

- 1.8 (a) The supply department works in conjunction with other departments in an organization. Highlight five areas in which the department may relate with the finance department.
- in providing money for acquisition of items. (10 marks)
- (b) Some organizations prefer using a centralized purchasing system in their operations. Explain the benefits that may accrue to an organization that uses such a system. (10 marks)
2. X (a) Highlight five factors considered by an organization when provisioning.
- consumer needs - best quality of products - availability of product in market - best mode of transport - cost of products (10 marks)
- (b) Highlight five factors that may lead to inefficiency in the operations of a transport department of an organization.
- wrong mode of transport - unskilled personnel for transport - High cost of transportation. (10 marks)
3. X (a) Quality inspection is crucial when receiving materials in a storehouse. Explain the importance of this aspect of inspection.
- to eliminate spoil materials - to check on materials received to what kind - to identify if they are right materials - to avoid storage of illegal products - to know mode of storage e.g. cooling or not (10 marks)
- (b) Highlight five operational factors which an organization should consider when choosing a mode of transport for use.
- availability of transport - cost of such transport - Type of personnel to handle transport - Time conscious means of transport - safest means. (10 marks)
4. (a) Explain the importance of conducting a supplier's control systems audit during suppliers evaluation. (10 marks)
- (b) Explain five factors that an organization should consider when selecting a material's preservation method. (10 marks)
5. X (a) Highlight five circumstances under which an organization may find it appropriate to hire a warehouse for storage of its materials.
- for security - to be close to their customers - if the organisation has large quantities of materials - if the organisation wishes to expand. (10 marks)
- (b) A newly established retail store intends to code its materials. Explain the factors which the management should consider when selecting a material coding method for the organization. (10 marks)
6. X (a) Fire outbreak is a major risk that warehouse managers are concerned about. Explain the safety precautions that the warehouse staff should take against this risk.
- they should read precaution stickers in the warehouse - they should handle things carefully in the warehouse. - they should accept fire department courses - should be dressed appropriately e.g. gloves and helmets - should be able to handle firefighting equipment. (10 marks)
- (b) The warehouse manager at Kiangazi County has prepared consignments for dispatch to the sub-counties. Explain the role of the county transport department with respect to the outgoing consignment.
- should be secure - should be fast - should be readily available - should (10 marks)
7. X (a) Nalo Freight Company has completed constructing a warehouse for storage of its materials. Highlight the factors which the storehouse manager will consider when designing the stores layout.
- location of storehouse - space of the storehouse - type of products to be stored if it permissible coding rules. - employees if should be many or few depending on size (10 marks)
- (b) The liberalization of the matatu industry has created stiff competition among the operators. Highlight the measures that the operators may put in place to remain competitive. (10 marks)

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- can improve on their vehicles if be in good condition.
- can educate drivers operators can employ skilled drivers for safety purposes
- The operators can be flexible at all times.
- The operators may familiarize themselves with laws governing matatu to be create good relations with passengers
- know most to relations with passengers