



# MERU UNIVERSITY OF SCIENCE AND TECHNOLOGY

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## University Examinations 2015/2016

FOURTH YEAR SECOND SEMESTER EXAMINATION FOR DEGREE OF  
BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT

### BBS 3476: LOGISTICS IN PURCHASING AND SUPPLY CHAIN MANAGEMENT

DATE: NOVEMBER 2015

TIME: 2 HOURS

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INSTRUCTIONS: *Answer question one and any other two questions*

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#### QUESTION ONE (30 MARKS)

- a) Demand variability is an impediment to the organisation's envisioned goals. Conversely, many firms in the market have devised tactical approaches to address this perennial problem. In view of this observation analyze the key strategic demand management processes in logistics (6Marks)
- b) By aid of a diagram illustrate the scope of logistics management (6Marks)
- c) Reverse logistics is a conspicuous process in most of manufacturing firms in the market. In view of this observations explain the rationale behind this function in an organisational set up (6Marks)
- d) Assume that you have been appointed as a logistics manager in a large manufacturing firm in Nairobi. The first assignment is based on introducing a balanced scorecard particularly in line with the logistics department. Identify and explain the distinct logistics activities to incorporate in order to create efficiency in the organisation. (8Marks)
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- e) In the contemporary business environment world class companies are embracing logistics management concepts in order to have competitive edge in the market. Justify this statement by analyzing ways and means on how an organisation can gain competitive advantage through logistics. (6Marks)

**QUESTION TWO (20 MARKS)**

- a) Discuss the key elements of logistics management in a business environment (8Marks)
- b) Identify and explain the prime in bound logistics activities (6Marks)
- c) Logistics and supply chain management are two terms that are synonymous. However, there are distinct variations. In view of this observations explain the difference between logistics and supply chain management (6Marks)

**QUESTION THREE (20 MARKS)**

- a) Discuss the application of information technology in logistics management (5Marks)
- b) Identify and explain the pre-transactional elements of customer service in logistics management (5Marks)
- c) Analyze the concept of integrated logistics management in an organisation (10Marks)

**QUESTION FOUR (20 MARKS)**

- a) Explain the correlation between stores function and production department (6Marks)
- b) Analyze the concept of logistic management in different environment (6Marks)
- c) Identify and explain the emerging issues in supply chain management (8Marks)

**QUESTION FIVE (20 MARKS)**

- a) Write short notes in line with the following terms that are conspicuous in logistics and supply chain management.
- i. Outbound logistics (4Marks)
  - ii. Order fulfilment (4Marks)
  - iii. Transshipment (4Marks)
  - iv. supply base optimization (4Marks)
  - v. obsolete stock (4Marks)