



TECHNICAL UNIVERSITY OF MOMBASA

SCHOOL OF BUSINESS

DEPARTMENT OF MANAGEMENT SCIENCE

UNIVERSITY EXAMINATION FOR:

PhD BUSINESS ADMINISTRATION (PROCUREMENT AND
SUPPLY CHAIN MANAGEMENT)

BPC 6102: ADVANCED LOGISTICS MANAGEMENT

END OF SEMESTER EXAMINATION

ORDINARY EXAMINATIONS

SERIES: AUGUST 2019

TIME: THREE HOURS

DATE: AUGUST 2019

Instructions to Candidates

You should have the following for this examination

-Answer Booklet, examination pass and student ID

This paper consists of FIVE questions. Attempt Question One and Any other Three Questions.

Do not write on the question paper.

Question ONE

Major Ltd states that its core purpose is to 'create value for customers to earn their life-time loyalty.' Wide product range and high on shelf availability across that range are the key enablers of that core purpose. So how do you maintain high availability of so many store keeping units in so many units? This question goes to the heart of logistics management for such a huge and vast organization.

Required:

- a) Explain to the management of Major Ltd the importance of customer retention, how to measure customer retention and the lifetime value of their customers (11 marks)
- b) Explain to the management of Major Ltd, the main phases that they should concentrate on so as to deliver the best customer service (12)
- c) With clear examples, discuss how effective customer service can be created through integrated logistics (7 marks)
- d) Explain to the management of Major Ltd the concept of competitive advantage and propose to them the opportunities for gaining competitive advantage through the logistics management function (10 marks)

QUESTION TWO

- a) In addition to their operational responsibilities, logistics managers have an important role to play in business planning and business strategy. With examples, discuss the strategic responsibilities of the logistics management function. (10 marks)
- b) Logistics planning is a mandatory activity for the successful execution of the various supply chain activities. Explain the application of “logistics pipeline” in logistics planning (10 marks)

QUESTION THREE

- a) It is important to keep in mind the balance of the cost of holding inventory with the cost of not holding inventory. Discuss the factors that affect inventory policy in modern day organizations (12 marks)
- b) Logistics and warehousing plays a major role in customer satisfaction. Describe the stages in the process of determining warehouse location (8 marks)

QUESTION FOUR

- a) With examples, discuss the challenges of logistics management in the global environment (10 marks)
- b) Explain the fundamental principles for planning the layout and operation of a warehouse system (10 marks)

QUESTION FIVE

- a) The logistical packaging has to play an important role of communication from place of shipping to the place of delivery. Explain the information that the logistical package should have to facilitate effective transportation and delivery of goods (10 marks)

b) Activity based costing (ABC) methodology measure that cost and performance of resources, activities and cost objects. Discuss the advantages of ABC in logistics management (10 marks).