**MUKURWEINI TECHNICAL TRAINING INSTITUTE**

**DIPLOMA IN BUSINESS MANAGEMENT (MODULE II)**

**SUPPLY AND TRANSPORT MANAGEMENT**

**JULY 2018 EXAM**

**2 HOURS**

**INSTRUCTIONS**

***ANSWER ALL QUESTIONS IN ANSWER SHEET PROVIDED***

1a) One of the objectives of supply chain management is to ensure balanced flow of materials to meet operational requirements of an organization .Highlight five ways that a supplies officer may achieve this objective (10 marks)

b)Highlight the negative effect of an organization holding excess stock (10marks)

2 a) Explain the circumstances under which an organization may use sampling inspection method in receipt and inspection process (10 marks)

b)One of the costs associated in determining Economic Order Quantity (EOQ) of a firm is inventory carrying costs. Outline the elements which constitute this cost (10 marks)

3a) Kiki manufacturers have decided to use a public warehouse for storage of their goods .Highlight the advantages that may accrue to KiKi Manufacturers from this decision (10 marks)

b) The store’s manager of Mukurwe-ini dairies is preparing to devise a stock control system for the organization .Explain the aspects that should be included in the system (10 marks)

4 a)The stock controller of Kakuzi ltd intends to apply the ABC Analysis to control materials in the warehouse .Outline the steps that the stock controller would follow when applying the (technique

10 marks)

b) Explain five areas of collaboration between purchasing department and engineering (10 marks)

5 a) Outline the procedure to be followed by an organization when receiving materials in a warehouse (10 marks)

b) Just in Time (JIT) approach of inventory control is not adopted by some firms. Highlight the factors that could be hindering the adoption (10 marks)