

2903/107

**WAREHOUSING OPERATIONS AND
STOCK CONTROL**

July 2019

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
both pages are printed as indicated and that no questions are missing.**

1. (a) XYZ Limited prefers to retain its warehousing function in-house as opposed to out-sourcing it. Explain the reasons for the company's preference. (10 marks)
- (b) The use of appropriate packages may contribute to reduction of certain costs in an organization. Explain the ways in which packages may minimise costs in warehousing operations. (10 marks)
2. (a) Explain the factors that a warehouse manager should consider when choosing a method to use when inspecting materials. (10 marks)
- (b) Highlight the advantages to an organization of using the team approach when conducting a stock-taking exercise. (10 marks)
3. (a) Explain the measures that a warehouse manager should take to ensure efficiency when issuing materials. (10 marks)
- (b) Highlight the types of information that a stock recording officer should enter in a stores ledger. (10 marks)
4. (a) Highlight the types of symbols that an organization may use to code its materials. (10 marks)
- (b) Explain the limitations of using the Just in Time (JIT) technique to control stock. (10 marks)
5. (a) Explain the factors that a warehouse manager may consider when determining the method of stock location to use. (10 marks)
- (b) Explain the ways in which an organization may minimise costs associated with stockholding. (10 marks)
6. (a) Explain the measures that a warehouse manager may take to enhance efficiency of a stores layout. (10 marks)
- (b) Highlight the objectives of handling materials in an organization. (10 marks)
7. (a) Explain the factors that may influence an organization to use packages when preserving its materials. (10 marks)
- (b) Explain the measures that an organization may take to control theft of materials in its warehouses. (10 marks)

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