



UNIVERSITY EXAMINATIONS

SECOND SEMESTER 2023/2024 ACADEMIC YEAR

**FOURTH YEAR EXAMINATION FOR THE DEGREE OF
BACHELOR OF COMPUTER SCIENCE AND
BACHELOR OF SCIENCE IN (ICT)**

BICT 423: BUSINESS PROCESS OUTSOURCING

STREAM: R

TIME: 2 HRS

DAY: FRIDAY [2.30 – 4.30 P.M]

DATE: 12/04/2024

THIS QUESTION PAPER CONSISTS OF THREE (3) PAGES

PLEASE DO NOT OPEN UNTIL THE INVIGILATOR SAYS SO.

INSTRUCTIONS: ANSWER QUESTION ONE AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a. What is the primary objective of Business Process Outsourcing (BPO), and how does it differ from traditional outsourcing? **(2 Marks)**
- b. Explain the concept of core and non-core processes in the context of BPO strategic planning. **(4 Marks)**
- c. What criteria should organizations consider when selecting BPO vendors for outsourcing partnerships? **(8 Marks)**
- d. Discuss change management strategies for facilitating smooth transitions in BPO implementations. **(6 Marks)**
- e. How can organizations effectively manage vendor relationships and performance in BPO partnerships? **(6 Marks)**
- f. Define back office, front office, and hybrid BPO models, providing examples of functions typically outsourced under each. **(6 Marks)**

QUESTION TWO (20 MARKS)

- a. What are the key drivers prompting organizations to adopt BPO strategies, and how do these drivers vary across industries? **(6 Marks)**
- b. How does BPO contribute to organizational agility and flexibility in responding to market demands? **(3 Marks)**
- c. Describe the impact of globalization on the growth of the BPO industry in different regions of the world. **(8 Marks)**
- d. 8. Analyze the benefits and challenges associated with implementing BPO initiatives within organizations. **(6 Marks)**
- e. How does technological advancement influence the evolution of BPO practices and service offerings? **(7 Marks)**

QUESTION THREE (20 MARKS)

- a. Define strategic objectives for outsourcing and discuss their alignment with organizational goals and priorities. Use Safaricom as your example. **(4 Marks)**



- b. Identify potential risks associated with BPO initiatives and develop strategies for mitigating these risks. **(4 Marks)**
- c. How can organizations evaluate the effectiveness of their strategic plans for BPO implementation? **(4 Marks)**
- d. Analyze the impact of regulatory compliance requirements on strategic planning for BPO in the Kenyan context. **(8 Marks)**

QUESTION FOUR (20 MARKS)

- a. Explain the significance of contractual agreements, in BPO relationships. Use examples **(6 Marks)**
- b. How can organizations assess the cultural fit and alignment of BPO vendors with their organizational values and objectives? **(6 Marks)**
- c. Evaluate the role of vendor performance metrics in evaluating and managing BPO relationships. **(4 Marks)**
- d. How do organizations navigate challenges related to vendor transition and onboarding in BPO partnerships? **(4 Marks)**

QUESTION FIVE (20 MARKS)

- a. Given a scenario of a manufacturing company, identify a specific business process that could be suitable for outsourcing and justify your choice. **(6 Marks)**
- b. Apply the concept of BPO to a real-world example, discussing how it has positively impacted the efficiency of a specific industry. **(8 Marks)**
- c. Propose a strategy for a retail organization looking to outsource its inventory management, considering potential challenges and benefits. **(6 Marks)**

