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**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2022/2023 ACADEMIC YEAR**  
**THIRD YEAR, FIRST SEMESTER EXAMINATION**  
**FOR THE DEGREE OF BACHELOR OF SCIENCE**  
**(BUSINESS ADMINISTRATION)**

Date: 27<sup>th</sup> July, 2022  
Time: 11.30am –1.30pm

**KPS 302 - MATERIAL MANAGEMENT**

**INSTRUCTIONS TO CANDIDATES**

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**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

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**QUESTION ONE (30 MARKS)**

READ THE FOLLOWING CASE STUDY AND ANSWER THE QUESTIONS THAT FOLLOW

Major production companies in Kenya have been making major production changes especially after the outbreak of Covid19 pandemic. This has negatively affected the company's profitability in general. For example, Bidco Company in Thika has had to make major supply chain decisions regarding better inventory management since most of the retail chains outlets were operating under minimal hours. The company has also been doing extreme demand forecasting to be able to know how much to order and how much to produce. However, the supply chain business is returning into normalcy of late. The company additionally, had to shut down some of its remove warehouses due to collapse of various businesses but they are reopening these distribution center's gradually. Some of the warehouses had to be closed and the company is making decisions on where to locate new warehouses so that they are able to streamline the distribution processes.

- a) Explain benefits of effective inventory management for a retail chain outlet (5 marks)
- b) List the importance of production planning and control for a company like Bidco Company Limited. (5 Marks)
- c) Explain five responsibilities of a warehouse manager in an organization. (5 Marks)
- d) Highlight Five factors that you specifically consider when locating a production warehousing facility (5 Marks)
- e) Discuss the importance of maintaining optimum levels of inventories for a manufacturing organization (5 Marks)
- f) Explain the importance of the "three way match of documentations" of various receipts for a manufacturing organization (5 Marks)

**QUESTION TWO (20 MARKS)**

- a) Explain five aims of store keeping of materials for a supply chain entity. (10 Marks)
- b) Discuss the challenges experienced in materials management in a warehousing facility of a supply chain enterprise. (10 Marks)

**QUESTION THREE (20 MARKS)**

- a) Describe the factors to consider when planning a warehouse layout and design in supply chain management. (10 Marks)
- b) Explain five advantages of a warehouse management system in a warehouse for materials management efficiency (10 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Discuss five ways how a supply chain organization can reduce the costs of its materials management so as to increase business efficiency. (10 Marks)
- b) Explain five benefits of conducting stocks audits as part of materials management in a store (10 Marks)

**QUESTION FIVE (20 MARKS)**

- a) Discuss with the help of a diagram the conversion process of inputs into outputs in a manufacturing set up. (10 Marks)
- b) Describe the benefits of effective inventory management for a manufacturing organization. (10 Marks)