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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
FIRST YEAR, SECOND SEMESTER EXAMINATION
FOR THE DIPLOMA IN BUSINESS ADMINISTRATION
DPS 1107 SUPPLY AND TRANSPORT MANAGEMENT

Date: 7TH AUGUST 2024

Time: 11:30AM – 1:30PM

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Most major companies and even government organizations have a purchasing/ procurement department as part of everyday operations calling for a liaisons and comprehensive communication strategy. Relationship between supply department and other departments, Selection, evaluation and appraising stakeholders are among important parts of such organizations/companies striving to succeed.
- i) Identify and explain any THREE key departments and areas of liaison/relations with supply department in a manufacturing company. (6 Marks)
 - ii) Identify and explain THREE key stakeholders in a manufacturing company and their responsibilities. (6 Marks)
 - iii) Discuss the responsibilities of a purchasing manager in an organization. (8 Marks)
 - iv) Vendor selection is a systematic criterion guided by principles, standard operating procedures and policies to achieve profit maximization and customer satisfaction. Highlight any five guiding principles in purchasing. (5 Marks)
- b) Define the following terms & abbreviations as used in supply and transport management; Material preservation, PPEs, ABC analysis, distribution channel. (5 Marks)

QUESTION TWO (20 MARKS)

Businesses in nearly every industry, from construction to life sciences, from engineering to manufacturing, use a transportation management system, spending millions annually on freights.

Required:

- i) Discuss the benefits businesses enjoy from incorporating a Transport Management System into their supply chains. (5 Marks)
- ii) Highlight the responsibilities of a transport manager in an organization. (5 Marks)
- iii) Discuss the role of Information Technology in supply and transportation management. (5 Marks)
- iv) What are the factors you would consider selecting a rail mode of transport over a road mode of transport? (5 Marks)

QUESTION THREE (20 MARKS)

Receiving and inspection is the process of verifying that goods or materials that have been received match the purchase order or other documentation and meet the required specifications.

Required:

- i) Identify any FOUR documents that can be used in the above process. (6 Marks)
- ii) Other than the above process, identify and explain THREE other ways to manage expiries, surplus, obsolescence or deterioration. (6 Marks)
- iii) Define the term specification? (3 Marks)
- iv) Inventory is a necessary evil, explain the reason why it is important to have inventory. (5 Marks)

QUESTION FOUR (20 MARKS)

- a) Transport Licensing Act Cap 404 laws of Kenya serves as a significant legal framework for logistics and supply chain management in Kenya particularly concerning the regulation of transportation services and licensing requirements for operators in the sector. Identify at least 4 regulating institutions and their responsibilities. (8 Marks)
- b) Compliance is the cornerstone of good governance and responsible business conduct in today's complex and interconnection. Discuss the importance of compliance. (6 Marks)
- c) Empowering your business through legal expertise involves leveraging the knowledge and guidance of legal professionals to navigate legal complexities and mitigating risks. Discuss the strategies for ensuring compliance. (6 Marks)

QUESTION FIVE (20 MARKS)

A purchasing cycle is a systematic process involving multiple steps and that helps organizations to find and obtain goods and services.

Required:

- i) What are the steps to be followed to achieve the above benefit? (8 Marks)
- ii) Identify and explain the supplier sources of information. (6 Marks)
- iii) Explain the factors to consider when selecting a supplier in an organization. (6 Marks)