

2903/203
SUPPLY MANAGEMENT
July 2023
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL
DIPLOMA IN SUPPLY CHAIN MANAGEMENT
MODULE II

SUPPLY MANAGEMENT

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of SEVEN questions.
Answer any FIVE questions in the answer booklet provided.
All questions carry equal marks.
Candidates should answer the questions in English.*

This paper consists of 2 printed pages.

Candidates should check the question paper to ascertain that both pages are printed as indicated and that no questions are missing.

1. (a) Miss Jemba, a newly hired manager at Biba Company intends to establish the supply management department. Explain **five** factors that she should consider when carrying out the task. (10 marks)
- (b) There are certain challenges that a supplies officer may face when making trade-off in the supply management operations. Outline **five** such challenges. (10 marks)
2. (a) Explain **five** disadvantages of adopting the periodic inventory control system in an organisation. (10 marks)
- (b) Describe **five** aspects that should be incorporated in the materials handling system in an organisation. (10 marks)
3. (a) Outline **five** requirements that material packages should meet for use in export goods. (10 marks)
- (b) Describe **five** features of an efficient materials storage system in an organisation. (10 marks)
4. (a) Explain **five** factors that may be considered when developing a physical distribution system in a retail firm. (10 marks)
- (b) Explain **five** circumstances under which an organisation may adopt inland water ways when transporting goods. (10 marks)
5. (a) Outline **five** roles that the supplies officer may play in the out-bound logistics operations of an organisation. (10 marks)
- (b) Explain **five** aspects that the management of an organisation may consider when evaluating the performance of its warehousing function. (10 marks)
6. (a) Explain **five** factors that may hinder effective use of the manual materials handling system in an organisation. (10 marks)
- (b) There are certain circumstances that may make an organisation find it inappropriate to package its goods. Explain **five** such circumstances. (10 marks)
7. (a) A recent audit report at Bibi Limited has revealed existence of inefficiency in its distribution system .Outline **five** disadvantages of operating such a system. (10 marks)
- (b) Outline **five** organisational related types of information that a supplies officer would require in order to perform his duties efficiently. (10 marks)

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