 (8)