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KIRIRI WOMEN'S UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
FIRST YEAR, SECOND SEMESTER EXAMINATION
FOR THE DIPLOMA IN PROCUREMENT & SUPPLIES
MANAGEMENT
DPS 1201: SUPPLIES MANAGEMENT

Date: 3RD DECEMBER, 2024
Time: 2.30PM-4.30PM

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Examine the relationship between the supplies department and the production department in an organization, highlighting how their collaboration contributes to achieving the common goals of the organization
(6 Marks)
- b) Supply management refers to the process of managing the flow of goods, services, and information from suppliers to the final customer. Examine the importance of supply management department in an organisation.
(6 Marks)
- c) Examine why organisations keep, goods, materials, or products in a designated space until they are needed for use, distribution, or sale.
(6 Marks)
- d) Matching supply and demand involve finding the right balance between production or stock levels and consumer needs. Examine the need for this balance.
(6 Marks)
- e) A consultant has been hired by PEPEA Company Limited to audit the efficiency of its inventory control systems. Examine the key performance indicators (KPIs) and metrics that the consultant can use to complete this task.
(6 Marks)

QUESTION TWO (20 MARKS)

- a) The store manager at Kilo Company has noted a rise in the loss of goods due to theft within the company's storage system. Suggest strategies that the company can implement to curb this problem
(6 Marks)
- b) Evaluate the advantages that air transport offers for the efficient supply of materials in today's business environment
(6 Marks)
- c) Examine the importance of reverse logistics in modern firms within supply chain management.
(8 Marks)

QUESTION THREE (20 MARKS)

- a) Many organizations in Kenya have refrained from embracing material handling systems due to the difficulties in establishing these systems; explain the challenges they encounter **(6 Marks)**
- b) Evaluate the benefits of implementing a fixed order point system in an organization's inventory management strategy. **(6 Marks)**
- c) Explain the types of logistics and how organizations apply them in their operations **(8 Marks)**

QUESTION FOUR (20 MARKS)

- a) Proper packaging serves as a vital communication tool between manufacturers and consumers, conveying essential information that guides purchasing decisions. Explain the types of information the end user is likely to get from it **(6 Marks)**
- b) Explain the key components of a logistics system and their roles in ensuring effective supply chain management. **(6 Marks)**
- c) The transport function plays a critical role in promoting economic development in Kenya. Examine the role of transport function in this respect. **(8 Marks)**

QUESTION FIVE (20 MARKS)

- a) Explain why many organizations prefer to outsource some of their activities in supply management **(6 Marks)**
- b) Material handling involves the use of equipment, systems, and processes to safely and efficiently move materials and products from one location to another. Discuss some of the equipment that aids in this activity. **(6 Marks)**
- c) You have been promoted to the position of inventory manager, and one of the key changes you plan to implement is the use of Just-In-Time (JIT) inventory management. Explain the benefits that the organization will gain from adopting this concept. **(8 Marks)**