

The
Management
University
of Africa



Sponsored by the Kenya Institute of Management

DIPLOMA UNIVERSITY EXAMINATIONS
SCHOOL OF MANAGEMENT AND LEADERSHIP
DIPLOMA IN SUPPLY CHAIN MANAGEMENT

DSM 105: LOGISTICS AND DISTRIBUTION MANAGEMENT

DATE: 8TH APRIL 2026

DURATION: 2 HOURS

MAXIMUM MARKS: 70

INSTRUCTIONS:

1. Write your registration number on the answer booklet.
2. **DO NOT** write on this question paper.
3. This paper contains **SIX (6)** questions.
4. Question **ONE** is compulsory.
5. Answer any other **FOUR** questions.
6. Question **ONE** carries **30 MARKS** and the rest carry **10 MARKS** each.
7. **Write all your answers in the Examination answer booklet provided.**

QUESTION ONE

Read the Case Study below carefully and answer the questions that follow:

MOMA LOGISTICS

Moma Logistics is a logistics support business, which operates a fleet of Lorries to deliver packages of goods on behalf of its customers within Kenya. Moma collects packages from its customers' manufacturing sites or from the customers' port of importation and delivers to the final user of the goods. The Lorries are run and maintained from a set of depots spread throughout Kenya.

The overall objective of Moma is to maximize the owner's wealth. The delivery business in Kenya is dominated by a handful international companies like Kuehne and Nagel Ltd, DHL Ltd etc. and many other local family owned businesses making profit margins to be extremely tight. The market is saturated by these large operators and a number of smaller operators. The cost is dominated by staff and fuel, with fuel prices being highly volatile in the last few years especially now when our Kenyan currency has kept on eroding against the USA dollar.

In order to improve efficiency and effectiveness, the General Manager of Moma, James plans to invest heavily in Logistics Information system and Technology. However, he has been pulled away from this project in order to deal with an issue with refinancing the business' principal lending facility. James has already identified some suitable logistics Technology but needs you, as his assistant, to complete his work and address any potential questions which might arise when he makes his presentation to the board.

Required:

- a)** Advise Moma management five areas of what is included in the New Competitive Framework of Logistics as a service function

(10 marks)

- b)** Logistics is a process of movement of goods across the supply chain of a company. Explain to Moma management any five logistical functions they have to deal with.

(10 marks)

- c) Advise James five desired characteristics of a good logistics information system
(10 marks)

QUESTION TWO

In the movement of raw materials or products from place of production to the place of consumption, transportation is the most important component of the logistical system. Explain five modes of transport subject to availability of and access to the infrastructure

(10 marks)

QUESTION THREE

- a) The logistics manager has to achieve objectives of freight cost reduction, speed and reliability delivery. List and explain at least five factors that influence freight costs.

(5 marks)

- b) To move cargo, documentation is necessary either in paper or digital form. Several types of documents are required for facilitating cross-border movement of goods. Explain five documents necessary for exercising controls on cross-border movement of goods and currency flow, in and out of the country

(5 marks)

QUESTION FOUR

- a) Define bar coding and explain five advantages of Bar Coding of materials in organization

(5 marks)

- b)** Material handling system is classified on the basis of its degree of sophistication. Explain five various material handling systems **(5 marks)**

QUESTION FIVE

- a)** Many corporations are looking to improve their investment returns by finding new ways to cut cost and increase profitability. Name and explain the two most recent Information Technology tools that are supporting logistics

(6 marks)

- b)** Warehousing is the storing of finished goods until they are sold. Discuss major decisions organisations must consider in warehouse setting **(4 marks)**

QUESTION SIX

- a)** Inventory plays a crucial role in the supply chain of an organization. List and explain four benefits of carrying out inventory Management. **(6 marks)**

- b)** Material handling function has an effect on the efficiency and the speed of the warehousing operations. Explain four guidelines being followed for designing an effective and efficient material handling system. **(4 marks)**