



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING

DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT

EXAMINATION PAPER

COURSE CODE : CPS 408

COURSE TITLE : Material Planning and Production Control 2

SPECIAL REQUIREMENTS : NO SPECIAL REQUIREMENTS

DURATION : 3 Hours

LEVEL : 4:2

DATE :

29 JUN 2022

INSTRUCTIONS TO CANDIDATES:

1. No cell phones are allowed in the examination venue.
2. **QUESTION ONE IS COMPULSORY**
3. Answer **QUESTION ONE AND ANY THREE (3)** questions.
4. Begin each question on a new page.
5. The number of marks for each question or part question is shown in brackets []
6. Use of practical examples where necessary is encouraged

QUESTION ONE

Manenji Manufacturing Company has competition pressures which are forcing manufacturing companies to continuously seek new ways to manage their production capabilities more effectively in order to meet the demands of the market. In addition, to fulfilment of consumer needs and faster delivery times require efficient manufacturing controls and planning to ensure that productivity is maintained, stocks are minimized and resources are optimized. Part of management's drive in an organization is to ensure future sustainability. This involves the introduction and ongoing investment into advanced computerized information systems that can assist management across core production functions.

- a) As Manenji Procurement Manager, explain the strategies you will employ to reduce the competition pressures. **(15 Marks)**
- b) Explain how production is planned with the material requirements planning MRP as this system includes benefits and multiple objectives. **(10 Marks)**

SECTION B

QUESTION TWO

Economic order quantity (EOQ) or Economic Order Quantity (EOQ) Model attempts to find balance between too much and too little inventory by looking the optimal quantity that will deliver low cost of carrying inventory. Explain how this inventory management facilitate when managing inventory. **(25 Marks)**

QUESTION THREE

- a) Compare and contrast the continuous review system and periodic review system. **(10 Marks)**
- b) As a Procurement manager, recommend the best method to use and explain why? **(15 Marks)**

QUESTION FOUR

a) With reference to any organisation of your choice, explain how the following location methodology can be useful.

- i) Centre of gravity

(6 Marks)

ii) Breakeven analysis

(7 Marks)

b) Illustrate how the above methods can be compute to find the best location points.

(12 Marks)

QUESTION FIVE

Discuss the forecasting methods which can be used in any organisation of your choice, giving practical examples.

(25 Marks)

END