

Name: \_\_\_\_\_ Index No. [easytv.com](http://easytv.com)

2903/203  
SUPPLY MANAGEMENT  
November 2015  
Time: 3 hours

Candidate's Signature: \_\_\_\_\_

Date: \_\_\_\_\_



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

**SUPPLY MANAGEMENT**

**3 hours**

**INSTRUCTIONS TO CANDIDATES**

*Write your name and index number in the spaces provided above.*

*Sign and write the date of the examination in the spaces provided above.*

*This paper consists of SEVEN questions.*

*Answer any FIVE questions in the spaces provided in this question paper.*

*Candidates should answer the questions in English.*

**For Examiner's Use Only**

Questions	1	2	3	4	5	6	7	TOTAL SCORE
Candidate's Score								

**This paper consists of 16 printed pages**

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

1. (a) Materials planning is one of the activities which fall under supply management function. Highlight the operations that are involved in this activity. (10 marks)
- (b) Explain the ways in which materials management may enhance the efficiency of a manufacturing firm. (10 marks)
2. (a) Explain the factors which may influence a supply chain officer's decision while determining the quantity of materials to buy for an organization. (10 marks)
- (b) Describe the features of the racking storage system. (10 marks)
3. (a) As an expert in supply chain management, you have been hired by a distribution firm to devise a materials handling system. Highlight the challenges that you may face while undertaking the task. (10 marks)
- (b) A consultant hired by Ujuzi manufacturing firm to advise it on the need to adopt 'green purchasing' concept, is in the process of preparing a report for the firm. Explain **five** aspects of 'green purchasing' that the consultant should include in the report. (10 marks)
4. (a) Distribution firms usually monitor the performance of their physical distribution systems. Highlight the reasons that may account for this practice. (10 marks)
- (b) You have been directed by your supervisor to assess the efficiency of the materials handling system in the firm. Outline the aspects of materials handling which should be covered during the exercise. (10 marks)
5. (a) Highlight the aspects of materials in which the supply management function should collaborate with the finance department in an organization. (10 marks)
- (b) Explain the factors that a company may consider when designing a packaging system for its products. (10 marks)
6. (a) Manufacturing firms are expected to appropriately store materials used in their operations. Explain the reasons that may account for this practice. (10 marks)
- (b) A certain company intends to export its products to a foreign country. Explain the factors that may influence the company in selecting the mode of transport for the products. (10 marks)
7. (a) Explain the adverse consequences to a manufacturing firm of failing to efficiently match demand and supply of input materials in its operations. (10 marks)
- (b) Outline the role of the transport function in the physical distribution system of a retail organization. (10 marks)