



**MURANGA UNIVERSITY COLLEGE**

*(A constituent College of Jomo Kenyatta University of Agriculture & Technology)*

**MAIN CAMPUS**

**ORDINARY UNIVERSITY EXAMINATIONS**

**2014/2015 ACADEMIC YEAR**

**THIRD YEAR SECOND SEMESTER EXAMINATIONS**

**FOR THE DEGREE**

**OF**

**BACHELOR OF COMMERCE**

**COURSE CODE: HBC2214**

**COURSE TITLE: PROCUREMENT & LOGISTICS MANAGEMENT**

**DATE: 21<sup>ST</sup> APRIL 2014**

**TIME: 2 HOURS**

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**INSTRUCTIONS TO CANDIDATES**

Question ONE (1) is compulsory  
Answer any TWO(2) questions

MRUC observes ZERO tolerance to examination irregularities

This Paper Consists of 2 Printed Pages. Please Turn Over. ►

**QUESTION ONE (30 MKS).**

- (a). If supply chain management has become top management's new "religion" then it needs a "doctrine". Discuss (8mks).
- (b) Explain the main objectives of inventory management (4mks).
- (c) Describe any five classes of materials (10mks).
- (d) Explain any four cues that affect customer perception of service quality (8mks).

**QUESTION TWO (20MKS)**

- (a) Explain the five key drivers in logistics systems. (10mks).
- (b) Discuss the issues that affect warehousing. (10mks).

**QUESTION THREE (20MKS).**

- (a) Highlight the importance of logistics in business (10mks).
- (b) Explain the steps followed in creating an effective procurement strategy (10mks).

**QUESTION FOUR (20MKS).**

- (a) Highlight any five functions of logistics (10mks).
- (b) Discuss any five measures to be taken to ensure effective transportation of good (10mks).