



MUEO

MOI UNIVERSITY

OFFICE OF THE CHIEF ACADEMIC OFFICER

UNIVERSITY EXAMINATIONS

2012/2013 ACADEMIC YEAR

THIRD YEAR END OF SEMESTER I EXAMINATIONS

FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT

COURSE CODE: BBM 346

EXAM TITLE: LOGISTIC SYSTEMS

DATE: 9TH JULY, 2012 TIME: 9.00 A.M. -12.00 NOON.

INSTRUCTION TO CANDIDATES

➤ **SEE INSIDE.**

BBM 346-LOGISTIC SYSTEMS

Instructions to candidates

1. The paper contains SIX questions
2. Answer ONE and any other THREE questions

Question One

CASE STUDY – POSTAL SERVICES

Indian postal service (IPS) is one of the largest logistics networks in the world today that delivers letters in the most cost-effective way. IPS operates through a network of 152,781 postal offices covering 609,030 villages, towns and cities across the country, delivering 43 million letters every day. They use all modes of transportation available in India for movement of postal cargo. The collection of letters from 542,741 letter boxes, followed by sorting, packing, moving, unpacking and again sorting for final delivery is a mammoth logistical task that they have performed cost effectively for the past one and half centuries.

- Define the concept of logistics 5 marks
- How does the IPS choose the mode of transport for a particular delivery 12 marks
- Explain the various logistics activities mentioned in the case. 10 marks
- What new technologies can IPS incorporate in its delivery service to enhance customer satisfaction? 8 marks

QUESTION Two

- a) Discuss the importance of warehousing in a logistics network 7 marks
- b) Discuss the benefits of holding inventory and the costs of holding inventory in an organization 8 marks

Question Three

- a) What do you understand by integration in logistics? Outline the various benefits accrued from integrating logistic functions. 8 marks
- b) Explain the contribution of JIT to competitiveness of an organization 7 marks

Question Four

- a) Discuss the factors to consider when choosing a transportation carrier for an organization 6 marks
- b) Explain the importance of packaging in logistic systems 9 marks

Question Five

Write brief notes on the following;

- i) ABC inventory management technique
- ii) Bar coding
- iii) Radio frequency identification
- iv) EOQ
- v) Reorder point 15 marks

Question Six

- a) A letter of credit is a method of payment used in international logistics. Briefly describe its features and how a letter of credit transaction works using an example 9 marks
- b) Discuss the trends in material handling systems 6 marks