



The Chartered
Institute of Logistics
and Transport

The
Management
University
of Africa



Sponsored by the Kenya Institute of Management

CHARTERED INSTITUTE OF LOGISTICS AND TRANSPORT
(CILT) EXAMINATIONS

PROFESSIONAL DIPLOMA IN LOGISTICS AND TRANSPORT

CILT DIP: MANAGEMENT IN LOGISTICS AND TRANSPORT

DATE: 10TH JULY 2018

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 **THREE** questions.
6. Question **ONE** carries **25 MARKS** and the rest carry **15 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.

For over twelve years now, the leadership of Mr. Bright, Founder and CEO of Malik Logistics and Transporters Company Limited (MLT), a locally based logistics and transport company has managed to gradually grow the company's capital base by seventy five percent to its current value of 200 million shillings in its assets, networks, technology and goodwill amongst its target customers. It is the second largest logistics company in Kenya.

In a recent television interview, Mr. Bright attributed his success in acknowledging the most single important asset of his business is in his employees. "As an entrepreneur, you must realize you can achieve nothing much on your own. You have to **"empower"** your employees. You see, most business owners only stop at **"delegating responsibilities"**

Staff empowerment gives you the **"business muscle"** to reach unprecedented heights in the shortest time at minimum cost. I would be nothing without them. My staff are my face in the market!! When business challenges come knocking at your door, usually when we least expect, my employees have been my backbone.

I have a workforce of twenty seven, only two have had to leave as a result of family ties. None has left to work for my competitors while eight senior managers joined MLT from our competitors. We are one big family.

Questions

- a) Discuss **five advantages** of staff empowerment in relation to Mr. Bright's leadership that can account for his business success.

(10 Marks)

- b) Explain **five strategies** that Mr. Bright may have used to empower his staff.

(10 Marks)

- c) Explain **five ways** in which empowerment enhances the growth of business.

(5 Marks)

QUESTION TWO

- a) K.M Transporters, based in Mombasa Kenya, have been existence for five years and have only registered a 15% business growth. As a management consultant, advise the leaders of K. M. Transporters on how to use the **marketing matrix** to develop a sustainable competitive advantage. Use relevant examples

(15 Marks)

QUESTION THREE

- a) Describe **five stages** of team evolution. Use relevant examples to show strategies that can be adopted to maximize team formation in each stage

(10 Marks)

- b) Explain **five characteristics** of a self-directed work team.

(5 Marks)

QUESTION FOUR

- a) Business owners in the transport sector are currently struggling with employing the Y generation, also known as the millennial generation, and providing a work environment that keeps them engaged. Explain **three characteristics** of the Y generation.

(6 Marks)

- b) Explain **three motivation theories** and describe how one strategy from each theory can enhance the performance of **Y generation** employees in the transport and logistics industry.

(9 Marks)

QUESTION FIVE

- a) Mzalendo Logistics Limited Company based in Nakuru, Kenya is seeking to expand its market to other major towns in Kenya and other East African Countries. Explain **five sources of business finance** that would be available to them. Give reasons for your answer.

(10 marks)

- b) Explain five benefits of budgeting to the owners of Mzalendo Logistics Limited Company.

(5 marks)

QUESTION SIX

- a) Explain how the PESTLE Analysis Tool helps management in the logistics and transport sector understand the business environment. Use relevant examples from a Kenyan context

(12 Marks)

- b) Explain **three** reasons why a business owner needs to analyze and understand their business environment.

(3 Marks)