

2903/203
SUPPLY MANAGEMENT
November 2022
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL
DIPLOMA IN SUPPLY CHAIN MANAGEMENT
MODULE II

SUPPLY MANAGEMENT

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of SEVEN questions.
Answer any FIVE questions in the answer booklet provided.
All questions carry equal marks.
Candidates should answer the questions in English.*

This paper consists of 2 printed pages.

Candidates should check the question paper to ascertain that both pages are printed as indicated and that no questions are missing.

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Turn over

1. (a) A consultant has been hired by Kombia Limited to evaluate the effectiveness of its materials handling activity. Outline **five** aspects of the activity that the consultant would cover when carrying out the task. (10 marks)
- (b) A preliminary warehouse design presented to the management for review has failed the approval stage. Explain **five** aspects of the design that may have led to this situation. (10 marks)
2. (a) Explain **five** ways in which the marketing department may enhance performance of the supply management department in an organization. (10 marks)
- (b) Mr. Wamba, a distribution officer at Poto Limited intends to prepare a physical distribution plan for the company. Explain **five** factors he should consider when carrying out the task. (10 marks)
3. (a) Explain **five** challenges that a distribution firm may experience while controlling the movement of its products in the market. (10 marks)
- (b) Explain **five** measures that a distribution company should take in order to minimize the costs associated with packaging of its goods. (10 marks)
4. (a) Explain **five** ways in which the integrated supply logistics may add value in the operations of a distribution firm. (10 marks)
- (b) Explain **five** challenges that an organization may experience when preparing a materials plan for its operations. (10 marks)
5. (a) Explain **five** legal requirements that an organization should comply with when devising a packaging system for its products. (10 marks)
- (b) Explain **five** benefits that a manufacturing firm may derive from effectively monitoring the performance of its distribution plans. (10 marks)
6. (a) Anga Limited is in the process of reviewing the effectiveness of its inventory management system. Outline **five** aspects that should be covered during the review. (10 marks)
- (b) Outline **five** elements that may constitute the total costs in the integrated supply logistics operations. (10 marks)
7. (a) Doto Manufacturing Limited intends to develop a materials handling system for its operations. Explain **five** factors that may hinder the company from carrying out the exercise. (10 marks)
- (b) Pambo Limited has installed the live storage system in its warehousing operations. Explain **five** benefits that the firm may derive from such a system. (10 marks)

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