



ZIMBABWE EZEKIEL GUTI UNIVERSITY

FACULTY OF BUSINESS, ECONOMICS AND ACCOUNTING

DEPARTMENT OF BUSINESS ADMINISTRATION AND MANAGEMENT

EXAMINATION PAPER

COURSE CODE : CPS 205

COURSE TITLE : LOGISTICS IN PURCHASING AND SUPPLY

SPECIAL REQUIREMENTS :

DURATION : 3 Hours

LEVEL : 2.2

DATE : 19 MAR 2021

INSTRUCTIONS TO CANDIDATES:

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

Question 1

- a) Identify and explain any five inventory management techniques that you know. **(20 Marks)**
- b) Demand for KZ Company is 5000 units per year. The cost of ordering is \$1000 regardless of the size of the order. The cost of holding inventory is \$600 per year. Calculate the Economic Order quantity of KZ Company. Marks are awarded on clearly stating the formula. **(5 marks)**

Question 2

The objectives of demand forecasting are divided into short and long term objectives. Explain the short and long term objectives of demand forecasting. **(25 Marks)**

Question 3

- a) Define quality. **(5 Marks)**
- b) Explain quality from customer and manufacturer's view. **(8 Marks)**
- b) Explain the following types of costs as they are described in quality management:
- i) Prevention costs **(4 Marks)**
- ii) Appraisal costs **(4 Marks)**
- iii) Internal and external costs of failure **(4 Marks)**

Question 4

- a) Explain efficiency and responsiveness as choices of logistics competitive strategy. **(7 Marks)**
- b) Examine the role of sourcing and pricing as logistics drivers. **(18 Marks)**

Question 5

Describe any **four (4)** distribution network designs. **(25 Marks)**

END