



FACULTY OF BUSINESS MANAGEMENT
END OF SEMESTER EXAMINATIONS - APRIL 2025

PROGRAMME: MBA

YEAR/SEM: YEAR 2/SEMESTER 1

COURSE CODE: MBA 853

NAME: E- PROCUREMENT AND E-SUPPLY CHAIN

DATE: 2025-04-17

TIME: 2:00-5:00PM

INSTRUCTIONS TO CANDIDATES:

1. Read the instructions very carefully
2. The time allowed for this examination is STRICTLY three hours
3. Read each question carefully before you attempt and allocate your time equally between all the Sections
4. Write clearly and legibly. Illegible handwriting cannot be marked
5. Number the questions you have attempted
6. Use of appropriate workplace examples to illustrate your answers will earn you bonus marks
7. Any examination malpractice detected will lead to automatic disqualification.

DO NOT WRITE ANYTHING ON THE QUESTION PAPER

Section A Section. A is Compulsory

Question 1:

Mini Case Study: Online gambling business

If reaching a critical mass of customers is a prerequisite for success in e-business then the online gambling industry has succeeded in spectacular fashion. In a survey carried out by YouGov, research reveals that there are some four million Britons using the internet for gambling purposes. Between 30% and 40% of these are female aged between 18 and 29. Of all the gambling sites available, online poker has experienced the biggest growth. There are an estimated 256 online poker rooms operating on the internet and they generate some £2.3 million commission on a daily basis for their owners. The top online poker site is PartyPoker.com (www.PartyPoker.com) with a market share of about 50%. Its main rival is ParadisePoker.com (www.ParadisePoker.com) an online poker website that was bought by Sportingbet (a subsidiary of the Hilton Group) for \$297 million in 2004. In 2004, online gamblers lost a total of £4.1 billion (The Sunday Times, 2005).

Poker websites receive revenue from collecting a "rake" from each pot of cash that gamblers feed into. This usually amounts to between 1% and 3% of the total cash gambled. Online gambling sites are successful because they meet all the economic and psychological factors necessary to attract and retain customers: customers are in control of their spending (some people may develop an addiction to gambling but most control their spending habits); the activity offers the potential for making money (greed and avarice are powerful motivators in the human condition); there is no face-to-face contact with other gamblers (customers value their anonymity); and the online gambling experience provides a thrill to participants, albeit usually fleeting.

There is also an element of network externalities at play in the online gambling environment. The amount of money available for 106 Introduction to E-business Chapter 4winning gamblers is dependent on the number of participants. The more people who play the greater the potential rewards for winning. This acts as a powerful attraction to gamblers who seek the highest returns on their "investment". The more players who participate the better the service, and better service is likely to attract more players. This dynamic accounts for the huge growth in gambling sites across the world in the last few years. By 2005, the phenomenal growth of online gambling recorded since 2000, started to level off. This led the big operators to look at ways in which the online gambling concept can be extended. To this end, the future is likely to involve gambling on interactive television. UK bookmakers William Hill have already experimented with their own digital television station, showing greyhound racing and offering interactive games such as roulette

Required

- a) Today, online gambling is spreading like wild fire. Why has the online gambling industry succeeded? [support your answers with evidence from the case study] (10 marks)
- b) As a student of e-procurement management, how would you extend the concept of e-business and ensure its sustainability in your business organization. (10 marks)

- c) Drawing your inferences from the mini case study. Discuss the network externalities of e-business to the economy of your country. (10 marks)
- d) Discuss the model that is appropriate for online gambling and propose its implication to the gambling business (10 marks)

Section B Answer any THREE Questions

Question 1:

- a) What factors would you consider when evaluating the best software provider? (10 marks)
- b) Discuss the process you would follow to select the best procurement software vendor (10 marks)

Question 2:

E-Procurement can rarely be a total success because it depersonalizes the procurement process. The absence of personal contact can lead to misunderstandings and weaken relationships. Why is this view held by most procuring and disposal entities? (20 marks)

Question 3:

- a) a) Prepare a flow chart showing how the same activities would be done under e-procurement (10 marks)
- b) Assess e-procurement organizational suitability using the EPOS method (10 marks)

Question 4:

- a) Assess the impact of e-tendering on buying organizations and providers (10 marks)
- b) Examine the influence of artificial intelligence on internal and external procurement environment (10 marks)

Question 5:

The application of information technology (IT) can have a significant impact upon the management of the supply chain in general and a profound effect upon the procurement function in particular. Discuss the extent to which you agree with this statement with reference to the impact of IT on both the management of the supply chain and the procurement function. (20 marks)

Question 6:

- a) Explain the alternative models to e-procurement implementation in the public sector (10 marks)
- b) Discuss the risks and costs associated with e-procurement implementation in a business firms (10 marks)