



TECHNICAL UNIVERSITY OF MOMBASA
Faculty of Business & Social Studies

DEPARTMENT OF BUSINESS STUDIES

DIPLOMA IN PROCUREMENT AND MATERIALS MANAGEMENT II

BMG 2205: MATERIAL PROVISIONING AND LOGISTICS

SPECIAL/SUPPLEMENTARY EXAMINATIONS

SERIES: FEBRUARY 2015

TIME: 2 HOURS

INSTRUCTIONS:

- This paper consists of **FIVE** questions.
- Answer question **ONE (Compulsory)** and any other **TWO** questions.

This paper consists of Three printed pages.

QUESTION 1 (Compulsory)

The monthly electricity bill as the JoyJude enterprise over the past 12 months has been follows:

Month	Amount (sh.)
December	30,660
January	27,190
February	30,570
March	30,640
April	29,730
May	31,530
June	29,720
July	33,070
August	30,010
September	27,550
October	30,130
November	27,940

Required:

- a) i) Determine next December's forecast using the exponential smoothing method with a smoothing constant of 0.5 **(11 marks)**
- ii) With weights of 0.5, 0.3 and 0.2, determine the next December's forecast using the weighted average method. **(8 marks)**
- iii) Explain with examples why the exponential method is preferred over the other forecasting methods. **(6 marks)**
- b) The manufacturing planning and control is concerned with planning and controlling all aspects of manufacturing name **FIVE** activities and explain. **(5 marks)**

QUESTION 2

- a) Explain the use of ABC analysis in controlling materials in an organization. **(15 marks)**
- b) Enterprise Resource Planning (ERP) is the latest and possible the most significant and development of MRP and MRP II. Explain and discuss its advantages. **(5 marks)**

QUESTION 3

- 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 form the basis for the monthly planning cycle. **(10 marks)**
- b) i) Explain the capacity and control techniques used in demand management and operations planning. **(8 marks)**
ii) What is material handling is it used in manufacturing planning and control? **(2 marks)**

QUESTION 4

When designing a material handling system, it is important to refer to best practice to ensure that all the equipment and processes are in place this is by analyzing the goals of the materials handling process and aligning them to guidelines. State the **TEN** principles and explain. **(20 marks)**

QUESTION 5

Logistics comprises a relatively large number of managerial activities. Discuss **FIVE** of these activities and why they are important to logistics system. **(20 marks)**