

Name \_\_\_\_\_

Index No. \_\_\_\_\_

2903/107

**WAREHOUSING OPERATIONS AND  
STOCK CONTROL**

July 2014

Time: 3 hours

Candidate's Signature \_\_\_\_\_

Date \_\_\_\_\_



**THE KENYA NATIONAL EXAMINATIONS COUNCIL**

**DIPLOMA IN SUPPLY CHAIN MANAGEMENT  
MODULE I**

**WAREHOUSING OPERATIONS AND STOCK CONTROL**

**3 hours**

**INSTRUCTIONS TO CANDIDATES**

*Write your name and index number in the spaces provided above.*

*Sign and write the date of the examination in the spaces provided above.*

*This paper consists of SEVEN questions.*

*Answer any FIVE questions in the spaces provided in this question paper.*

*All questions carry equal marks.*

*Do NOT remove any pages from this booklet.*

*Candidates should answer the questions in English.*

**For Examiner's Use Only**

Question	1	2	3	4	5	6	7	TOTAL SCORE
Candidate's Score								

**This paper consists of 16 printed pages.**

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

1. (a) Explain the measures which a warehouse manager may institute to enhance the performance of the production department in an organization. (10 marks)
- (b) Explain five circumstances that may necessitate the use of "free issue method" for stocks in an organization. (10 marks)
2. (a) Materials coding systems in large organizations are usually automated. Explain the reasons for the automation. (10 marks)
- (b) Explain the factors that may contribute to the failure of inspection process in an organization. (10 marks)
3. (a) Kinshar Company Limited prefer the use of zonal stock location method in its warehouse. Explain the factors that could have led to the preference. (10 marks)
- (b) Dynamix Company Limited has made a decision to change the stores layout. Highlight five reasons that might have contributed to the decision. (10 marks)
4. (a) Packaging is one of the materials preservation methods. Explain the factors which may account for the preference of the method in materials management. (10 marks)
- (b) Explain five logistical aspects of packaging activity in a large manufacturing firm. (10 marks)
5. (a) Explain the safety precautions that should be observed when using forklifts in a warehouse. (10 marks)
- (b) "Just In Time" (JIT) approach of inventory control is not adopted by some firms. Highlight the factors that could be hindering the adoption. (10 marks)
6. (a) Explain the factors that a warehousing manager could consider when facilitating reduction in leadtime. (10 marks)
- (b) Manual stock recording systems are used by some firms despite the current technological advancements. Explain five circumstances that may account for the situation. (10 marks)
7. (a) Explain the nature of preparation an organization should undertake before a stock-taking exercise. (10 marks)
- (b) One of the major costs at Adam's Company Limited is settlement of claims against deaths and injuries of its warehouse staff. Explain five ways of reducing the cost. (10 marks)