

**CHUKA**



**UNIVERSITY**

## **UNIVERSITY EXAMINATIONS**

### **EXAMINATION FOR THE AWARD OF DEGREE OF BACHELOR OF PURCHASING AND SUPPLIES MANAGEMENT**

#### **BPLM 215: INVENTORY MANAGEMENT**

**STREAMS:**

**TIME: 2 HOURS**

**DAY/DATE: TUESDAY 10/04/2018**

**2.30 P.M – 4.30 P.M**

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**INSTRUCTION:**

- **Answer question one and any other two questions**
- **Do not write on the question paper**

1. (a) Describe five main functions of inventory management. [10marks]  
(b) Describe five factors that may influence inventory levels to be held by a firm. [10marks]  
(c) Warehouses plays very important role in day-today inventory management functions. Discuss. [10marks]
2. In relation to inventory planning and control, write short notes on the following highlighting their contribution for effective inventory control.  
(a) Material requirement planning (MRPI) . [10marks]  
(b) Manufacturing resource planning (MRP II) [6marks]  
(c) Re-order level system [4marks]
3. (a) In reference to Japanese JIT concept in waste elimination in supply chain management. Identify and briefly explain various wastages to be controlled in order to minimize costs in inventory management. [8marks]  
(b) Coding process is an important function that cannot be avoided in procurement.  
(i) Explain the advantages at coding. [7marks]

- (ii) Highlight the characteristics of good coding. [5marks]
4. (a) You have been requested to advise the management of a public organization having large stores on matters relating to securities and pilferages of stocks challenges. Explain the measures the management may need to put in place in addressing such challenges affecting it. [10marks]
- (b) Explain the necessity and applications of the following conceptual approaches in inventory management function:
- (i) Dependent versus independent demand. [5marks]
- (ii) Pull versus push demand. [5marks]
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