

1903/101

**WAREHOUSING OPERATIONS
AND STOCK CONTROL**

November 2016

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 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 questions in this section.

1. Outline **four** factors that a stock controller should take into consideration when selecting a stock control method for use in an organisation. (4 marks)
2. Highlight **four** advantages of using a computerised stock recording system in an organisation's warehousing operations. (4 marks)
3. State **three** principles of material handling that may guide a storekeeper in an organisation. (3 marks)
4. Identify **three** features of centralised warehousing. (3 marks)
5. Highlight **three** advantages of using polythene bags to package materials in an organisation. (3 marks)
6. Outline **three** reasons that may influence an organisation to undertake regular stocktaking exercises. (3 marks)
7. List **two** features of an efficient stock location system in a warehouse. (2 marks)
8. Highlight **four** advantages of adopting the imprest method of issuing materials from the warehouse. (4 marks)
9. Outline **three** disadvantages of using a U-flow store layout. (3 marks)
10. Outline **three** measures that may be taken to ensure safety of staff in a warehouse. (3 marks)

SECTION B (68 marks)

Answer any FOUR questions from this section.

11. (a) Highlight **four** negative consequences that an organisation is likely to experience as a result of overstocking materials. (8 marks)
- (b) Castup Company Limited recently automated its material coding system. Explain **six** reasons that may have necessitated such a move. (9 marks)
12. (a) Highlight **six** security measures that a storekeeper may take to ensure that materials in a warehouse are secure. (9 marks)
- (b) Explain **four** factors that a warehouse manager should consider when receiving materials into a warehouse. (8 marks)

13. (a) Delta Company Limited prefers the use of fixed stock location system in its warehouse. Highlight **six** reasons for such a preference. (9 marks)
- (b) Highlight **four** characteristics of an efficient stock recording system. (8 marks)
14. (a) Explain **six** ways in which an organisation may minimise the costs associated with material packaging. (9 marks)
- (b) Dynamic Company Limited recently introduced the use of forklifts in materials handling activities. Explain **four** safety precautions that should be observed when using such an equipment. (8 marks)
15. (a) Explain the nature of preparations that a warehouse manager should make for a stocktaking exercise in an organisation. (9 marks)
- (b) Highlight **four** circumstances under which an organisation may store materials in the stockyard. (8 marks)
16. (a) Explain **six** factors that an organisation should consider when planning the layout of its warehouse. (9 marks)
- (b) Highlight **four** problems that an organisation is likely to experience from using refrigeration as a method of preserving materials. (8 marks)

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