

1903/101

**WAREHOUSING OPERATIONS
AND STOCK CONTROL**

July 2017

Time: 3 hours



THE KENYA NATIONAL EXAMINATIONS COUNCIL

**CRAFT CERTIFICATE IN SUPPLY CHAIN MANAGEMENT
MODULE I**

WAREHOUSING OPERATIONS AND STOCK CONTROL

3 hours

INSTRUCTIONS TO CANDIDATES

This paper consists of TWO sections; A and B.

Answer ALL questions in Section A and any other FOUR questions from Section B in the answer booklet provided.

Candidates should answer the questions in English.

This paper consists of 3 printed pages.

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

SECTION A: (32 marks)

Answer ALL the questions in this section.

1. State **three** approaches that a large distribution firm may adopt to organize its warehousing activities. (3 marks)
2. There are certain features of a transport vehicle that a warehouse officer should check before embarking on the off-loading of goods from the vehicle. List **three** such features. (3 marks)
3. State **three** advantages to a manufacturing firm that codes its materials properly. (3 marks)
4. State **three** reasons that make it necessary to establish a stock location method in a warehouse. (3 marks)
5. Identify **two** features of the Inverted-T stores layout. (2 marks)
6. State **three** problems that may arise from the failure of an organization to institute a preservation system for goods in its warehouse. (3 marks)
7. State **three** activities that should be undertaken in materials handling operations. (3 marks)
8. State **three** criteria that should be used in controlling stock under the ABC analysis method. (3 marks)
9. Name **two** types of documents that are used to facilitate the issuance of goods from a warehouse. (2 marks)
10. State **three** items of information that is required for a stock reconciliation exercise in an organization. (3 marks)
11. Identify **two** types of risks that goods made of rubber may be exposed to while in a warehouse. (2 marks)
12. Identify the methods that may be used to appropriately package each of the following goods: (2 marks)
 - (i) Gaseous goods
 - (ii) Stationery goods

SECTION B: (68 marks)

*Answer any **FOUR** questions from this section.*

13. (a) Explain **six** factors that may lead to deterioration of the relationship between the warehousing function and its user departments in an organization. (9 marks)
- (b) A warehouse officer in charge of the issuance section has stopped a stores clerk from issuing goods to a user department. Outline **four** reasons that may have influenced the officer to take this action. (8 marks)
14. (a) Describe **six** steps that a stores officer should follow when classifying goods in a warehouse. (9 marks)
- (b) The customers of Nguvu retail firm have complained about the difficulties in locating stock in the firm. Explain **four** likely adverse consequences to the firm of such a situation. (8 marks)
15. (a) Explain **six** challenges that a stores officer may face when working in a warehouse with a Through-Flow stores layout design. (9 marks)
- (b) Outline **four** problems that a stores officer may experience when packaging materials for customers. (8 marks)
16. (a) Biwa Company Limited does not have appropriate materials handling equipment for its warehouse. Explain **six** likely adverse consequences to the firm of this deficiency. (9 marks)
- (b) Some enterprises have adopted the stockless method of stock control in their warehousing operations. Outline **four** disadvantages of adopting this method. (8 marks)
17. (a) New Generation Enterprises which was established recently failed to maintain stock records in its operations. Explain **six** disadvantages to the enterprise of this failure. (9 marks)
- (b) Outline **four** circumstances under which a retail firm may prefer to use the continuous stocktaking method in its operations. (8 marks)

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