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**GARISSA UNIVERSITY**

**UNIVERSITY EXAMINATION 2020/2021 ACADEMIC YEAR THREE**

**SECOND SEMESTER EXAMINATION**

**SCHOOL OF BUSINESS AND ECONOMICS**

**FOR THE DEGREE OF BACHELOR OF BUSINESS MANAGEMENT**

**COURSE CODE: BBM 345**

**COURSE TITLE: LOGISTICS AND INVENTORY MANAGEMENT**

**EXAMINATION DURATION: 2 HOURS**

**DATE: 24/08/2021 TIME: 09.00-11.00 AM**

**INSTRUCTION TO CANDIDATES**

* **The examination has FIVE (5) questions**
* **Question ONE (1) is COMPULSORY**
* **Choose any other TWO (2) questions from the remaining FOUR (4) questions**
* **Use sketch diagrams to illustrate your answer whenever necessary**
* **Do not carry mobile phones or any other written materials in examination room**
* **Do not write on this paper**

**This paper consists of TWO (2) printed pages *please turn over***

**QUESTION ONE (COMPULSORY)**

The resources available for human use has become increasingly scarce. To packaging, for example, most packaging products are single-use, and turn to waste after use, and the product life cycle of them are very short, so consuming large amount of resources consumed, in the same time, the ecological environment has also been an unprecedented threat. In Kenya, the pollution caused by packaging waste has become the fourth-largest source of pollution, only followed to water pollution, lake and ocean pollution and air pollution. On 28th Feb 2017, the cabinet secretary for Environment and Natural Resources with effect from six months from this date banned the use, manufacture and importation of all plastic bags used for commercial and household packaging. These were defined as carrier bags constructed with handles and with or without gussets and flat bags constructed without hands and with or without gussets. This move encouraged development of green packaging, protection of the ecological environment and promoting sustainable economic development.

**Required;**

1. Explain any five types of green packaging that are used in Kenya (5 marks)
2. Highlight five factors you would consider when choosing the method of package to us (5 marks)
3. Discuss five benefits and five challenges (to logistics management) of the directive to ban plastic bags in Kenya (10 Marks)
4. Discuss the current trends and developments in the area of logistics management (10 marks)

**QUESTION TWO**

1. Highlight five examples of strategic decisions in logistics (5 marks)
2. List the types of inventory that may be held by an organization (5 marks)
3. Discuss the functions of Inventory management (10 marks)

**QUESTION THREE**

1. Explain the three categories of road transport (6 marks)
2. Discuss how the reorder point model is applied in inventory management (6 marks)
3. Explain any four assumptions of the EOQ model (8 marks)

**QUESTION FOUR**

1. Discuss the advantages of palletization as a method of packaging (10 marks)
2. Differentiate between inbound and inbound logistics and highlight key factors you would consider when choosing a mode of transportation (10 marks)

**QUESTION FIVE**

1. Discuss the precautions to take when transporting hazardous products (10 marks)
2. Use examples to discuss the contribution of logistics to the economy of Kenya (10 marks)