



MACHAKOS UNIVERSITY

University Examinations for 2018/2019 Academic Year

SCHOOL OF BUSINESS AND ECONOMICS

DEPARTMENT OF BUSINESS ADMINISTRATION

FIRST YEAR FIRST SEMESTER EXAMINATION FOR

DIPLOMA IN PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

DPS104: WAREHOUSING OPERATIONS AND STOCK CONTROL

DATE: 6/5/2019

TIME: 11.00-1.00 PM

INSTRUCTIONS: Attempt Question ONE and any other TWO question

Question one compulsory (30 marks)

- a) Explain the difference between the term stock location and warehouse location. (4 marks)
- b) Explain the reasons that necessitate organizations to store materials. (6 marks)
- c) Highlight the various costs which are associated with the holding of materials in an organization. (6 marks)
- d) Outline the functions of a warehouse in an organization. (4 marks)
- e) Highlight the types of stock layouts that can be adopted in organizations. (4 marks)
- f) Highlight the various methods of dispatching materials outside the organization. (6 marks)

QUESTION TWO (20 MARKS)

- a) Describe the material issue procedure from an organizational warehouse. (10 marks)
- b) Explain the reasons that would favour the use of replacement method of materials for internal use. (10 marks)

QUESTION THREE (20 MARKS)

- a) Explain the factors to consider when selecting the method of dispatching materials to external customers. (10 marks)
- b) Explain the operational aspects of a storage accommodation that should be considered when designing a warehouse. (10 marks)

QUESTION FOUR (20 MARKS)

- a) Explain the various reasons that have led to the continued use of manual handling within some organizations in Kenya. (10 marks)
- b) Explain the measures that may be instituted in a warehouse to ensure security of the materials dealt in. (10 marks)

QUESTION FIVE (20 MARKS)

- a) Explain the challenges that a storekeeper could face while using a fixed stock location system in its warehouses. (10 marks)
- b) Material codification is a pre-requisite to warehouse efficiency. Discuss. (10 marks)