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KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY
UNIVERSITY EXAMINATION, 2024/2025 ACADEMIC YEAR
FOURTH YEAR, SECOND SEMESTER EXAMINATION
FOR THE DEGREE OF BACHELOR OF SCIENCE
(BUSINESS ADMINISTRATION)

SPECIAL EXAMINATION

Date: 14th August, 2024
Time: 2.30pm – 4.30pm

KPS 404 CONTEMPORARY ISSUES IN INVENTORY MANAGEMENT

INSTRUCTIONS TO CANDIDATES

ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS

QUESTION ONE (30 MARKS)

- a) Explain five various costs incurred when holding inventories in an organization
(5 Marks)
- b) Differentiate between process auditing and stock rotation.
(4 Marks)
- c) Explain four advantages of inventory management software in a supply chain organization.
(4 Marks)
- d) Clearly differentiate between codification and classification of materials
(4 Marks)
- e) Explain four ways of preventing a whiplash effect supply chain when managing Inventories.
(4 Marks)
- f) Discuss five reasons why inventory management is important in an organization
(5 Marks)
- g) Explain what you understand by the term contemporary inventory management?
(4 Marks)

QUESTION TWO (20 MARKS)

- a) Examine five different ways of how to reduce inventories in a supply chain.
(10 Marks)
- b) Discuss five key principles of inventory management in a supply chain organization
(5 Marks)
- c) Describe three methods of stock rotation in inventory management for an organization
(5 Marks)

QUESTION THREE (20 MARKS)

- a) Discuss the concept of ABC analysis as a contemporary method of inventory management
(4 Marks)
- b) Discuss six demerits of codification of materials in a store.
(6 Marks)
- c) Discuss five modern methods and approaches of how organizations are managing their stock
(10 Marks)

QUESTION FOUR (20 MARKS)

- a) Explain five modules of inventory management software and state the functions of each module
(10 Marks)
- b) Explain five reasons for appropriate demand forecasting in an enterprise
(5 Marks)
- c) Discuss five benefits of Vendor Managed Inventories to the customer
(10 Marks)

QUESTION FIVE (20 MARKS)

- a) Explain six costs that may be incurred for not holding stock in an enterprise
(6 Marks)
- b) Discuss eight challenges of managing inventories in modern organizations
(8 Marks)
- c) Explain six advantages of lean manufacturing in supply chain organizations.
(6 Marks)