

1903/101  
WAREHOUSING OPERATIONS AND  
STOCK CONTROL  
November 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 TWO sections; A and B.*

*Answer ALL the questions in section A and any FOUR questions from section B in the answer booklet provided.*

*Maximum marks for each part of a question are as indicated.*

*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. State **four** factors that a warehouse officer should consider when selecting a stock location method for an organization. (4 marks)
2. Outline **four** benefits that may accrue to an organization from adopting straight line flow stores layout method in its warehousing operations. (4 marks)
3. State **three** reasons that make it necessary to prepare a goods return notes in stores operations. (3 marks)
4. State **four** features of the periodic stocktaking method. (4 marks)
5. State **three** reasons that may hinder an organization from installing a closed circuit television (CCTV) in its warehouse. (3 marks)
6. Name **four** types of hand operated materials handling equipment in warehousing operations. (4 marks)
7. Outline **three** factors that a warehouse officer may consider when selecting a packaging method for products in an organization. (3 marks)
8. State **three** advantages of using the two bin as a method of stock control. (3 marks)
9. State **two** factors that the management of an organization may consider when choosing the location of a warehouse. (2 marks)
10. Highlight **two** advantages of using sampling method when inspecting incoming materials in an organization. (2 marks)

**SECTION B (68 marks)**

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

11. (a) Highlight the preparations that a warehousing officer should make before carrying out a stocktaking exercise in an organization. (9 marks)
- (b) Explain **four** benefits that may accrue to an organization from instituting effective security measures in its warehousing operations. (8 marks)
12. (a) A newly established firm intends to set stock levels for its items. Highlight **six** factors that the firm should consider when setting the stock levels. (9 marks)
- (b) Kima Company Limited uses the automated stock recording method in its warehousing operations. Highlight **four** challenges that the organization may face when using such a method. (8 marks)
13. (a) Highlight **six** factors that may influence an organization to adopt the manual materials handling method in its warehouse operations. (9 marks)
- (b) Outline **four** types of secondary packages that an organization may use to package its goods. (8 marks)
14. (a) Explain **six** disadvantages of using refrigeration as a method of preserving goods in an organization. (9 marks)
- (b) Outline **four** features of an effective stores layout. (8 marks)
15. (a) Explain **four** limitations of using technical illustrations to code items in an organization. (8 marks)
- (b) Describe the procedure that a warehouse officer should follow when identifying the location of stock items in a warehouse. (9 marks)
16. (a) Outline the types of information considered in materials requisition notes. (9 marks)
- (b) Explain **four** disadvantages of centralizing the warehousing operations in an organization. (8 marks)

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