



Kasarani Campus  
Off Thika Road  
Tel. 2042692 / 3  
P. O. Box 49274, 00100  
NAIROBI  
Westlands Campus  
Pamstech House  
Woodvale Grove  
Tel. 4442212  
Fax: 4444175

**KIRIRI WOMENS' UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**UNIVERSITY EXAMINATION, 2015/2016 ACADEMIC YEAR**  
**THIRD YEAR, FIRST SEMESTER EXAMINATION**  
**FOR THE DEGREE OF BACHELOR OF SCIENCE**  
**(BUSINESS ADMINISTRATION)**

Date: August, 2016  
Time:

**KPS 302 – MATERIAL MANAGEMENT**

**INSTRUCTIONS TO CANDIDATES**

**ANSWER QUESTION ONE (COMPULSORY) AND ANY OTHER TWO QUESTIONS**

**QUESTION ONE (30 MARKS)**

- a) Explain the following concepts as applied in material management function.
- i) Materials
  - ii) ERP and MRP
  - iii) Supply chain and safety stock
  - iv) Lead time
  - v) Receiving and inspection
  - vi) Finished Goods
  - vii) Warehousing (20 Marks)
- b) Explain five fundamental roles of material requirement planning [MRP] function in a specific organization (10 Marks)

**QUESTION TWO (20 MARKS)**

- a) Discuss five objectives of Inventory management function in an organization. (5 Marks)
- b) Illustrate four pieces of information for an efficient material planning systems you would recommend to Kiriri Women's University. (15 Marks)

**QUESTION THREE (20 MARKS)**

- a) Explain five major functions of inventory in organizations globally. (10 Marks)
- b) Use suitable examples to explain five objectives for managing inventory. (10 Marks)

**QUESTION FOUR (20 MARKS)**

- a) Describe how you would classify stocks. (10 Marks)
- b) Explain the following concepts;
- i) Inventory carrying costs (3 Marks)
  - ii) Inventory risk costs (3 Marks)
  - iii) Storage space costs (6 Marks)

**QUESTION FIVE (20 MARKS)**

Describe an effective inventory management strategy you recommend to a specific business. (20 Marks)