



*University of Choice*

**MASINDE MULIRO UNIVERSITY OF  
SCIENCE AND TECHNOLOGY  
(MMUST)**

**UNIVERSITY MAIN EXAMINATIONS  
2022/2023 ACADEMIC YEAR**

**THIRD YEAR SECOND SEMESTER EXAMSK  
FOR THE DEGREE  
OF  
BACHELORS OF COMMERCE**

**COURSE CODE: BCB 333**

**COURSE TITLE: MATERIAL AND STORAGE MANAGEMENT**

**DATE: FRIDAY, 21<sup>ST</sup> APRIL 2023 TIME: 12:00 – 2:00PM**

---

**INSTRUCTIONS TO CANDIDATES**

Question ONE (1) is compulsory  
Answer other TWO questions  
Do not write anything on the question paper

MMUST observes ZERO tolerance to examination cheating

## **Dow Chemical's**

As a project manager in the business operations planning group. Kenneth Steele knew the problems and some potential improvements for Dow Chemical's decentralised methods for materials management. Each of Dow's commercial business units was organised along product lines resulting in many independently managed inventory and distribution systems. Incoming shipments of materials for production and outgoing shipments of products for customers were frequent. Moreover, these materials flows were not coordinated among the business units.

- a) Discuss the dimerits of Decentralized warehousing for Dow Chemical's (10 marks)
- b) Discuss some of the security measure that Kenneth Steele has to put in place to ensure safety of stock (10 marks)
- c) Explain any 5 principles of materials management that guide Dow Chemical's operations (10 marks)

### **Question Two**

- a) Explain the reasons under which an organization prefers to hold excessive inventories (10 marks)
- b) Explain the functions that stores control aims at achieving (10 marks)

### **Question Three**

- a) Explain any three aspects of materials handling (10 marks)
- b) Discuss any five documents/ records used in stores record keeping (10 marks)

### **Question Four**

- a) Discuss any five factors favoring automated storage and handling in an organization (10 marks)
- b) Why would an organization prefer centralized stores organization (10 marks)

### **Question Five**

- a) Discuss the importance of electronic record keeping in an organization (10 marks)
- b) Setting a high quality and consistent standards for materials received and produced is an important element in materials management. Discuss the importance of this (10 marks)