

3312
2906/203
SUPPLY AND TRANSPORT
MANAGEMENT
November 2022
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL
BUSINESS EDUCATION SINGLE AND GROUP CERTIFICATE EXAMINATION
STAGE III
DIPLOMA IN BUSINESS MANAGEMENT
MODULE II
SUPPLY AND TRANSPORT 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) The distribution costs at Three Stars Limited have been increasing in the recent past. Outline **five** ways in which the company may address the situation. (10 marks)
- (b) Explain **five** factors that may determine the stock levels to be held in an organization's warehouse. (10 marks)
2. (a) Outline **five** disadvantages of adopting the divisional organisational structure in the purchasing department of a firm. (10 marks)
- (b) Explain **five** reasons that may necessitate an organization to use inter-modal transport approach. (10 marks)
3. (a) Outline **five** causes of materials deterioration in a warehouse. (10 marks)
- (b) Explain **five** advantages of adopting the horse-shoe layout design in a warehouse. (10 marks)
4. (a) Outline **five** ways in which cloud technology may enhance effectiveness of transport operations in an organisation. (10 marks)
- (b) In the recent past, some companies in the retail sector have adopted bar coding system in their operations. Outline **five** benefits that the companies may derive from the system. (10 marks)
5. (a) Describe **five** methods that may be used in issuing of goods from an organization's warehouse. (10 marks)
- (b) Outline **five** measures that may be put in place to minimize risks in an organization. (10 marks)
6. (a) Explain **five** benefits that an organization may derive from conducting an effective supplier evaluation exercise. (10 marks)
- (b) Outline **five** responsibilities of International Civil Aviation Organization (ICAO) in relation to air transport regulation. (10 marks)
7. (a) John has been appointed the Transport manager at Mzalendo Enterprises. Outline **five** duties that he is expected to perform in this capacity. (10 marks)
- (b) Explain **five** measures that an organization may put in place to enhance the efficiency of its stockyard. (10 marks)

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