



MURANG'A UNIVERSITY OF TECHNOLOGY

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF COMMERCE

UNIVERSITY ORDINARY EXAMINATION

2017/2018 ACADEMIC YEAR

**SECOND YEAR FIRST SEMESTER EXAMINATION FOR THE DIPLOMA IN
BUSINESS MANAGEMENT**

DBP1212 – LOGISTIC MANAGEMENT

DURATION: 2 HOURS

DATE: 14TH 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) As a logistic manager working at Equator stores outline four main advantages of Logistics management to your colleagues. (4 marks)
- b) Highlight four activities which occur in logistics management department (4 marks)
- c) Outline causes of resistance of personnel in logistics management. (4 marks)
- d) Discuss three reasons for many companies using public warehouse (6 marks)
- e) Describe the role of packaging in logistics management (4 marks)
- f) Explain four Innovative rates (8 marks)
- g) Briefly explain four major terms of the courier's contract of carriage found in bill of lading (4 marks)

SECTION TWO – ANSWER ANY TWO QUESTIONS

QUESTION TWO

- a) Discuss three distinguishing factors of common carrier to establish rates to be charged for transportation. (6 marks)
- b) Outline six types of services requests negotiated by shipper and carrier (6 marks)
- c) Explain four layout principles of a warehouse. (8 marks)

QUESTION THREE

- (a) Discuss the four factors which may be used in designing a warehouse system which affect all areas of the firm (8 marks) .
- (b) Discuss one advantage and one disadvantage of the following equipment used in storage.
 - i. Forklift (2 marks)
 - ii. Conveyors (2 marks)
 - iii. Cranes (2marks)
- c) Outline six assumptions of EOQ model (6 marks)

QUESTION FOUR

- (a) Briefly describe four negotiating tactics of traffic manager (8 marks)
- (b) Describe three steps of location of plant decision (6 marks)
- (c) Highlight six classifications of air carrier (6 marks)