



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN PROCUREMENT AND MATERIALS MANAGEMENT

BMG 2205: MATERIAL PROVISIONING AND LOGISTICS

END OF SEMESTER EXAMINATIONS

SERIES: APRIL 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.
- Do not write on the question paper

This paper consists of Three printed pages.

QUESTION 1 (Compulsory)

- a) What is manufacturing planning and control? The manufacturing planning and control system provide framework for its exploration, what are the other **FIVE** functions of the MPC system. **(8 marks)**
- b) Demand forecasting has **TWO** broad types explain, by use of a diagram summarize all the forecasting techniques. **(10 marks)**
- c) A department store may find that in four month period the best forecasts is derived by using 60% of the actual sells for the most relevant month 50% of two month ago, 40% of 3 month ago , 30% of four months ago. Calculate the forecast for the 5th month if the sales for the last 4 months is shown below:

Month	Sales (Ksh. 000)
9	100,000
10	90,000
11	105,000
12	95,000

- d) Electronic Data Interchange is a technique based on agreed standards, which facilitates business transactions in standardized electronic form, explain its application advantages and disadvantages. **(6 marks)**

QUESTION 2

- a) The sales and operations planning involves making decisions on each product family concerning changes to the sales plan and the operation plan, name and explain **FIVE** steps which forms the basis for the monthly planning cycle. **(10 marks)**
- b) The master production schedule plays a key role in manufacturing planning and control system. Explain the **FIVE** principle used in master production schedule. **(10 marks)**

QUESTION 3

- a) Explain the capacity and control techniques as used in demand management and operations planning. **(10 marks)**
- b) What are the objectives of logistics in relation to supply chain management? **(10 marks)**

QUESTION 4

- a) Material handling is the movement, protection and control of material and products throughout manufacturing, it is the backbone of all the activities, explain the importance of material handling in a warehouse or a manufacturing set up. **(10 marks)**
- b) What are the effects of logistics on Kenyan economic growth today. **(10 marks)**

QUESTION 5

- a) Sales and operations planning provides the key communication links for top management to coordinate the various planning activities in a business. What are the **SIX** areas to be addressed in terms of roles and responsibilities? **(12 marks)**
- b) Inventory is the stock of all the items or resources that are held in an organization for sale or future use and inventory management is controlling the movement and use of these resources in an organization, what are the costs incurred in managing these inventory in an organization (inventory costs). **(8 marks)**