



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY ORDINARY EXAMINATION

2017/2018 ACADEMIC YEAR

**THIRD YEAR FIRST SEMESTER EXAMINATION FOR THE BACHELOR OF
COMMERCE.**

BCP 202 – LOGISTICS IN SUPPLY MANAGEMENT

DURATION: 2 HOURS

DATE: 15TH DECEMBER, 2017

TIME: 9.00- 11.00 A.M.

Instructions to Candidates:

1. Answer **Question 1** and **Any Other Two** questions.
2. Mobile phones are not allowed in the examination room.
3. You are not allowed to write on this examination question paper.

SECTION ONE - COMPULSORY

QUESTION ONE

- (a) Define Logistic management and explain sources of competitive advantage. (10 marks)
- (b) List five implications of Supply Chain Management on logistics. (5 marks)
- (c) Discuss under what situations the logistics information systems will be strong and exceptionally oriented. (10 marks)
- (d) Explain five basic components on which demand forecasting is based. (5 marks)

SECTION TWO – ANSWER ANY TWO QUESTIONS

QUESTION TWO

- (a) Explain briefly the following terms as used in inventory control management.
 - i. Average Inventory.
 - ii. Cycle Inventory.
 - iii. Safety Stock Inventory.
 - iv. Transits Inventory.
 - v. Economic Order Quantity. (10 marks)
- (b) Explain five factors that influence transportation economics. (10 marks)

QUESTION THREE.

- (a) Discuss 5 strategic reasons for long- term outsourcing. (10 marks)
- (b) Compare and contrast activity base costing with total cost analysis. (10 marks)

QUESTION FOUR

- (a) Discuss five points on how bench marking improves logistics performance. (10 marks)
- (b) Discuss five factors of formulating an inventory management policy. (10 marks)