



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE AND TECHNOLOGY**  
**SCHOOL OF BUSINESS & ECONOMICS**

**UNIVERSITY EXAMINATION FOR BACHELOR OF BACHELOR OF BUSINESS**  
**ADMINISTRATION (With IT) 4<sup>TH</sup> YEAR SEMESTER I**

**MAIN Campus**

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**COURSE CODE: ABA 438**

**COURSE TITLE: LOGISTICS MANAGEMENT**

**VENUE:**

**STREAM:**

**DATE:**

**EXAM SESSION:**

**TIME: 2 HOURS**

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**INSTRUCTIONS:**

- 1. Answer Question ONE (COMPULSORY) and ANY other 2 questions**
- 2. Candidates are advised not to write on the question paper.**
- 3. Candidates must hand in their answer booklets to the invigilator while in the examination room.**

## **BEAR- WORLD**

Bear World is pretty much a household name. But like many successful worldwide brands, the teddy bear producing company began to have serious problems in 2014 and 2015. Bear World leadership began to have serious doubts about the company's ability to supply its 16,700 outlets. As in most commercial sectors at that time, sales were falling. At the same time, supply chain costs rose by more than \$75 million. When the supply chain executive team began investigating the rising cost and supply chain performance issues, they found that service was indeed falling short of expectations. Fewer than 50% of outlet deliveries were arriving on time, a number of poor outsourcing decisions had led to excessive 3PL expenses and logistics had evolved, rather than grown by design, and had hence become unnecessarily complex. Bear world leadership had three main objectives in mind to achieve improved performance and supply chain cost reduction. These were to:

- i. Reorganize the supply chain.
- ii. Reduce cost to serve.
- iii. Lay the ground work for future capability in the supply chain.

### **QUESTION ONE**

- a) In your own view, identify the factors that led to evolution of logistics hence becoming unnecessarily complex for Bear-World. (8 marks)
- b) Explain the strategies that Bear World could implement in order to fulfill its three main objectives. (6 marks)
- c) From the case study, identify the challenges that Bear-World faced, leading to its leadership having serious doubts about its ability to supply. (8 marks)
- d) Suggest measures that Bear-World could put in place to solve its challenges. (8 marks)

### **QUESTION TWO**

- a) The most notable development in international logistics in recent years has been the advent of containerization. Discuss its merits. (10 marks)
- b) Explain the reasons as to why most organizations prefer to hire vehicles for distribution instead of having its own fleet of vehicles. (10 marks)

### **QUESTION THREE**

a) The warehouse plays a key role in an organizations logistics strategy. It is usually the point at which the organization fails or succeeds in fulfilling the sales or marketing promise. Discuss (10 marks)

b) Material handling is a major activity within the warehouse environment and will have a direct impact on the effective flow of materials through the warehouse. Assess the aims of mechanizing materials handling. (10 marks)

#### **QUESTION FOUR**

a) Stock control is the systematic regulation of stock levels with respect to time and quality. Analyze the objectives of stock control. (10 marks)

b) The traditional view of logistics management is that, it is concerned with the movement of raw materials from point of origin through the supply chain and on to the customer cost-effectively; however, there are instances when goods flow in the opposite direction. Propose the reasons for reverse logistics. (10 marks)

#### **QUESTION FIVE**

a) Discuss the vehicle security measures that a logistics organization can put in place to minimize theft of the vehicle and theft of the load. (10 marks)

b) Explain the parameters that an organization can use to measure distribution performance. (10 marks)

**Pre-requisites:** Logistics Management

**Purpose:** To expose learners with the requisite knowledge and skills in logistics management.

**Expected Learning Outcomes of the Course:**

By the end of the course unit the learners should be able to:-

- i) Describe the activities involved in logistics and the logistics mix
- ii) List the roles of the logistics manager and the skills required for logistics efficiency
- iii) The student should be able to link logistics and transportation management.

**Course Content:**

### **1. WEEK ONE AND TWO: INTRODUCTION TO LOGISTICS MANAGEMENT**

- Importance of logistics management
- Evolution of logistics
- Functions of logistics
- Logistics mix
- Logistics management process

### **2. WEEK THREE: LOGISTICS MANAGEMENT ORGANIZATION**

- The logistics organizational structure
- Role of logistics manager
- Skill requirement for logistics efficiency
- Managing people in logistics

### **3. WEEK FOUR: LOGISTICS MANAGEMENT TRENDS**

- Principles of logistics excellence
- Influence of logistics management
- Emerging trends in logistics management

### **4. WEEK FIVE AND SIX: DESIGN OF LOGISTICS SYSTEM**

- logistic positioning
- Planning and location of facilities
- Systems planning
- Design methodology

### **5. WEEK SEVEN: CONTINUOUS ASSESSMENT TESTS**

### **6. WEEK EIGHT AND NINE: LOGISTICS AND TRANSPORTATION MANAGEMENT**

- Linking logistics and transport
- Meaning of transport

- Modes of transport
- Transport planning i.e. routing and scheduling
- Appraisal of transport systems

## **7. WEEK TEN: THIRD PARTY LOGISTICS**

- Third party logistics function
- Reasons
- Benefits and limitations

## **8. WEEK ELLEVEN: WAREHOUSING AND INVENTORY MANAGEMENT**

- Principle of stores and warehouse management
- Developments in stores and warehouse management
- Warehousing utility
- Functions
- Inventory management
- Inventory control techniques

## **9. WEEK TWELVE AND THIRTEEN: LOGISTICS INFORMATION SYSTEMS**

- Logistics inputs
- Database and its associated manipulations
- Output
- Enterprise Resource Planning
- Importance of LIS

## **10. WEEK FOURTEEN: CONTINUOUS ASSESSMENT TESTS (CAT 2)**