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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2023/2024 ACADEMIC YEAR
THIRD YEAR, FIRST SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

Date: 17th April, 2023
Time: 8.30am –10.30am

KPS 302 - MATERIALS MANAGEMENT

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

CASE STUDY: MATERIALS MANAGEMENT IN SUPPLY CHAIN

SAVANNA Corporation is a global manufacturing company that specializes in the production of consumer electronics. The company sources raw materials from different countries, including China, Japan, and South Korea. The materials are then shipped to the company's manufacturing facilities located in various countries, including Kenya, China, Malaysia, and the United States of America.

The company's materials management team is responsible for ensuring that the right materials are available at the right time and in the right quantity. The team works closely with suppliers to ensure timely delivery of raw materials and manages inventory levels to prevent stock outs or excess inventory.

To improve its materials management process, **SAVANNA** Corporation implemented an advanced planning and scheduling (APS) system that uses data analytics to forecast demand and optimize inventory levels. The system provides real-time visibility into inventory levels, production schedules, and supplier performance.

As a result of the implementation of the APS system, the company was able to reduce its inventory carrying costs by 25% and improve its order fulfillment rate by 15%. The system also helped the company to identify potential supply chain disruptions and take proactive measures to mitigate them.

Questions:

- a) Discuss why production planning is important to SAVANNA Corporation in ensuring that right materials are available at the right time and in the right quantity. (5 Marks)
- b) Explain the Factors that SAVANNA Corporation will consider when choosing a new warehouse location in Kenya. (5 Marks)
- c) In carrying out Production Planning at Savanna Corporation, explain the Key stakeholders in the SAVANNA Corporation production planning process. (5 Marks)
- d) Explain the advantages of Demand Forecasting to the SAVANNA Corporation supply chain processes. (5 Marks)
- e) Discuss the documentation used in inspection of incoming goods. (5 Marks)
- f) Discuss the different ways in which SAVANNA Corporation can maintain the purchasing records. (5 Marks)

QUESTION TWO (20 MARKS)

- a) Discuss the limitations of Production Planning. (10 Marks)
- b) Explain at least five factors to consider in stores design. (5 Marks)
- c) Discuss the activities that take place in a warehouse. (5 Marks)

QUESTION THREE (20 MARKS)

- a) Discuss the functions of a warehouse. (10 Marks)
- b) Explain the principles of stores design. (5 Marks)
- c) Discuss the objectives of Production Planning. (5 Marks)

QUESTION FOUR (20 MARKS)

- a) Discuss the factors that influence Demand planning. (10 Marks)
- b) Discuss the different Categories of receiving of goods into a warehouse. (5 Marks)
- c) Discuss Emerging trends in warehousing. (5 Marks)

QUESTION FIVE (20 MARKS)

- a) Explain the Inspection and receiving procedure of incoming goods and services. (10 Marks)
- b) Discuss the factors to consider in stores design. (5 Marks)
- c) Explain the factors to consider in receiving of goods. (5 Marks)