

2903/107
WAREHOUSING OPERATIONS AND
STOCK CONTROL
November 2017
Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL
DIPLOMA IN SUPPLY CHAIN MANAGEMENT

MODULE I

WAREHOUSING OPERATIONS AND STOCK CONTROL

3 hours

INSTRUCTIONS TO CANDIDATES

*This paper consists of SEVEN questions.
Answer any FIVE questions in the answer booklet provided.
All questions carry equal marks.
Candidates should answer the questions in English.*

This paper consists of 2 printed pages.

Candidates should check the question paper to ascertain that both pages are printed as indicated and that no questions are missing.

1. (a) Explain **five** advantages to an organization of using public warehouses to store its materials. (10 marks)
- (b) Some warehouse staff find it difficult to follow the laid down safety rules and procedures. Highlight **five** reasons that may account for such behaviour. (10 marks)
2. (a) Outline **five** sources from which an organization may receive its materials. (10 marks)
- (b) Explain **five** requirements that should be embraced for a successful adoption of the Just In Time (JIT) inventory control method. (10 marks)
3. (a) Mtokoh Company Limited is facing increased handling costs as a result of double handling of materials. Explain **five** ways of minimising such costs. (10 marks)
- (b) Explain **five** factors that a warehouse manager should consider when determining its buffer stock levels. (10 marks)
4. (a) Kerox Company Limited is experiencing high cases of material spoilage in its warehouse. Explain **five** measures that the warehouse manager should take to minimise the spoilage. (10 marks)
- (b) Tunda Company Limited has been using its storekeeper to undertake stocktaking exercises. Explain **five** disadvantages of using the storekeeper. (10 marks)
5. (a) Despite the increased automation of stores records, some organizations still maintain manual records. Explain **five** reasons that may have led to the situation. (10 marks)
- (b) Explain **five** reasons that may make it necessary for an organization to revise the coding system for its materials. (10 marks)
6. (a) Explain **five** factors that a warehouse manager should consider when choosing a method for issuing materials. (10 marks)
- (b) Describe **five** types of store layouts that an organization may adopt for its warehouses. (10 marks)
7. (a) Explain **five** ways in which packaging may contribute to the efficiency of warehousing operations in an organization. (10 marks)
- (b) Bentox Company Limited uses random stock location system in its warehouse. Explain **five** disadvantages of the system. (10 marks)

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