



GARISSA UNIVERSITY

UNIVERSITY EXAMINATION **2017/2018** ACADEMIC YEAR **ONE** **SECOND** SEMESTER EXAMINATION

SCHOOL OF BUSINESS MANAGEMENT

FOR THE DIPLOMA BUSINESS MANAGEMENT

COURSE CODE: DBM 09

COURSE TITLE: STORES & MATERIAL MANAGEMENT

EXAMINATION DURATION: 3 HOURS

DATE: 09/04/18

TIME: 09.00-12.00 PM

INSTRUCTION TO CANDIDATES

- The examination has SIX (6) questions
- Question ONE (1) is COMPULSORY
- Choose any other THREE (3) questions from the remaining FIVE (5) 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

SEM 11, 17/18 main exam (06/04-19/04/18)

please turn over

Good Luck – Exams Office



QUESTION ONE (COMPULSORY)

- (a) Briefly define inventory management **[3 marks]**
- (b) State main function/roles of store manager in an organization **[5 marks]**
- (c) Discuss briefly five objectives of stores management **[10 marks]**
- (d) Define Economic order quantity model **[2 marks]**
- (e) Explain the following control levels in inventory management **[5 marks]**
 - i. Maximum level
 - ii. Minimum level
 - iii. Average stock level
 - iv. Safety stock level
 - v. Order level

QUESTION TWO

- (a) Discuss the merit and demerit of keeping too much inventory in an organizations **[10 marks]**
- (b) Discuss the significance of information technology in stores and material management **[5 marks]**

QUESTION THREE

Explain various techniques of inventory control in stores **[15 marks]**

QUESTION FOUR

- (a) State the main underlying assumption of economic order quantity **[5 marks]**
- (b) Highlight types of inventories in an organization **[10 marks]**

QUESTION FIVE

- (a) Distinguish between material control and inventory control management **[5 marks]**
- (b) Discuss challenges faced in inventory management **[10 marks]**

QUESTION SIX

- (a) Highlight 5 types of inventories in an organization **[10 marks]**
- (b) State five method of stock evaluation **[5 marks]**

